

September 9, 2016

Kevin Sweet, Town Administrator
Town Building
195 Main St.
Maynard, MA 01754

Reference: 129 Parker Street: Updated Review, “The Shoppes at Maynard Crossing”

Dear Mr. Sweet:

Per your request, I am providing an updated fiscal impact projection for the proposed “Shoppes at Maynard Crossing,” a mixed-use development to be constructed on a 58-acre site at 129 Parker Street. As we understand it, the developer’s proposal is slightly different than the plan we reviewed over a year ago. According to your development agreement with Capital Properties Group and information we received from Mr. Depietri, the proposed redevelopment of 129 Parker Street will include the same components we analyzed in 2015, but some of the floor space assumptions have changed. The following table compares the Shoppes at Maynard Crossing as it existed last year and the project as presented in the proponent’s June 28, 2016 site plan.

Table 1. Shoppes at Maynard Crossing: Project Components			
Land Use	2015 Review	2016 Review	Difference
Supermarket	65,000 sq. ft.	68,000 sq. ft.	+3,000 sq. ft.
Inline retail space	163,050 sq. ft.	139,490 sq. ft.	-23,560 sq. ft.
Flex/office space	82,720 sq. ft.	85,750 sq. ft.*	+3,000 sq. ft.
Multifamily housing	175 units	180 units	+5 units**
Senior independent living units	142 unit	143 units	+1 unit
Sources: Shoppes at Maynard Crossing Site Plan, prepared by CI Group for Capital Properties Group, Inc., dated June 28, 2016; 129 Parker Street Development Memorandum of Agreement, September 6, 2016.			
*The flex/office space component includes redevelopment of an existing, vacant 50,000 sq. ft. building on the site.			
**The multifamily component originally consisted of 200 units, but the number of apartments had been reduced to 175 as of the last time we looked at this development.			

Using current assessed value per sq. ft. assumptions that we received from the Town Assessor, Angela Marrama, we find that the proposed project will, at buildout, generate a total of \$1,457,400 in real estate tax revenue, of which \$1,354,000 will constitute new growth in the tax base. This is explained in Table 2.

Land Use	Floor Area (Sq. Ft.)	Value/Sq. Ft.	Land Area (Acres)	Est. Tax Revenue (Rounded)
Supermarket	68,000 sq. ft.	\$135.40		\$272,300
Inline retail space	139,490 sq. ft.	\$88.08		\$363,300
Flex/office space	85,750 sq. ft.	\$92.13		\$233,600
Multifamily housing	178,500 sq. ft.	\$74.60		\$283,000
Senior living units	127,328 sq. ft.	\$74.60		\$201,800
Land parcel 1			40.11	\$66,700
Land parcel 2			18.77	\$36,700
Total				\$1,457,400
Total New Growth				\$1,354,000

Sources: Shoppes at Maynard Crossing Site Plan, prepared by CI Group for Capital Properties Group, Inc., dated June 28, 2016; 129 Parker Street Development Memorandum of Agreement, September 6, 2016; Angela Marrama, Town Assessor, Sept. 7, 2016; and RKG Associates, Inc.

We further estimate that the residential components will generate approximately \$85,000 in excise tax revenue [(180 multifamily units * 1.5 cars per unit * \$250 per car = \$67,500); (71 senior units * 1 car per unit * \$250 per car = \$17,750); \$67,500 + \$17,500 = \$85,250]. This brings the total recurring sources of revenue from The Shoppes at Maynard Crossing to \$1,439,000.

Using the same methodology that guided our earlier fiscal impact analysis and updated service cost assumptions, we estimate that at full buildout, the Town’s cost to provide municipal and school services to the businesses and residents at 129 Parker Street will be substantially as presented in Table 3. Conservatively, we estimate the total cost of community services at \$883,800.

Land Use	Component	Municipal Service Cost Assumptions	School Cost Assumptions	Total Cost of Services (Rounded)
Supermarket	68,000 sq. ft.	0.99/ft.		\$67,300
Inline retail space	139,490 sq. ft.	\$1.03/ft.		\$143,700
Flex/office space	85,750 sq. ft.	0.63/ft.		\$54,000
Multifamily housing	180 units	\$1,052/unit	\$10,300/student	\$560,200
Senior living units	143 units	\$410/unit		\$58,600
Total				\$883,800

Sources: Shoppes at Maynard Crossing Site Plan, prepared by CI Group for Capital Properties Group, Inc., dated June 28, 2016; 129 Parker Street Development Memorandum of Agreement, September 6, 2016.

Together, the estimated real estate and excise tax revenue and cost of community services associated with this project mean that in any given year, the development will generate surplus revenue of approximately **\$555,200** and a total cost-to-revenue ratio of **0.61**. This development will also generate one-time revenues of approximately \$800,000 from building permit fees. Neither of these projections accounts for any exactions the Town may have negotiated with the proponent and memorialized in the development agreement.

If you have any questions, please don't hesitate to call me at (617) 847-8912, ext. 2, or email me at jbarrett@rkgassociates.com.

Sincerely,



Judi Barrett
Director of Municipal Services

