

# **Impact Analysis**

## **Zero Grove Street Lexington, MA**

**Owner: A. Raymond Carchia Trust**

**Applicant: North Shore Residential  
Development, Inc.  
August 19, 2016**

**Prepared By  
Fougere Planning & Development, Inc.**

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# **FISCAL IMPACT ANALYSIS**

## **North Shore Residential Development, Inc.**

**August 19, 2016**

### **1. Project Synopsis**

Fougere Planning and Development, Inc. has been engaged by North Shore Residential Development, Inc. to undertake this Fiscal Impact Analysis in order to outline the potential financial impacts to the Town of Lexington (“the Town”) from three residential development options being proposed; the construction of a 13 lot single family home with a new town road; a 28 unit Balanced Housing Development proposal; and a 33 unit Public Benefit Development option that will set aside 3 units (10%) meeting affordable housing requirements. This 12.42 acre site is located on Grove Street and adjoins the town line with Burlington. For this assignment, a comparative analysis was undertaken to review the fiscal impacts of all three residential development scenarios.

Based on the extensive research, review of local documents, and interviews with numerous public officials described herein, this analysis concludes that:

- \* The 13 lot single family home subdivision will have an annual positive fiscal impact of \$45,345.;
- \* The Balanced Housing Development option will have an annual positive impact of \$92,579.; and
- \* The Public Benefit Development program will have a positive annual fiscal impact of \$44,895. (this last value does not include the fiscal and social benefits of adding three affordable units to Lexington’s affordable inventory.).

## **1.1 Summary of Findings – Single Family, Balanced Housing & Public Benefit**

- Reflecting New England wide trends, Lexington is an aging community with those individuals over the age of 60 increasing 12.3% since 2000.
- The single family development with 13 lots will be accessed by a new public road and it is estimated that 21 school age children will reside within the project. The fiscal analysis estimates a positive annual impact of \$45,345.
- For the Balanced Housing Development all road maintenance will be private; as well as all trash collection, removing these costs from the community. It is estimated that 23 school age children will reside within the project. The fiscal analysis estimates a positive annual impact of \$92,579.
- The Public Benefit Development will also have private road maintenance and trash collection removing these costs from the community. It is estimated that 27 school age children will reside within the project. The fiscal analysis estimates a positive annual impact of \$44,895.
- Under all development scenarios, it is anticipated that building permit fees will total approximately \$160,000.
- Other economic benefits are projected as a result of the proposed residential community, including additional meals taxes, local economic growth, and new construction jobs.

## 2.0 Introduction

Fougere Planning and Development, Inc. has been engaged by North Shore Residential Development, Inc. to undertake this Fiscal Impact Analysis in order to outline the potential financial impacts to the Town of Lexington (“the Town”) from three residential development options; the construction of a 13 lot single family home project with a new town road and two Special Permit subdivisions: one proposing a 28 unit Balanced Housing Development and a second proposing a 33 unit Public Benefit Development that includes 30 market rate units and 3 affordable housing units. The 12.42 acre site on Grove Street is proximate to both the Bedford and Burlington town lines. For this assignment, a comparative analysis was undertaken to review the fiscal impacts of all three residential development scenarios.

The single family development (5/6 bedroom homes) will include 13 lots with a new 1,400 foot long town maintained road and an adjoining five foot wide sidewalk. No common open space will be provided. Total Gross Floor area permissible under the Lexington Zoning Bylaw for these 13 houses is in excess of 132,000 square feet.

The Balanced Housing Development plan includes a mix of 28 units of housing including single family homes and two family townhomes; Table 1.

**Table 1  
Balanced Housing Unit Mix**

<b>Unit Type</b>	<b># Units</b>	<b># Bedrooms</b>
Duplex Empty Nester <sup>1</sup>	6	2
Duplex Townhome-small	2	2
Duplex Townhome-moderate	4	3
Duplex Townhome-large	12	4
Single Family	4	4

The Balanced Housing plan will be accessed by a private looped drive with associated parking and onsite amenities. All on-site roads, parking areas and trash pickup will be

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<sup>1</sup> Units geared towards older residents; first floor master bedroom.

privately maintained. Town sewer and water will service the site with user fees covering all costs. The cost of building this infrastructure will be paid by North Shore. A minimum of 33% of the site is required to be common open space, whereas up to 60% is proposed with the Special Residential Developments. Conservation Restrictions will be placed on a majority of the open space and common amenities will be provided including play areas, walking trails and a gazebo. Total Gross Floor area permissible under the Lexington Bylaw for these 28 townhomes is approximately 93,000 square feet.

The Public Benefit Housing option will have 33 units of housing, including 3 units that will be affordable and will be offered to and sold to LexHab for approximately \$180,000 each, well below market rate of \$700,000; Table 2. This development will also be privately maintained and will provide the same on site amenities as the Balanced Housing plan.

**Table 2  
Public Benefit Housing Unit Mix**

<b>Unit Type</b>	<b># Units</b>	<b># Bedrooms</b>
Duplex Empty Nester <sup>2</sup>	8	2
Duplex Townhome-small	5	2
Duplex Townhome-moderate	5	3
Duplex Townhome-large	10	4
Single Family	5	4

## **2.1 Local Trends**

### **Population**

Lexington’s population has seen modest growth over the last 14 years, with new residential development attracting young families along with the sale of existing housing units.

Census<sup>3</sup> figures report that from 2000 to 2014 Lexington’s population increased from 30,355 to 32,306 representing a 6.4% growth rate over the 14-year census period. During this same time frame school K – 12 enrollments have increased 19.1%, rising from 5,807 to 6,918<sup>4</sup>. Even with the in migration of young families, Lexington has aged, with those

<sup>2</sup> Units geared towards older residents; first floor master bedroom.

<sup>3</sup> 2000 Census figures and 2014 American Community Survey.

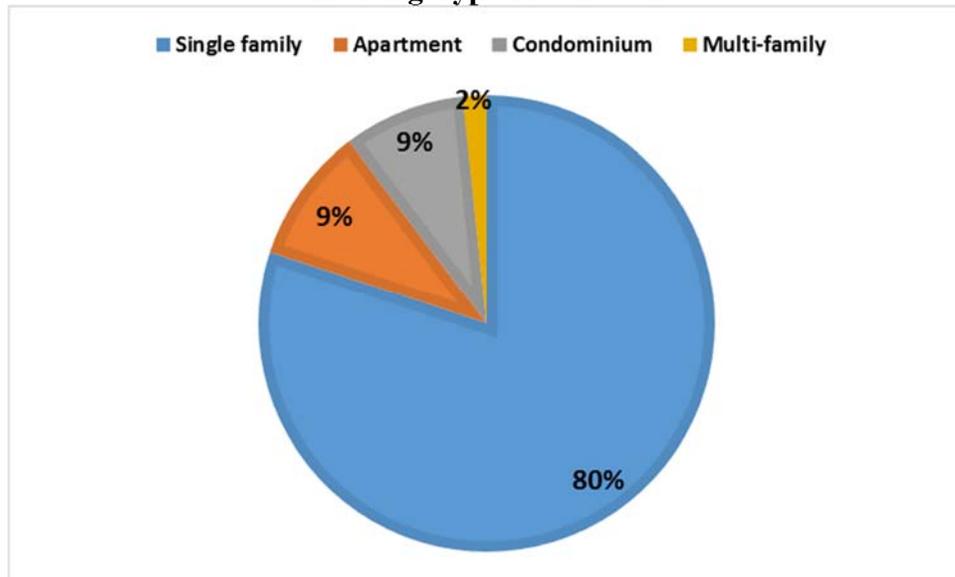
<sup>4</sup> Appendix C, Five-year Enrollment Forecast Study, 2014 & School Department 2016 figures.

over the age of 60 increasing from 7,248 to 8,151 (a 12.3% increase) since 2000. Due to these factors, the median age in Lexington rose from 43.7 to 45.4 This “aging trend” is not only occurring in Lexington, but throughout New England, as all six New England states rank within the top ten for the oldest median age<sup>5</sup> in the Country.

## Housing

The majority of Lexington’s housing stock consists of single family homes, with town housing data<sup>6</sup> showing 9,129 units (80%) out of a total housing stock of 11,398; Figure 1.

**Figure 1**  
**Housing Type Breakdown**



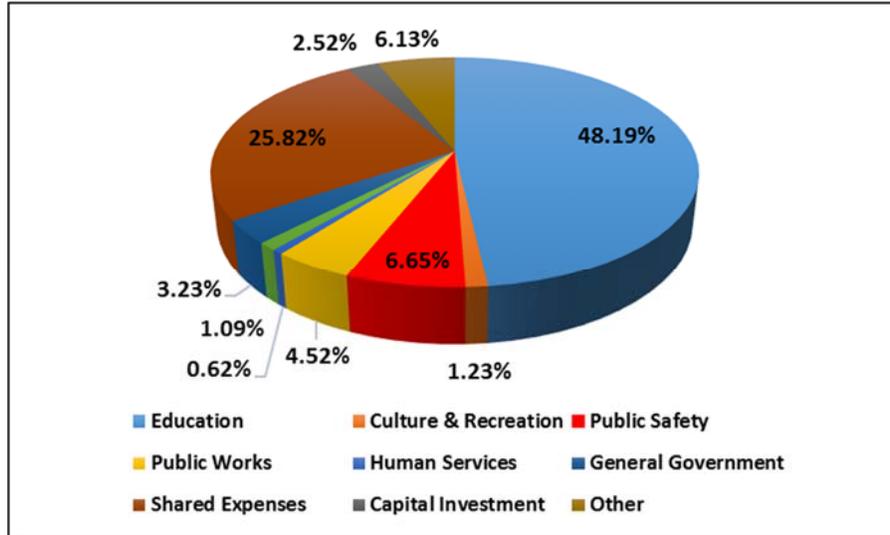
## Budget History

Lexington’s total operating budget for 2016 is \$193,549,109 increasing 24.88% over the last four years. Public Safety, Education and Public Works account for 59.3% of the total budget; Figure 2. These Departments have the largest personnel and the most direct impact on municipal expenditures. Given the large budgetary impact these Departments have on the community, they are the primary focus of this Report. Table 3 outlines total appropriations of all Departments over the last four years.

<sup>5</sup> 2014 US Census Bureau median age statistics.

<sup>6</sup> Appendix C, Five-year Enrollment Forecast Study, Housing data

**Figure 2  
General Fund FY2016**



**Table 3  
Appropriation History<sup>7</sup> 2013 – 2016**

	2013	2014	2015	2016	% Change
<b>Education</b>	\$76,333,751	\$81,439,081	\$87,868,313	\$93,263,130	<b>22.18%</b>
Culture & Recreation	\$2,015,196	\$2,144,832	\$2,219,079	\$2,374,295	<b>17.82%</b>
<b>Public Safety</b>	\$11,504,316	\$11,534,278	\$12,135,415	\$12,880,489	<b>11.96%</b>
<b>Public Works</b>	\$8,548,008	\$8,885,551	\$8,750,945	\$8,749,573	<b>2.36%</b>
Human Services	\$1,070,890	\$1,091,789	\$1,220,133	\$1,203,663	<b>12.40%</b>
Land Use, Inspect., E. Dev.	\$1,589,033	\$1,555,553	\$1,854,071	\$2,111,067	<b>32.85%</b>
General Government	\$4,715,694	\$5,194,704	\$5,777,669	\$6,259,183	<b>32.73%</b>
Shared Expenses	\$42,869,082	\$41,857,833	\$47,352,943	\$49,978,942	<b>16.59%</b>
Capital Investment	\$3,902,794	\$6,919,202	\$5,958,117	\$4,871,905	<b>24.83%</b>
Other	\$2,436,250	\$8,661,056	\$7,049,726	\$11,856,862	<b>386.68%</b>
<b>Total</b>	<b>\$154,985,014</b>	<b>\$169,283,879</b>	<b>\$180,186,411</b>	<b>\$193,549,109</b>	<b>24.88%</b>

Not surprisingly, the Education and Public Safety Departments have the largest budgets, followed closely behind by DPW. The Education Department has seen the largest dollar increase over the last four years, increasing by \$16,929,380. Given the significant enrollment pressures being experienced by the Department this large increase in spending

<sup>7</sup> Lexington FY2016 Recommended Budget & Fin. Plan, 2-27-2015.

is to be expected. Benefits play a major role as budget drivers, rising 16.59% over this four year time period. Overall, total appropriations have increased 24.88% since 2013.

### **3.0 Fiscal Methodology**

There are a number of methodologies that are used to estimate fiscal impacts of proposed development projects. The Per Capita Multiplier Method is the most often used analysis to determine municipal cost allocation. This method is the classic “average” costing method for projecting the impact of population growth on local spending patterns and is used to establish the costs of existing services for the new development. The basic premise of this method is that current revenue/cost ratios per person and per unit is a potential indicator of future revenue/cost impacts occasioned by growth. The advantage of this approach is its simplicity of implementation; however, the downside of this approach is that the methodology calculates the “average” cost as being the expected cost, which is often not the case, and costs can be exaggerated—in some cases significantly. For most new land uses, many department budgets are not measurably impacted in any long term way. To account for this, we have approached this analysis to measure developmental impacts to reasonably estimate potential actual costs that may occur in the community. In reviewing exclusively those town departments that will realize a measurable impact, a truer picture of anticipated costs impacts can be determined.

At the beginning of this project, meetings were held by us with key town department heads and officials. The purpose of these meetings was to outline the fiscal impact approach, as well as to hear from local officials relative to their concerns about present service capacity and how the proposed development scenarios may impact them. Specifically, meetings and/or discussions took place with the School Superintendent, DPW, Fire and Police. For the 13 lot single family home development, a broader array of town departments will be impacted including schools, DPW, and Public Safety. The Balanced Housing and Public Benefit proposal will impact both the school and public safety departments; all on site roads and sanitation expenses will be privately addressed.

The following analysis will examine the impacts to town departments from all development proposals, the 13 lot single family home development, the 28 unit Balanced Housing plan and the 33 unit Public Benefit Development option.

#### **4. Local Revenues**

##### **4.1 Property Tax Revenue**

Local property taxes provide the bulk of General Fund Revenue<sup>8</sup> for the Town, with 2016 figures showing that 79.8% came from this revenue source, the remaining income being received from State Aid (5.9%) and Other Receipts. The 2016 Real Estate Tax Rate for residential uses is \$14.60; the industrial/commercial rate is \$28.40.

Table 5 outlines the estimated municipal property tax revenue that will be generated by the three projects. Based upon a an estimated value for the single family home development, an estimated \$423,000 in property taxes will be generated, \$496,400 estimated for the Balanced Housing alternative and \$518,000 for the Public Benefit Development plan.

**Table 5  
Anticipated Yearly Property Tax Revenue**

<b>Project Type</b>	<b>Estimated Project Value</b>	<b>Yearly Property Tax Revenue</b>
13 Single Family	\$29,000,000	<b>\$423,400</b>
28 Units Balanced Housing	\$34,000,000	<b>\$496,400</b>
33 Units Public Benefit	\$35,500,000	<b>\$518,300</b>

##### **4.2 Excise Tax Revenue**

Another major revenue source for the community is from local motor vehicle excise taxes. In fiscal year 2016, the Town estimated \$4,500,000 from this revenue source from the registration of 29,486 vehicles<sup>9</sup>; resulting in an average registration cost of \$152.61. Based upon a projection of the number of vehicle registrations per home, an excise tax revenue stream can be calculated; Table 6.

<sup>8</sup> Lexington FY2016 Recommended Budget & Fin. Plan, 2-27-2015.

<sup>9</sup> Town Clerk's Office

**Table 6**  
**Motor Vehicle Excise Taxes**

13 Single Family Homes	26 cars x \$152.61	<b>\$3,967</b>
28 Units Balanced Housing	52 cars x \$152.61	<b>\$7,935</b>
33 Units Public Benefit	59 cars x \$152.61	<b>\$9,003</b>

### 4.3 State Revenue

Chapter 70 education aid is the Commonwealth’s primary program for distributing its portion of K – 12 public education funding to local communities. The formula aims to ensure that each school district has sufficient resources to provide an adequate education for all of its students.<sup>10</sup> The formula is based upon a number of factors including enrollments, demographic groups, education spending categories, and income and property values. In 2015<sup>11</sup>, Lexington received \$9,584,428 from this revenue source or \$1,418 per student. With the rising enrollments the School Department has been seeing per student Chapter 70 aid is steadily increasing; Table 7. As outlined below, this Aid is subtracted from gross per student costs to generate an estimated net per student cost.

**Table 7**  
**Chapter 70 Aid 2013 - 2016**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Chapter 70	\$7,876,799	\$8,657,571	\$9,584,428	\$9,824,039
Enrollment	6,506	6,610	6,785	6,925
Per Student Aid	\$1,210	\$1,309	\$1,412	\$1,418

<sup>10</sup> MassBudget: Budget and Policy Center Outline

<sup>11</sup> 2016 Chapter 70 was noted as “estimated”, so 2015 figures were used.

## 5.0 Department Impacts

### 5.1 Police Department

To assess a fiscal impact of this project the Consultant reviewed the breakdown of residential and non-residential assessments in the community which shows that 88% of Lexington is assessed residentially; therefore we have assigned 88% of the Police Department's budget to residential uses. This analysis results in an estimated Police Department impact of \$10,400 for the single family home development, \$17,000 for the Balanced Housing plan and \$20,000 for the Public Benefit option; Table 8.

**Table 8  
Police Department Fiscal Impact**

<b>2016 Police Budget<sup>12</sup></b>	<b>\$7,344,272</b>
<b>88% Residential</b>	
<b>% Budget Residential</b>	<b>\$6,462,959</b>
<b>32,306 Town Residents</b>	
<b>Cost Per Capita</b>	<b>\$200</b>
<b>Projected Cost</b>	<b>\$10,400</b>
<b>13 Single Family – 52 persons</b>	
<b>28 Balanced – 85 persons<sup>13</sup></b>	<b>\$17,000</b>
<b>32 Public Benefit – 100 Persons</b>	<b>\$20,000</b>

The Consultant discussed the project with Police Chief Mark Corr to review the development options. The Chief's largest concern was to ensure the site drives had proper site distance to reduce the chance of future accidents which would increase calls to the Department. The Chief has noticed that with new residential developments, there can be an increase in calls into the Department but that after residents have settled into their living environment, activity tends to quiet down quickly. The Chief was not overly concerned with the impacts of either project on his operations. The Police Chief reported that the average starting police officer salary was approximately \$75,000.

<sup>12</sup> Includes employee benefits \$11,384 per person.

<sup>13</sup> Empty nester 2.5 persons per unit, 3 persons for townhomes and 4 per unit for single family.

## 5.2 Fire Department

A meeting was held with the Assistant Chief John Fleck to discuss the projects. Assistant Chief Fleck approved of the loop road systems outlined in both development options. Overall he did not see any issues with the projects and would expect few new calls into the Department. The Assistance Chief noted average salary of a firemen is \$65,000 not including benefits or overtime expenses.

As with the Police Department, to assess a fiscal impact of this project on the Fire Department, the same methodology was used by assigning 88% of the Fire Departments budget to residential uses. The proposed single family development project is expected to have an occupancy of 52 residents and the Balanced Housing option 103. The Fire Department budget for 2016 is \$7,107,210 and the most recent census data indicates that Lexington has a population of 32,306<sup>14</sup>; dividing the town's population into the Fire Department's budget arrives at a per capita cost of \$193.59 per person resulting in an estimated yearly fiscal impact of \$10,067 for the single family development and \$16,455 for the Balanced Housing project and \$19,359 for the Public Benefit option; Table 9.

**Table 9  
Fire Department Fiscal Impact**

<b>2016 Fire Budget<sup>17</sup></b>	<b>\$7,107,210</b>
<b>88% Residential</b>	
<b>% Budget Residential</b>	<b>\$6,254,344</b>
<b>32,306 Town Residents</b>	
<b>Cost Per Capita</b>	<b>\$193.59</b>
<b>Projected Cost</b>	
<b>13 Single Family – 52 persons</b>	<b>\$10,067</b>
<b>28 Balanced – 85 persons<sup>18</sup></b>	<b>\$16,455</b>
<b>33 Public Benefit – 100 Persons</b>	<b>\$19,359</b>

<sup>14</sup> 2010-2014 American Community Survey.

<sup>17</sup> Includes Fringe Benefits & retirement.

<sup>18</sup> Empty nester 2.5 persons per unit, 3 per townhome and 4 persons per unit all other unit types

The town derives revenue from ambulance calls, but given the proposed land use few calls are expected and therefore this revenue stream was not included.

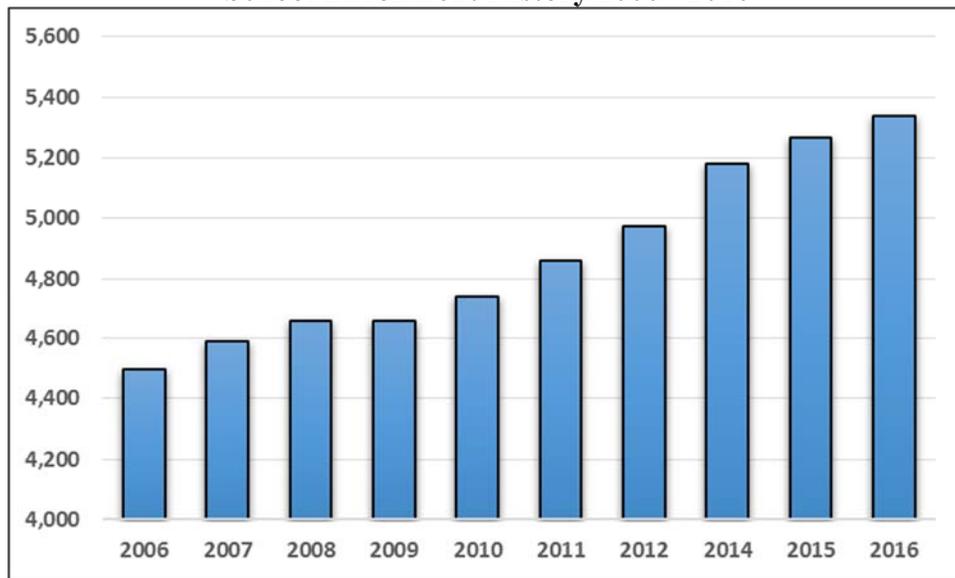
## 6.0 School Department

As noted earlier, educational costs traditionally make up the largest single department in a community's budget, and this remains true in Lexington with \$93,263,130 allocated to supporting the school system<sup>19</sup> out of a total budget of \$193,549,000. At this time the school system is seeing significant growth pressures, rising 10% between 2008 and 2014<sup>20</sup>, challenging both the Town's capital facilities as well as the staffing levels.

### 6.1 Enrollment History

Because of its strategic location and excellent reputation, the Lexington school system has seen a dramatic rise in enrollments since 2006, increasing by 842 students or 18.73%; Figure 4. This enrollment growth has expanded staffing levels<sup>21</sup> from 581 to 644 since 2010, a 10.8% increase.

**Figure 4**  
**School Enrollment History 2006 - 2016**



<sup>19</sup> \$92,060,316 local school costs & \$1,202,814 Regional Schools

<sup>20</sup> EWG Report, Five-year Enrollment Forecasts.

<sup>21</sup> LTNA Subcommittee Draft Report 1.13.15

Based upon the most recent enrollment projections from Enrollment Working Group, the enrollment growth trend is anticipated to continue into the foreseeable future.

## 6.2 School Facilities

The Town of Lexington has nine schools; five elementary Grades K – 5, two Middle serving Grades 6 - 8, and one High School. The Department’s schools, capacity, and April enrollment figures are outlined in Table 10.

**Table 10  
School Facilities**

<b>School</b>	<b>Capacity</b>	<b>Capacity w/portables</b>	<b>Apr-16</b>
Bowman Elementary	578		<b>594</b>
Bridge Elementary	573		<b>573</b>
Fiske Elementary	486		<b>524</b>
Harrington Elementary	417		<b>461</b>
Estabrook Elementary	596		<b>529</b>
Hastings Elementary	376	468	<b>436</b>
Jonas Clarke Middle	824		<b>857</b>
Wm Diamond Middle	793	810 - 828	<b>785</b>
Lexington High	2,270		<b>2,158</b>

As outlined in Table 10, a majority of Lexington’s school facilities are presently over or approaching capacity. Modular classrooms exist at Hastings and Diamond with others school sites under consideration. Students residing at the subject site will attend the Estabrook Elementary School which presently has adequate capacity and Diamond Middle School, which is presently served by portable classrooms. A major building project is schedule for both middle schools starting in 2018 and will take two years to complete. Expanding capacity of the other elementary schools is in various stages of planning; the District is also reviewing redistricting options to address capacity needs as well.

### **6.3 Projected School Enrollment Estimates**

To gain an understanding of this community's potential school related fiscal impact, the anticipated number of school children that may be generated by the three development scenarios needs to be analyzed. To estimate the number of school age children that could be expected from the proposed development options, the Consultant obtained comparable housing developments from both the Client and Planning Officials totaling 86 units; these include empty nester homes, duplex townhomes and single family homes. The School Department provided the number of students that are presently residing in these developments which outlined a range of school age children per unit type. The empty nester residence showed no children living in the homes, the townhomes showed a range of .22 to .75 children per unit or an average of .44 children per home; the single family home development averaged 1.17 school child per home.

In December of 2014 the town's Enrollment Working Group (EWG) produced their findings entitled Five-year Enrollment Forecasts for the Lexington Public Schools. The primary focus of this group's work was to derive new student enrollment projections taking into consideration Lexington's unique circumstances. Traditional enrollment projection methodologies were failing to adequately estimate future enrollments accurately creating significant planning obstacles. As part of this analysis, the Group obtained information relative to the number of students per housing unit; creating a "student density" value of 1.6 children per housing unit (where students are present).

To estimate enrollments for the proposed residential development scenarios, two sources of information was used, values derived from the EWG Enrollment Report and figures obtained from the Lexington School system on a number of similar type of residential developments; these findings are outlined in Table 11.

**Table 11  
Local Enrollment Figures**

<b>Unit Type</b>	<b># Units</b>	<b># SAC<sup>22</sup></b>	<b>SAC Per Unit</b>
Empty Nester	6	0	0
Townhome	8	5	0.63
Townhome	20	9	0.45
Townhome	9	2	0.22
Townhome	13	5	0.38
Townhome	12	7	0.58
<b>Total Townhome</b>	<b>68</b>	<b>28</b>	<b>0.41</b>
Single Family	12	14	1.17
<b>EWG Enrollment Study - student density</b>			<b>1.61</b>

The findings from the School Department showed the empty nester units, those with the master bedroom on the first floor, had no children living in them; the townhome units ranged from .22 to .75 school age children (SAC) per unit and the single family home development averaged 1.17. As noted previously, the EWG Report analysis derived a value of 1.6 children per home in those homes where children were present. Not all homes have children, but when they do their analysis determined the 1.61 figure.

To estimate a school age population for the two residential development options, a conservative approach was taken. For the empty nester units a .5 SAC per home was applied, the higher average for townhome units was used at .75 SAC per unit and for the single family homes the higher 1.6 SAC per home was used: Table 12.

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<sup>22</sup> SAC School Age Children

**Table 12**  
**Estimated School Age Children**

	# Units	# Bedrooms	SAC Per unit	Total SAC
<b>Single Family Homes</b>	<b>13</b>	<b>4</b>	<b>1.6</b>	<b>21</b>
<b>Balanced Housing</b>				
<b>Unit Type</b>				
Duplex Empty Nester	6	2	0.5	3
Duplex Townhome-small	2	2	0.75	1.5
Duplex Townhome-moderate	4	3	0.75	3
Duplex Townhome-large	12	4	0.75	9
Single Family	4	4	1.6	6.44
<b>Total Units</b>	<b>28</b>		<b>Total Children</b>	<b>23</b>
<b>Public Benefit</b>				
<b>Unit Type</b>	<b># Units</b>	<b># Bedrooms</b>	<b>SAC Per Unit</b>	<b>Total SAC</b>
Duplex Empty Nester	8	2	0.5	4
Duplex Townhome-small	5	2	0.75	3.75
Duplex Townhome-moderate	5	3	0.75	3.75
Duplex Townhome-large	10	4	0.75	7.5
Single Family	5	4	1.6	8
<b>Total Units</b>	<b>33</b>		<b>Total Children</b>	<b>27</b>

Based on this analysis, the single family home project will have 21 school age children, the Balanced Housing Development plan is estimated to have 23 SAC and the Public Benefit development plan will have 27 children.

To fully understand current school operations, the Consultant arranged a meeting with School Superintendent Mary Czajowski and Maureen Kavanaugh, Director of Planning and Assessment to discuss the current state of the town's school system. The Superintendent confirmed that the ongoing enrollment growth has strained both the Department's budget and capital facilities. Modular classrooms will continue to be used to address capacity issues as long term solutions to capital needs are studied, along with reviewing redistricting options. Major capital projects include expanding both middle schools along with elementary school expansions. The Department is reviewing system wide capacity and shifting populations as needed. The fact that elementary children from the subject site will be attending Estabrook Elementary School, which presently has sufficient capacity to accept children from this development is a positive factor.

The Massachusetts Department of Elementary and Secondary Education tracks the per pupil costs of students by District, including operation/maintenance costs and benefits. Tracking these costs for all communities allows for a direct comparison on per child spending across the state. Based upon data reported to the State, in 2014 Lexington spent on average \$17,496 per student<sup>23</sup> to educate its children. Removing Chapter 70 aid provides a clearer picture of the community’s actual costs. As outlined in Table 5 above, the average per student Chapter 70 Aid in 2014 was \$1,309 which, if deducted from the gross per student cost, results in a net cost of \$16,187. This is a very conservative number and includes administrative and overhead costs that may not be actually attributable to the addition of new students, but will be used in this exercise to provide an estimated total education cost of \$339,927 for the single family home project, \$372,301 for the Balanced Housing and \$437,049 for the Public Benefit plan; Table 13. The Superintendent was comfortable with this approach to estimate student costs.

**Table 13**  
**Estimated School Cost**

<b>Project</b>	<b>Students</b>	<b>Cost Per Student</b>	<b>Total</b>
<b>13 Singles</b>	<b>21</b>	<b>\$16,187</b>	<b>\$339,927</b>
<b>28 Balanced Units</b>	<b>23</b>	<b>\$16,187</b>	<b>\$372,301</b>
<b>33 Public Benefit</b>	<b>27</b>	<b>\$16,187</b>	<b>\$437,049</b>

## **7.0 Public Works**

This analysis will review the impact of the proposed 13 lot single family home development option which includes a new 1,400 long town road and accompanying five foot wide sidewalk. The Balanced Housing Development project will provide all private streets & trash collection and therefore no impact to the Department will occur.

The Consultant met with DPW Director Pinsonneault and Town Engineer John Livsey to discuss the proposed two residential projects, but in particular the 13 lot development. In reviewing the many Divisions of the Public Works Department, it was agreed that Highway, Environmental Services and Engineering Divisions will see the most direct and

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<sup>23</sup> Mass. Dept. of Education figure, most recent data is from 2014.

measurable impact as a result of the new town road which will require additional maintenance requirements and waste collections. In addition, the Director requested that expenses related to future street upgrades, sidewalk repair and drainage be included in the analysis. The Department will be reviewing the project in detail when it is officially submitted to the Planning Board and they did not have any other comments relative to either proposal.

The preliminary 13 lot single family home development design outlines a new 1,400 foot long town road. To estimate costs to maintain this new roadway, Highway and Engineering budget lines were included as well as related road capital costs. This analysis derived a cost of \$54,192 per mile to maintain a town roadway and as such, the estimated yearly maintenance cost for the new town road is \$14,364; Table 14.

**Table 14  
New Road Expense**

Eng., Highway, Highway Budget & Road Capital Costs <sup>24</sup>	\$7,424,314
137 Miles Town Road	
Cost Per Mile	\$54,192
Cost Per Foot	\$10.26
Proposed Road	1,400 feet
Yearly Cost of New Road	<b>\$14,364</b>

To derive impact to the Environmental Services Department, the Department's budget was divided by the number of homes served<sup>25</sup>, resulting in a cost per home of \$328 or \$4,264 for the 13 lot subdivision; Table 15.

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<sup>24</sup> Public Works Director noted relevant road costs include: \$340,000 stormwater, \$600,000 sidewalk repairs & \$2,300,000 road upgrades.

<sup>25</sup> Five-year Enrollment Study, Appendix C.

**Table 15**  
**Sanitation & Yard Waste Costs**

Environmental Services Budget <sup>26</sup>	\$2,999,634
Number of Existing Homes Served	9,129
Cost Per Home 9,129 <sup>27</sup>	\$328
13 New Homes	<b>\$4,264</b>

## 8.0 Other Departments

In reviewing other Town department, no other measurable impacts were seen. Building permit costs were more than offset any costs in the Building Department.

### Building Department

Based upon the estimated construction costs for both development projects, it is estimated that \$160,000 will be generated in fees.

### Miscellaneous Costs

Few other measurable costs will be seen by other Departments in the community, but to be conservative, \$3,000 has been allocated to the single family home project and \$6,000 has been allocated to the Balanced Housing and Public Benefit plan for miscellaneous expenses.

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<sup>26</sup> Includes benefits.

<sup>27</sup> The Public Works Director noted that more homes are served than this figure, but it would be a conservative estimate of impact. Other forms of housing units do receive town trash pickup service.

## 9.0 Conclusion

Reviewing both revenue and costs associated with a 13 lot single family home development results annual net fiscal impact estimated be an annual positive tax benefit of \$45,345 a year and the Balanced Housing Development plan is positive \$93,190 per year and the Public Benefit Housing Development is also positive \$37,595 per year; Table 16.

**Table 16**  
**Fiscal Impact: Single Family Home, Balance Housing & Public Benefit**

	<u>Single</u>	<u>Balanced</u>	<u>Public Benefit</u>
<b>PROJECTED REVENUES</b>			
Projected Property Taxes	\$423,400	\$496,400	\$518,300
Projected Car Excise Taxes	\$3,867	\$7,935	\$9,003
<b>TOTAL REVENUES</b>	<b>+\$427,367</b>	<b>+\$504,335</b>	<b>+\$527,303</b>
<b>PROJECTED MUNICIPAL COSTS</b>			
Police	-\$10,400	-\$17,000	-\$20,000
Fire	-\$10,067	-\$16,455	-\$19,359
School	-\$339,927	-\$372,301	-\$437,049
DPW: Roads and Sanitation	-\$18,628	-	-
Misc. Expenses	-\$3,000	-\$6,000	-\$6,000
<b>TOTAL COSTS</b>	<b>-\$382,022</b>	<b>-\$411,756</b>	<b>-\$482,408</b>
<b>YEARLY FISCAL IMPACT</b>	<b>+\$45,345</b>	<b>+\$92,579</b>	<b>+44,895</b>