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37 Shattuck Street, Room 303  
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December 12, 2025

Re: Financial Impact Analysis – King Street Commons Mixed-Use Development Phase 1

On behalf of 550 King Street, LLC, “the Applicant”, TEC, Inc. respectfully submits the following Financial Impact Analysis for review by the Planning Board.

The 550 King Street project proposes significant reinvestment into the former IBM office complex. The following estimated annual municipal costs were derived from the Town of Littleton Annual Report 2024 using a “per capita” methodology.

According to the Annual Report, the population of Littleton is approximately 10,126 residents. The following annual actual costs for 2024 were identified in the Annual Report and divided by the population (or number of students) to determine a per capita cost:

Service	2024 Actual Expense	Population	Per Capita Cost
Public Safety (Police, Fire / EMS, Dispatch, Building, Emergency Management, Crossing Guards, Canine)	\$5,132,870	10,126	\$507
Library	\$794,559	10,126	\$78
Parks and Recreation	\$245,932	10,126	\$24
Schools	\$23,788,653	1,655*	\$14,370**

\*Number of students enrolled (2024-25).

\*\*Cost per student.

The 550 King Street project proposes 804 new apartment units. Estimating 1.5 residents / unit there will be an estimated 1,206 new residents when the project is fully constructed. The project is anticipated to generate 81 school-age children. Using the per capita / per student costs above, we estimate the municipal service cost to be as follows:

Service	Per Capita Cost	Est. Increase in Population / Students	Est. Increase in Cost of Service
Public Safety (Police, Fire / EMS, Dispatch, Building, Emergency Management, Crossing Guards, Canine)	\$507	1,206	\$611,442
Library	\$78	1,206	\$94,068
Parks and Recreation	\$24	1,206	\$28,944
Schools	\$14,370	81	\$1,163,970
<b>Total Annual Cost of Municipal Services</b>			<b>\$1,898,424</b>

The estimated annual cost of Municipal Services is significant, so it is important to also consider the estimated annual revenue that will be generated by the project to fund the increased cost of municipal services and other initiatives in Town.

Recurring annual increases in revenue that will be generated by the project are comprised of real estate tax revenue, motor vehicle excise tax revenue, and local meals tax revenue.

### Real Estate Tax

The approved Master Plan for the project includes 804 apartment units, 115,000 SF of new retail / commercial space, 19,000 SF of new office space and re-use of the 480,000 SF existing buildings (formerly IBM). Assessments will ultimately be made by the Town Assessor after the buildings are constructed and occupied. Our assumptions for calculating estimated increases in real estate taxes are as follows:

\$275,000 per new apartment unit  
\$220 / SF for new retail / commercial and office space  
\$100 / SF for renovated and re-occupied existing IBM buildings

Littleton utilizes a split tax rate for residential and commercial properties. The FY2024 tax rates are as follows:

\$14.84 / \$1,000 for residential property  
\$23.11 / \$1,000 for commercial property

Projected annual real estate taxes (in 2024 dollars) generated by the project are as follows:

Units / SF	Use	Est Value Per Unit / SF	Est Assessed Value	Tax Rate	Annual Taxes Generated
804	Residential Units	\$275,000	\$221,100,000	\$14.84	\$3,281,124
115,000	Retail / Comm	\$220	\$25,300,000	\$23.11	\$584,683
19,000	Office	\$220	\$4,180,000	\$23.11	\$96,600
480,000	Re-Use IBM	\$100	\$48,000,000	\$23.11	\$1,109,280
<b>Total Estimated Annual Real Estate Tax Revenue</b>					<b>\$5,071,687</b>

### Motor Vehicle Excise Tax

The approved Master Plan for the project includes 804 apartment units. It is estimated that there will be 1.25 vehicles per unit, with an average vehicle value of \$20,000. Vehicles are taxed at \$25 / \$1,000 in value.

804 apartment units x 1.25 vehicles / unit x \$20,000 / vehicle x \$25 / \$1,000

**Total Estimated Annual Motor Vehicle Excise Tax Revenue      \$502,500**

### Local Meals Tax

The Town of Littleton participates in the local sales tax option on meals at a rate of 0.75%. It is estimated that the project will include 4 restaurants that average \$2,000,000 in annual revenue.

4 restaurants x \$2,000,000 annual revenue x 0.75%

**Total Estimated Annual Local Meals Tax Revenue** **\$60,000**

To determine if the project is fiscally beneficial for the Town, the estimated annual tax revenue increases are calculated and the estimated annual expense for municipal services is deducted.

Estimated Annual Increase in Tax Revenue	
Real Estate Tax	\$5,071,687
Motor Vehicle Excise Tax	\$502,500
Local Meals Tax	\$60,000
Subtotal of Annual Increase in Tax Revenue	\$5,634,187
Annual Cost of Municipal Services	(\$1,898,424)
<b>Total Annual Net Fiscal Benefit for the Town</b>	<b>\$3,735,763</b>

Based on projected increases in tax revenue and increases in town services, **the 550 King Street project is estimated to be fiscally beneficial to the Town by approximately \$3.7M annually.**

To evaluate the project's financial benefits of *just* the phase 1 retail development, the following tables have been provided.

#### Phase 1 – Estimated Municipal Services Costs

Service	Per Capita Cost	Est. Increase in Population / Students	Est. Increase in Cost of Service
Public Safety (Police, Fire / EMS, Dispatch, Building, Emergency Management, Crossing Guards, Canine)	\$507	66	\$33,462
Library	\$78	66	\$5,148
Parks and Recreation	\$24	66	\$1,584
Schools	\$14,370	5	\$71,850
<b>Total Annual Cost of Municipal Services</b>			<b>\$112,044</b>

### Phase 1 – Estimated Annual Revenues

Units / SF	Use	Est Value Per Unit / SF	Est Assessed Value	Tax Rate	Annual Taxes Generated
44	Residential Units	\$275,000	\$12,100,000	\$14.84	\$179,564
76,602	Retail / Comm	\$220	\$16,852,440	\$23.11	\$389,460
<b>Total Estimated Annual Real Estate Tax Revenue</b>					<b>\$566,024</b>

#### Motor Vehicle Excise Tax

44 apartment units x 1.25 vehicles / unit x \$20,000 / vehicle x \$25 / \$1,000

**Total Estimated Annual Motor Vehicle Excise Tax Revenue      \$27,500**

#### Local Meals Tax

4 restaurants x \$2,000,000 annual revenue x 0.75%

**Total Estimated Annual Local Meals Tax Revenue      \$60,000**

### Phase 1 – Net Fiscal Benefit for the Town

Estimated Annual Increase in Tax Revenue	
Real Estate Tax	\$566,024
Motor Vehicle Excise Tax	\$27,500
Local Meals Tax	\$60,000
Subtotal of Annual Increase in Tax Revenue	\$653,524
Annual Cost of Municipal Services	(\$112,044)
<b>Total Annual Net Fiscal Benefit for the Town</b>	<b>\$541,480</b>

Please do not hesitate to contact me directly if you have any questions at (603) 601-8154. Thank you for your consideration.

Sincerely,  
TEC, Inc.  
"TheEngineeringCorp.com"



Alexander Sellar, PE