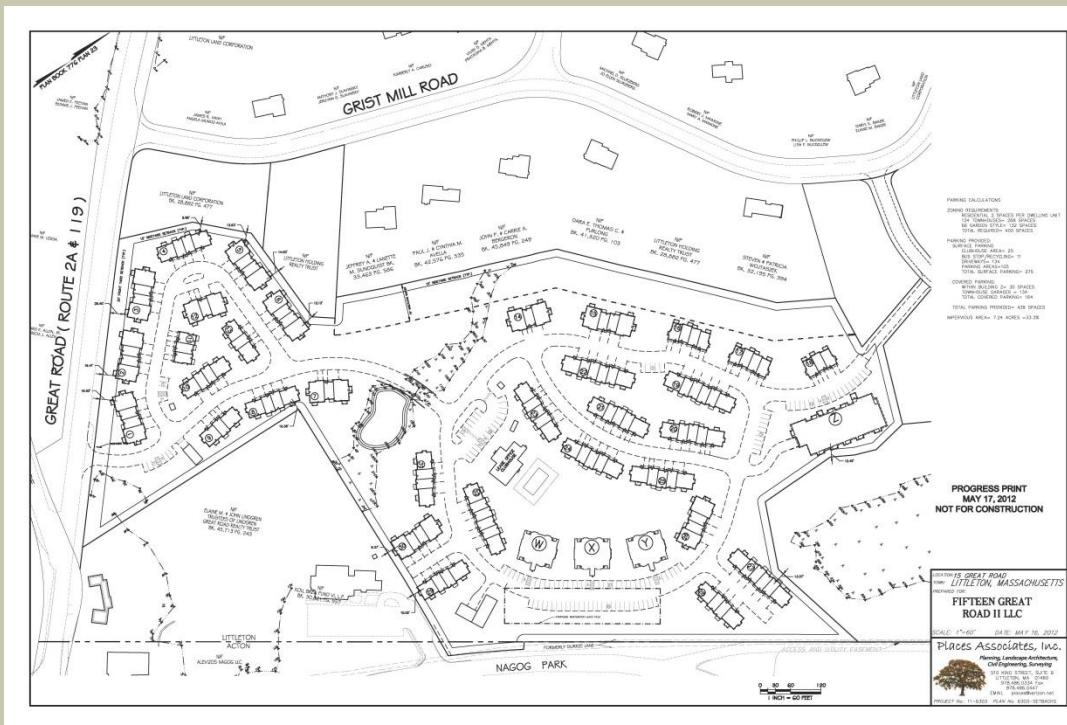


Fifteen Great Road Town Home Village



Agenda

2

- I. Review Municipal Comments
- II. Project in Perspective- **Maginot line?**
Exploding Town Expenses/Need for Revenue vs. students
- III. Plan Changes
 - a) Developer Challenges –Why 3 Beds Needed
 - b) Financial Benefits to Town
- I. Highlight Plans
 - Dimensional Waivers
 - Elevations/First Floor Grades Adjacent to Grist Mill
 - Elevations and Heights of Building W, X,Y and Z
 - Waiver Changes

Selectmen's Presentation May 2011

3

- Town's Priorities for Mitigation
 - If MassDevelopment does approve Project Eligibility determination. Town urges:
 - ✓ No access from Grist Mill Road
 - ✓ Reduce height, scale of buildings
 - ✓ Require traffic, other studies at applicant's expense

Eliminate all 3-bedroom units to minimize impact on public school system – “**generals always fight the last war**”

FY 2013 FinComm Report – Town Meeting

4



FY 2013 **Finance Committee Report**

To the residents of Littleton

Fincomm Report Revenues vs. Expenditures

5

Revenues versus Expenditures

Trendlines: FY 2013 and Beyond

- ▶ Balanced FY13 budget doesn't change the outlook going forward
- ▶ One-time increases to revenue stream balanced the budget this year
- ▶ Trendlines still show FY14 crisis looming
- ▶ Projected growth revenues not even close to growth in expenditures

Highlights from 2011 & 2012 FinComm Reports

6

- Operational costs growth compounding 6%/year
- Tax Revenue Limited to Prop 2 1/2% & New Tax Growth
- Unfunded post-employment benefits \$39.2 Million
- New Tax Growth
 - \$175K in 2011
 - \$100K in 2012
- “Need for new (recurring) revenue growth mentioned 11 times in 2012 report” – (I stopped counting!)

Massachusetts School Age Demographics

7

- Pioneer Institute – Massachusetts's Declining Enrollment*
 - **84,000** decline between 2003-2018
 - Primary causes
 - 1. Aging Population
 - 2. Baby Boom's Children Grew Up
 - 3. Low Birth Rates

*Pioneer Institute “Enrollment Trends in Massachusetts”, Ken Ardon, September 2008.

Littleton / Middlesex County

8

Middlesex County:

School age children	<u>276,260</u> ***
Housing Units	607,199 ***

= **.45 Students/Household**

Littleton:

Public School Students	<u>1610</u> *
Littleton Housing Stock	<u>3443</u> **

= **.47 Students/Household**

* Mass DOE

** DHCD Housing Inventory

***2010 U.S. Census

Middlesex County *

9

Type	Percent	Percent Potential Family Housing
2 Bedroom	28.2%	
3 Bedroom	31.7%	83.0% 2 or more bedrooms
4 Bedroom	17.7%	
5+ Bedroom	5.4%	

Fifteen Great Road

74%
2 or more bedrooms

* U.S. Census Bureau

May 17, 2012

Town of Chelmsford 2009 Study

10

- The Courtyard Condominium, 360 Littleton Road Chelmsford MA
- 170 homes (67 3-Bedroom & 103 2-Bedroom)
- 38 Children/170 = **.22/Household**
- **1/2** general population statistic of **.45/household**
- Who lives in the 30+ childless 3-bedroom units?

Connery Chelmsford Planning Board Study – John Connery 2009

May 17, 2012

School Cost Impact Students/Unit

11

Examples

Town	Project	Units	1 BR	2 BR	3 BR	Students	Ratio
Acton/ Westford ¹	Avalon Acton	380	125	255	0	80	0.21
Walpole ²	Preserve	300	72	180	48	90	0.30
Bedford ³	Avalon	139	52	87	0	26	0.19
Bedford ³	Heritage	164	54	92	18	36	0.22

¹ Acton Community Housing Corporation

² "On The Ground: 40B Developments Before and After"

³ "Summary of Key Findings of Five 40B Fiscal Impact Analysis"

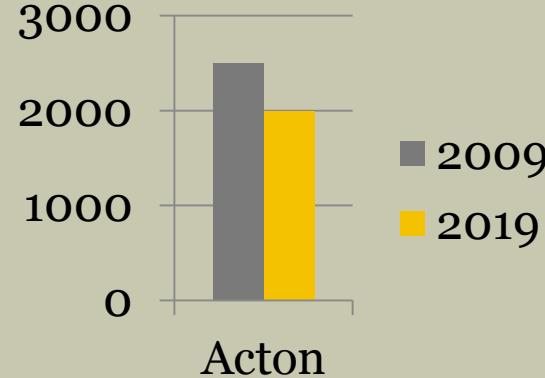
Acton/Boxboro

Planning for Declining Enrollment

12

- Boston Globe April 15, 2012

Student Enrollment



- 200 Students (-34%)

- 500 Students (-20%)

- 700 empty seats next school district over
- Competition for students?

Decline in Massachusetts School Age Demographics

13

- School Committee Co-chair Peter Ashton**:
 - “When you have declining enrollment, you still have all of the same fixed costs”

**Boston Globe April 15, 2012

May 17, 2012

Littleton Schools

14

- Capacity 2000 ± Students
- Enrollment 1610 Students
- 80% capacity

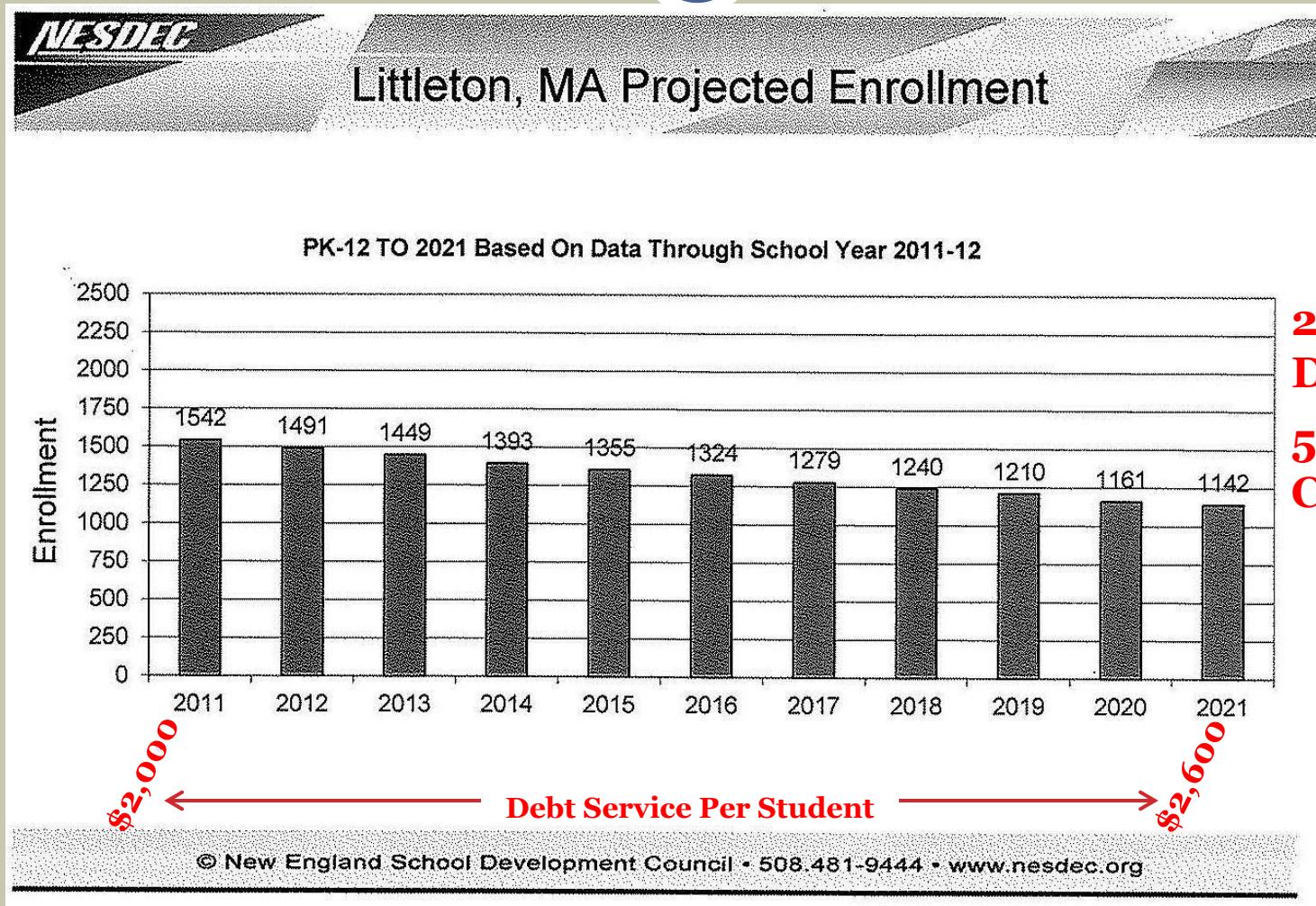
	Amount*
Debt Service – Schools	\$3,111,100
Bonds Outstanding	
High School	\$14,275,000
Middle School	\$8,248,067
Russell Street School	<u>\$5,600,000</u>
	\$28,123,000

*Annual Town Report 2012

May 17, 2012

Projected Enrollment

15



Town of Chelmsford 2009 Study

16

- The Courtyard Condominium, 360 Littleton Road Chelmsford MA
- 67 3-Bedroom Units & 103 2-Bedroom Units
- Total 170 Units = 38 Children = **.22/Household**
- Who lives in the 30+ childless 3-bedroom units?

Connery Chelmsford Planning Board Study – John Connery 2009

May 17, 2012

Who lives in 30+ Courtyard in Chelmsford Childless 3-Bedroom Units?

17

- Higher income
- Empty Nesters –Adult children
- Divorced
- People with pre-school children
- **Need home offices**

Office Development Trends Affect Housing Need

18

- 1970 Space / Employee 500-700 sf*
- 2010 Space / Employee 200 sf*
 - Shared work spaces- **Home offices**
 - Mobile hard drives / cloud storage – mobility!
- “40 percent of IBM employees work from a location other than an office at IBM” **
- “Younger workers’ lives are all integrated, they work anywhere – at a kitchen table or wherever.”**

* Los Angeles Times 12-15-2010

**Sam Newburg – Urban Land Institute 4-24-11

Fifteen Great Road

Target Childless 3-Bedroom Residents

19

- Higher income
- Need a home office
- Empty nesters a)with adult children b) live south 1/2 yr. **(18 first floor master bedrooms in plan)**
- Divorced
- New IBM / CISCO employees (can't sell in Phoenix, Austin, Portland)
- Families with pre-school children
- Would be Buyers and
- Future home buyers

Estimate of Students

20

Residence type	Students /Unit Market Rate	Students/ Unit Affordable Rate	Average Rate with 25% affordable	Unit Mix	Original Estimated Number of Students	New Plan Estimated Number of Students
1 Bedroom	0.00	0.00	0.00	54	0	0
2 Bedroom	0.15	0.40	0.21	82	16	17
3 Bedroom	0.40	1.00	.55	64	33	35
Total					49	52

Connery Chelmsford Planning Board Study – John Connery 2009

May 17, 2012

Response to Selectmen, ZBA and Public?



- No access from Grist Mill Road
 - Acquired emergency access thru Lots 27 and 27
 - No subdivision road – no future town expenses
- Reduce height, scale of buildings
 - Acquired land

What have we done? Reduction in Height and Mass

22

- Acquired lots
- Paid for land
- Paid \$185,000 in back taxes



Bigger and More Challenging

23

Original Plan

- 238,000 Rentable Square Feet
- Construction related fees: \$270,000

Final Plan

- 300,000 Rentable Square Feet
- Additional Cost +/- \$6,000,000
- Additional Equity +/- \$2,000,000
- **Construction related fees: \$330,000**

Financial Challenges

24

- Higher Costs: Hard cost, A+E, Financing
- Higher Financial and Marketing risk
- Higher affordable unit subsidies

Financial Challenges

25

- Affordable Rent Subsidies Higher

	2 Bedrooms	3 Bedrooms
Old Plan Market Rent	\$1,750.00	\$2,200.00
Less: Affordable Rent	\$1,338.00	\$1,425.00
Subsidies	\$412.00	\$775.00
New Plan Market Rent	\$2,500.00	\$2,900.00
Less: Affordable Rent	\$1,338.00	\$1,425.00
Subsidies	\$1,162.00	\$1,475.00

25% More Tenant Income Marketing/Financial Challenges

26

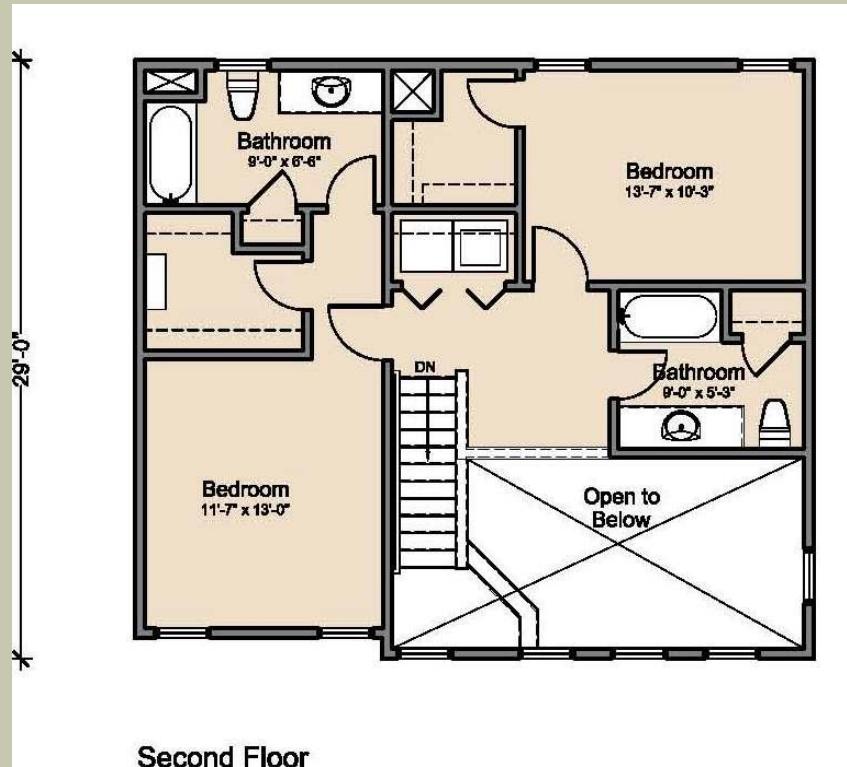
	Original Plan	Final Plan
Average Monthly Market Rent	\$1,792	\$2,400
Annual Rent per Market Unit	\$21,502	\$28,800
Income Required (28%) per unit	\$76,794	\$103,000
Tenants Income added to town	\$14,115,814	\$17,697,257

+34%

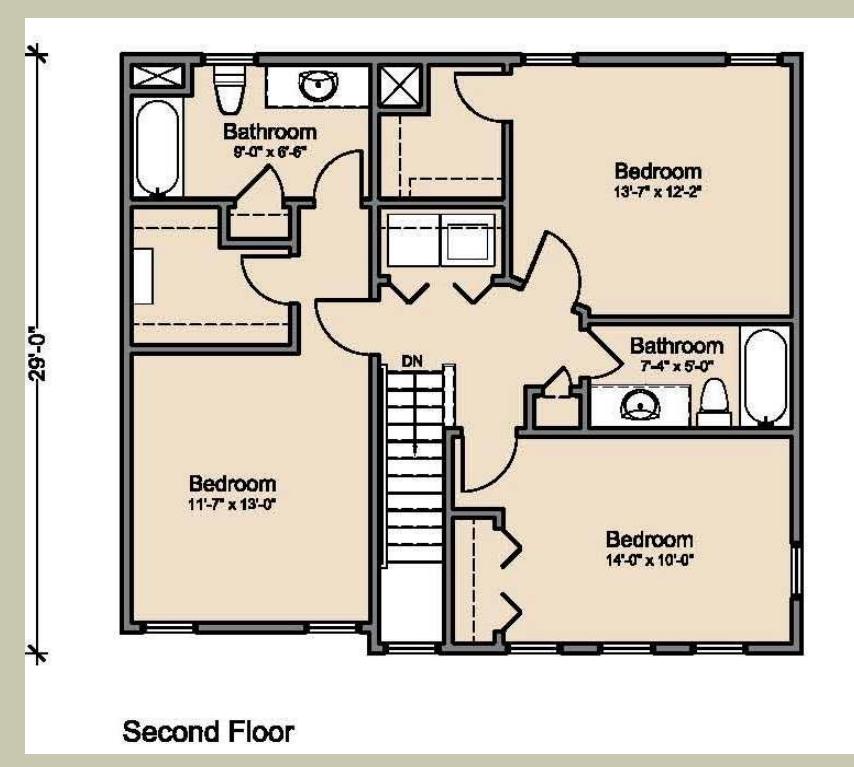
2 to 3 Bed Townhome Adds Little Additional Cost

27

2 Bedroom Second Floor



3 Bedroom Second Floor



3 Beds Overcome Marketing/Financial Challenges

28

- \$300-\$400/Month Additional Revenue
- Overcome added commute time
- Compete - Product/Design/Space/Price
- Convert \$3400/month Bedford/Waltham/Concord 2 bed TH renter to \$2900/Month 3 bed renter
- Convert \$500K 2 bed Condo Buyer to \$2900/Month 3 bed renter.

Fiscal Benefits Updated

29

Estimated Recurring Revenue Townhome Rentals	Original	Updated	Difference
Residential Real Estate Tax	\$306,000*	\$400,000	\$94,000
Auto Excise Tax	\$60,000** ¹	\$70,000	\$10,000
Water Fees	\$43,000	\$43,000	-
Total	\$409,000	\$513,000	\$104,000

*Based on valuation/unit: \$100,000 \$130,500

Based on 1.2 cars / unit at: **\$250 **\$292**

¹ Chapter 40R School Cost Analysis. "Report and Recommendation for "The Commonwealth Housing Task Force"

Order of Tax Value – Littleton MA

30

Address	Type	Valuation	Real Estate Taxes
550 King Street (IBM)	C/I	\$60,000,000	\$1,485,000
Fifteen Great Rd Town Apartments	R	\$26,000,000	\$400,000
Distribution Center Drive	C/I	\$12,259,300	\$303,417
153 Taylor (HP)	C/I	\$11,718,900	\$290,042
20 Harvard Rd	C/I	\$9,588,700	\$237,320
295 Foster St	C/I	\$8098,200	\$200,430
221 Great Rd (Toyota)	C/I	\$7,501,200	\$185,654
1 Monarch Dr.	C/I	\$6,933,500	\$171,604
300 Foster St	C/I	\$6,827,100	\$168,970
151 Taylor St	C/I	\$6,321,900	\$156,467
147 King St	R	\$5,971,700	\$96,024
303 Foster St	C/I	\$5,817,600	\$143,985

School Dollars

31

52 new students x \$5,400* = \$280,800

Vs.

\$513,000 Total Tax revenue

Net \$232,200 Annually

- 1.) Could payoff \$4.4 Million in bonds over 30 years
(16% of school bonds or 11% of unfunded pensions)
- 2.) Could defray 6% expense growth

*Littleton receives \$5,400 per incoming school choice student (cost must be less)

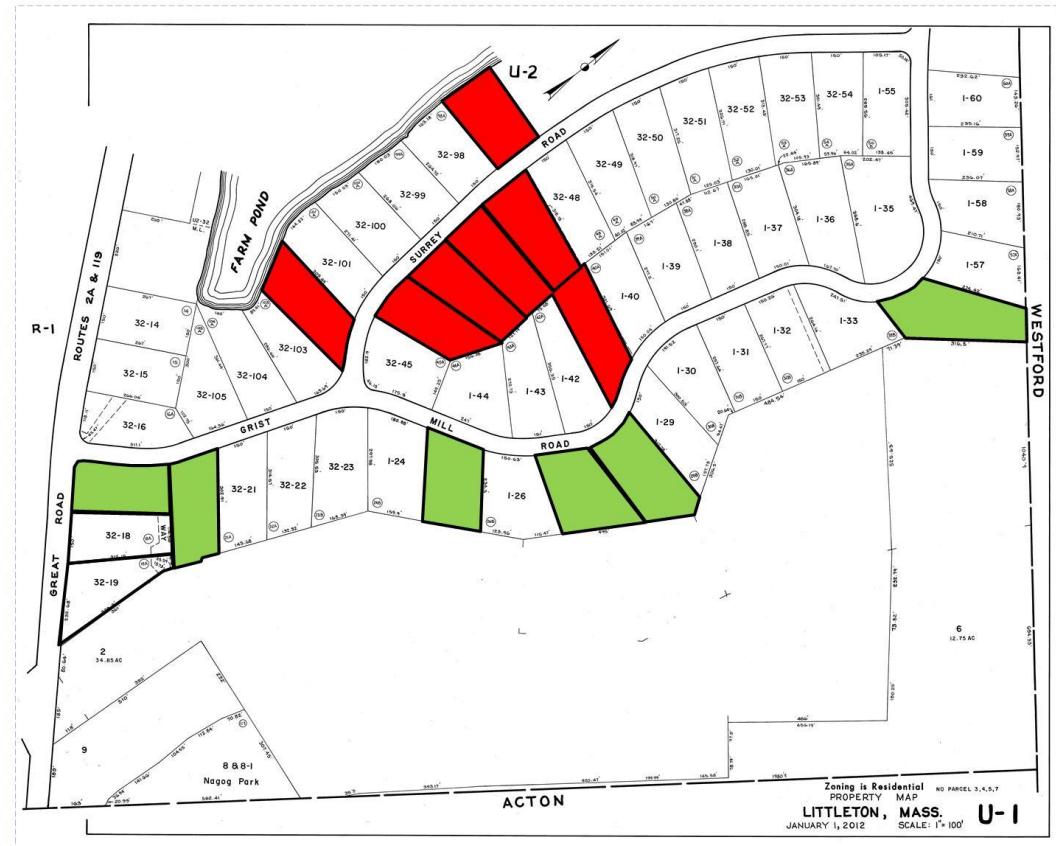
WWTF
Investment
Makes lots more
valuable to Town

Potential Annual
Revenues:

 60,000±
 70,000 ±
\$130,000 ±

Average Real
Estate and Excise
Taxes Abutting
lots: \$10,000+

What have we done? \$0.0/yr. tax lots to
\$10,000/yr. tax lots



What does our project do for the town?

33

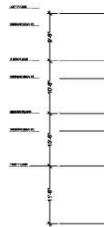
Upfront	Back Taxes Paid	\$185,000
Construction	Construction Related Fees	<u>\$330,000</u>
	Total Prior to Building Permits	\$515,000
Potential Annual Revenue		
	Townhome Apartments	513,000
	6 Grist Mill lots	60,000
	7 Surrey Rd lots	70,000
	19 New Subdivision lots	<u>190,000</u>
	Total Potential Recurring	\$733,000

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Building Z Front and Right Elevation

34

Peak Height
49'3" ±



BUILDING TYPE Z - FRONT ELEVATION

Key Points:

Architect's Stamp:



3

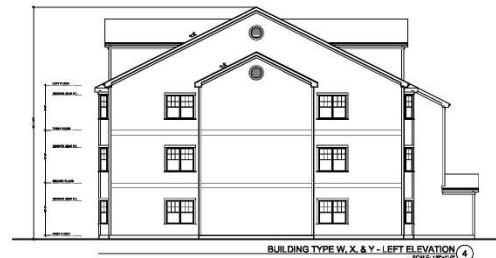
Project:	Fifteen Great Roads II LLC	
10 Great Road,	Weston, MA	
Offices:		
Architect:	Crest Engineering, LLC	
Contractor:	Ameristar Auto Sales 303	
Comments:	MA 142/143 Weston, MA 01889	
Project #:	13035	
Start Date:	10/20/12	
Completion Date:	10/20/12	
Revisions:	Date:	
Initial		
Progress		
Final		
Drawing Title:		
Building Type:		
Architect:		
Sheet Number:		
A.201		
MANAGE IT		
200 Aver Rd., Weston, MA 01889 (508) 869-0000 • Fax: (508) 869-0001 www.manageit.com		

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Buildings W, X & Y

35

Peak Height
46'4" ±

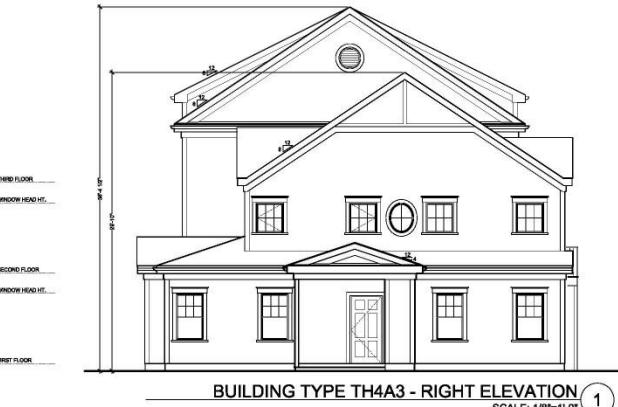


Key Plan	
Anderson's Garage	
Project: Anderson's Garage	
Address: 100 Main Street, Hermit, MA 01245	
Phone: (508) 456-1234 Fax: (508) 456-0200	
Email: info@ahg.com	
Drawing Title: Building Type: X, & Y	
Drawing Number: 100-12345	
Sheet Number: A.201	
Scale: As Noted	
Revision:	Date: 10/02/2012
Comments:	

Typical 4 Unit Townhome

37

Peak Height
36'4" ±



May 17, 2012

Typical Drive Under Townhome Front & Right

(38)



May 17, 2012

Typical Drive Under Townhome – Rear & Left

39

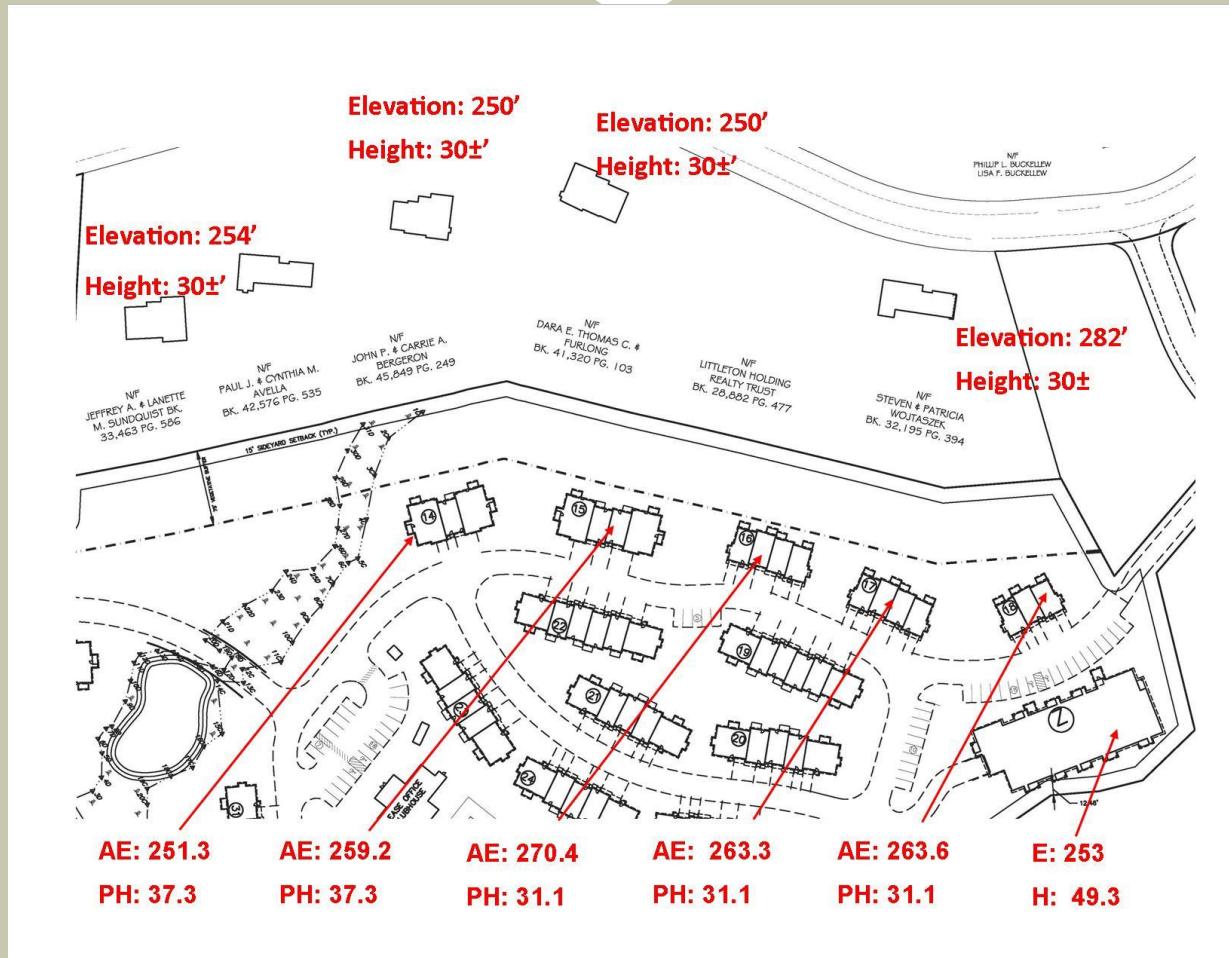


Peak Height
31'1" ±

May 17, 2012

Elevations/Heights

40



Next Steps / Schedule

41

- Grading Plan
- Landscape Plan
- Civil Peer Review
- Draft Decision