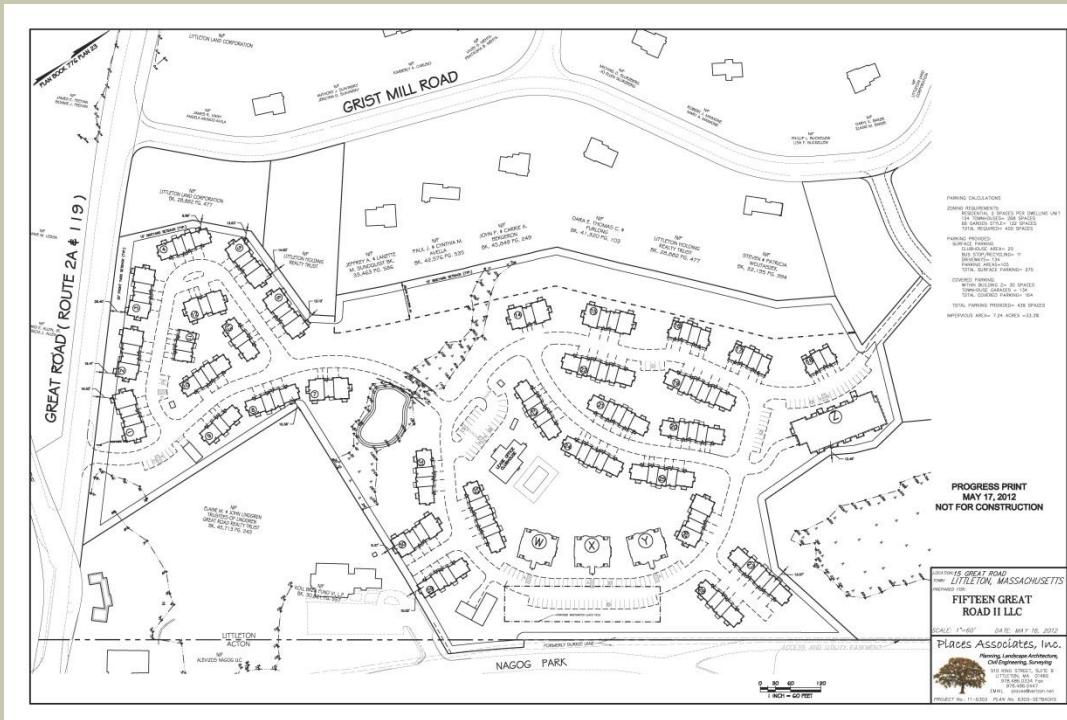


Fifteen Great Road Town Home Village



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"

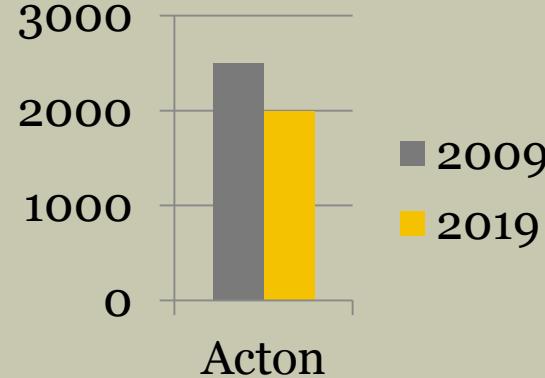
Acton/Boxboro

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

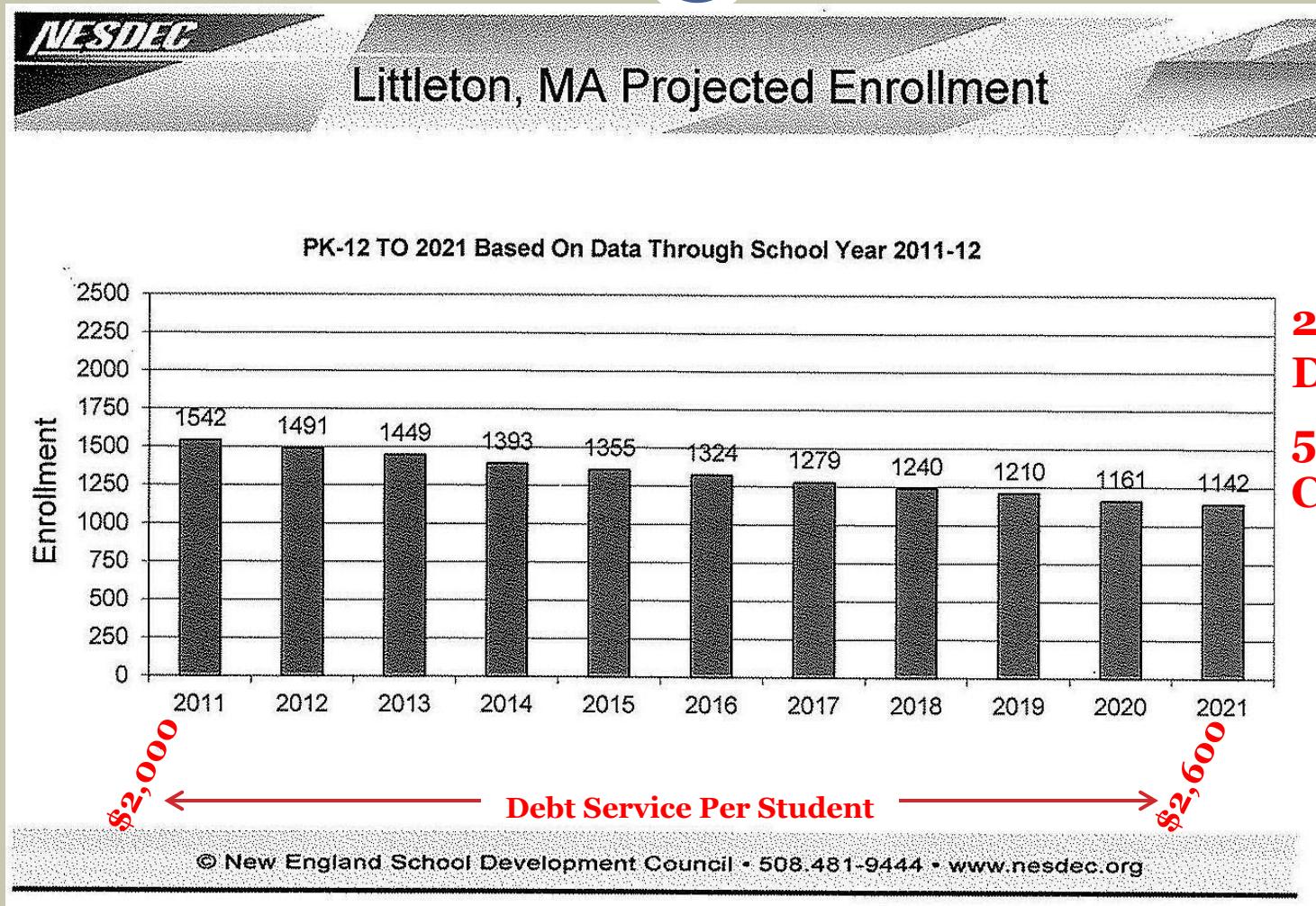
	Amount*
Debt Service – Schools	\$3,111,100
Bonds Outstanding	
High School	\$14,275,000
Middle School	\$8,248,067
Russell Street School	<u>\$5,600,000</u>
	\$28,123,000

*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

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

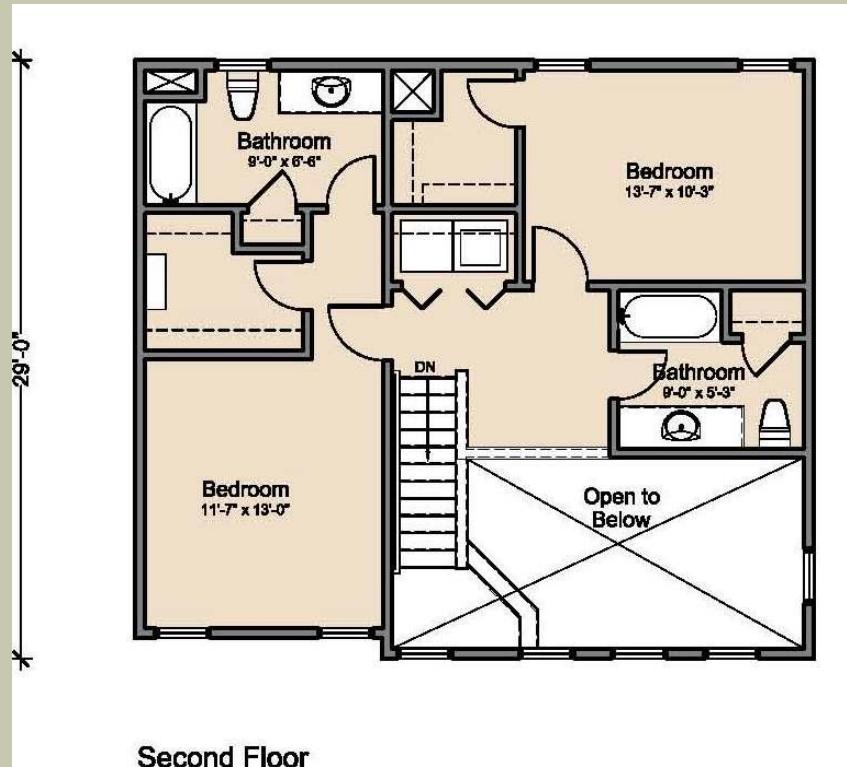
	Original Plan	Final Plan
Average Monthly Market Rent	\$1,792	\$2,400
Annual Rent per Market Unit	\$21,502	\$28,800
Income Required (28%) per unit	\$76,794	\$103,000
Tenants Income added to town	\$14,115,814	\$17,697,257

+34%

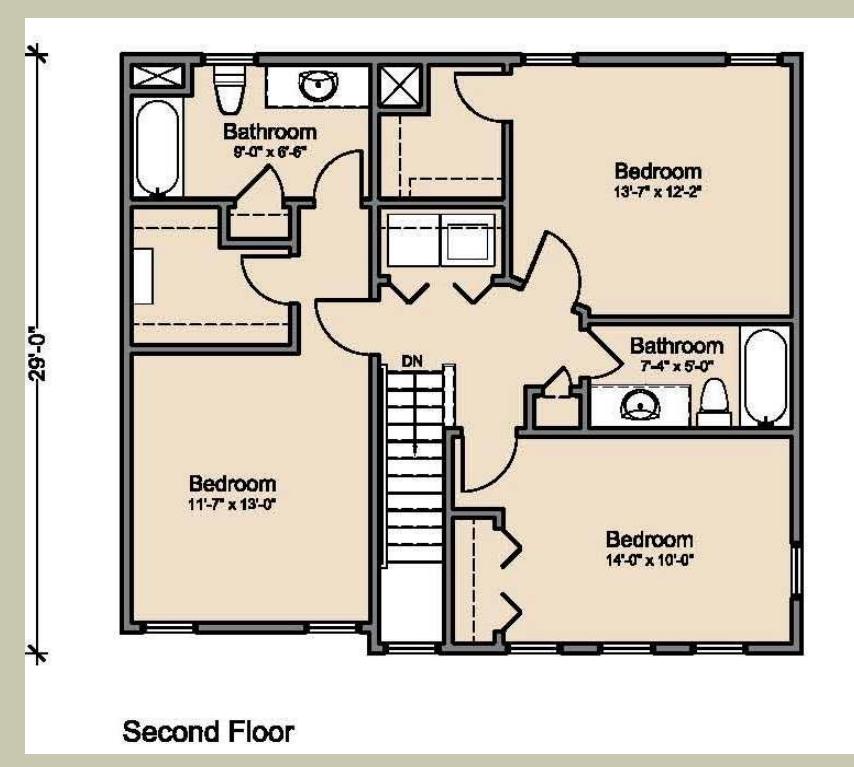
2 to 3 Bed Townhome Adds Little Additional Cost

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)

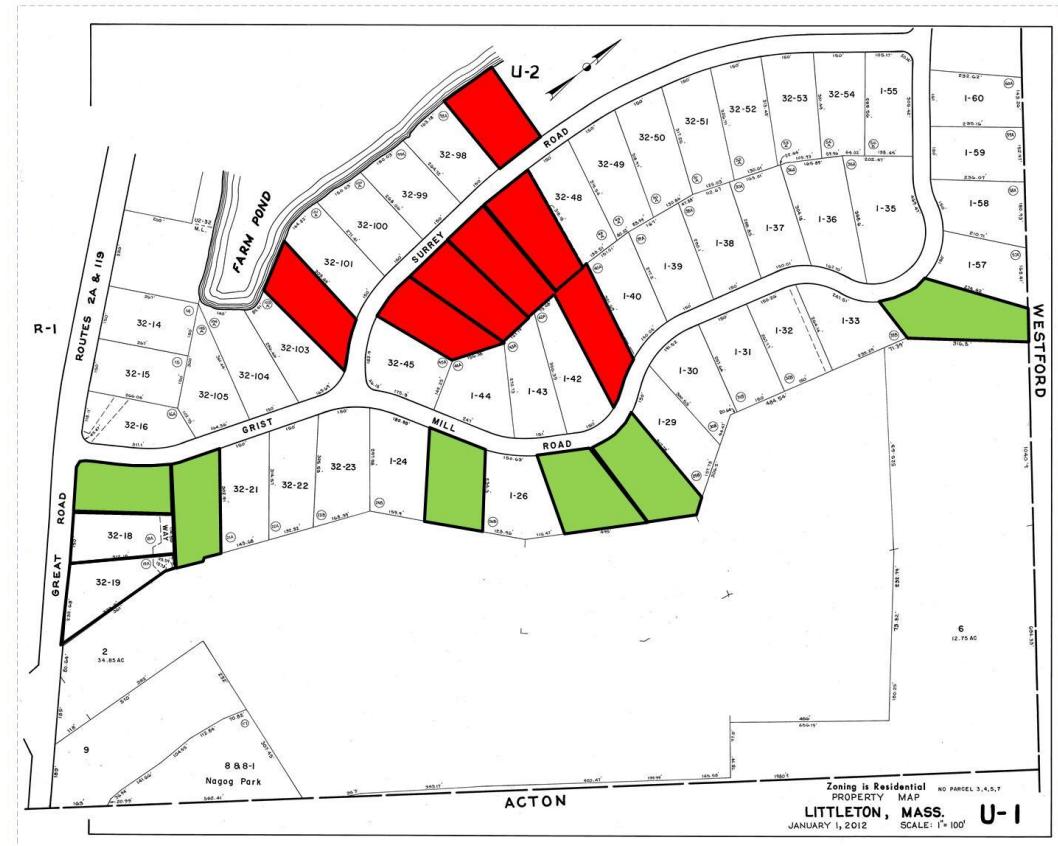
WWTF
Investment
Makes lots more
valuable to Town

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

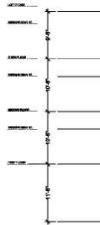
Upfront	Back Taxes Paid	\$185,000
Construction	Construction Related Fees	<u>\$330,000</u>
	Total Prior to Building Permits	\$515,000
Potential Annual Revenue		
	Townhome Apartments	513,000
	6 Grist Mill lots	60,000
	7 Surrey Rd lots	70,000
	19 New Subdivision lots	<u>190,000</u>
	Total Potential Recurring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

May 17, 2012

Building Z Front and Right Elevation

34

Peak Height
49'3" ±



NOTE:
EXTERIOR WINDOW FRAMING & GLAZING
GENERAL WINDOW NOTES:
ARCHITECTURAL DRAWINGS ARE PROVIDED AS A GUIDE ONLY. MANUFACTURER'S SPECIFICATIONS, MANUFACTURER'S DRAWINGS, SHADING/REFLECT APPROPRIATE PRIME COLOR, AND OTHER REQUIREMENTS SHALL OVERIDE DRAWINGS. MANUFACTURER'S SPECIFICATIONS, MANUFACTURER'S DRAWINGS, SHADING/REFLECT APPROPRIATE PRIME COLOR, AND OTHER REQUIREMENTS SHALL OVERIDE DRAWINGS. MANUFACTURER'S SPECIFICATIONS, MANUFACTURER'S DRAWINGS, SHADING/REFLECT APPROPRIATE PRIME COLOR, AND OTHER REQUIREMENTS SHALL OVERIDE DRAWINGS.
DOOR/DOOR SYSTEM:
DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS. DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS. DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS.
GLAZING/DOOR SYSTEM - 1" STICK FRAME:
DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS. DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS. DOORS ARE TO BE PROVIDED BY MANUFACTURER. DOORS ARE TO MEET MANUFACTURE'S REQUIREMENTS.
DOORS:
DOORS ARE TO BE PROVIDED BY MANUFACTURER. PROVIDE TEMPERED GLAZING IN ALL DOORS. GLAZING COLOR: -"CLEAR" OR "SILVER" ECLIPSE - ADVANTAGE: 2.0 (E) - DISADVANTAGE: (LOW E SURFACE IR) - "CLEAR" ANNEAL: 0.2 - ADVANTAGE: 2.0 (E) - DISADVANTAGE: (LOW E SURFACE IR) - "CLEAR" COOL ECLIPSE - ADVANTAGE: 2.0 (E) - DISADVANTAGE: (LOW E SURFACE IR) - "AIR SPARE" - ADVANTAGE: 2.0 (E) - DISADVANTAGE: (LOW E SURFACE IR)
Key Plan:
Architect's Stamp:
Print: Fifteen Great Road II LLC 15 Great Road Lexington, MA Owner: Great Road, LLC 200 Great Road, Suite 300 Lexington, MA 02420 Architect: #10003 Sasaki Associates Issue: Program Date: 06/01/2012 Revisions: Date: Drawing Title: Building Z - Front Interior Elevation Sheet Number: A.201
<small>200 Great Road, Lexington, MA 02420-2601 Tel: (978) 450-2601 Fax: (978) 450-2601 www.sasaki.com</small>

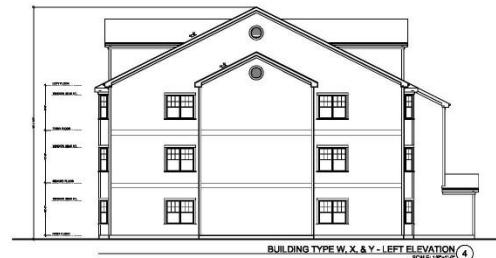
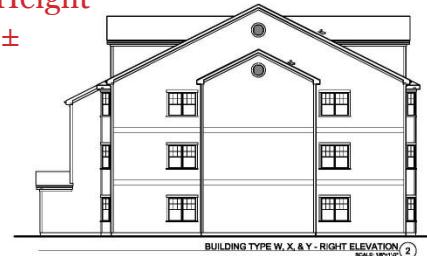


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Buildings W, X & Y

35

Peak Height
46'4" ±

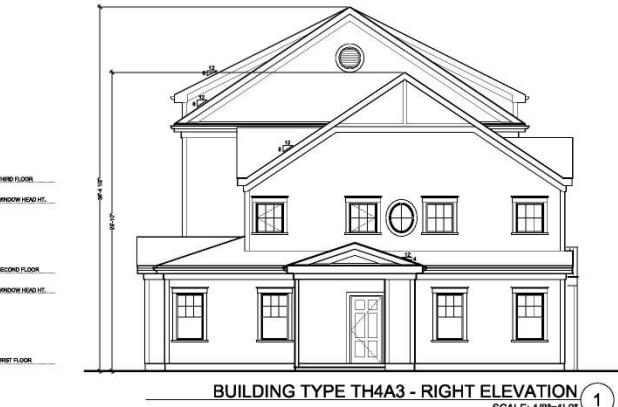


Key Plan	
Anderson's Garage	
Project: Anderson's Garage	
Address: 100 Main Street, Hermit, MA 01245	
Phone: (508) 456-1234 Fax: (508) 456-0200	
Email: info@ahg.com	
Drawing Title: Building Type: X, & Y	
Drawing Number: 100-12345	
Sheet Number: A.201	
Scale: As Noted	
Revision:	Date: 10/02/2012
Comments:	

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

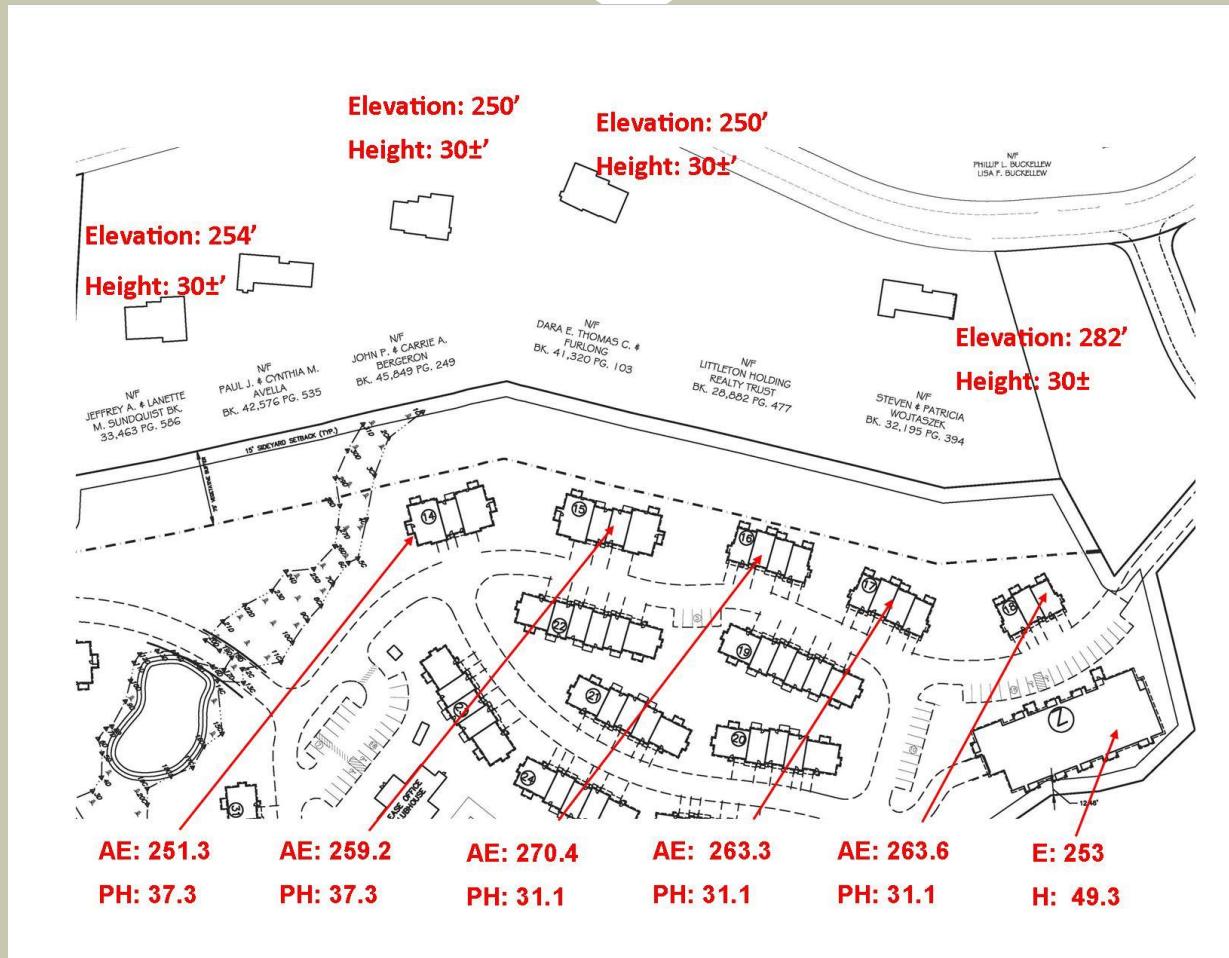


Peak Height
31'1" ±

May 17, 2012

Elevations/Heights

40



Next Steps / Schedule

41

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