

# Storrs Center Fiscal Impact Study

October 4, 2012



The initial four phases of Storrs Center exceed 526,000 gross square feet across all uses.

	Phase 1 A	Phase 1 B	Phase 1 C	Market area	Total
Residential Rental	129,325	144,050	66,400		339,775
Retail	27,052	43,230	16,459	37,175	123,916
Mixed-use			62,698		62,698
<b>Total</b>	<b>156,377</b>	<b>187,280</b>	<b>145,557</b>	<b>37,175</b>	<b>526,389</b>

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These phases add over \$65 million in assessed value, raising the value of real property in the Town to over \$967 million in assessment year 2014<sup>1</sup>.

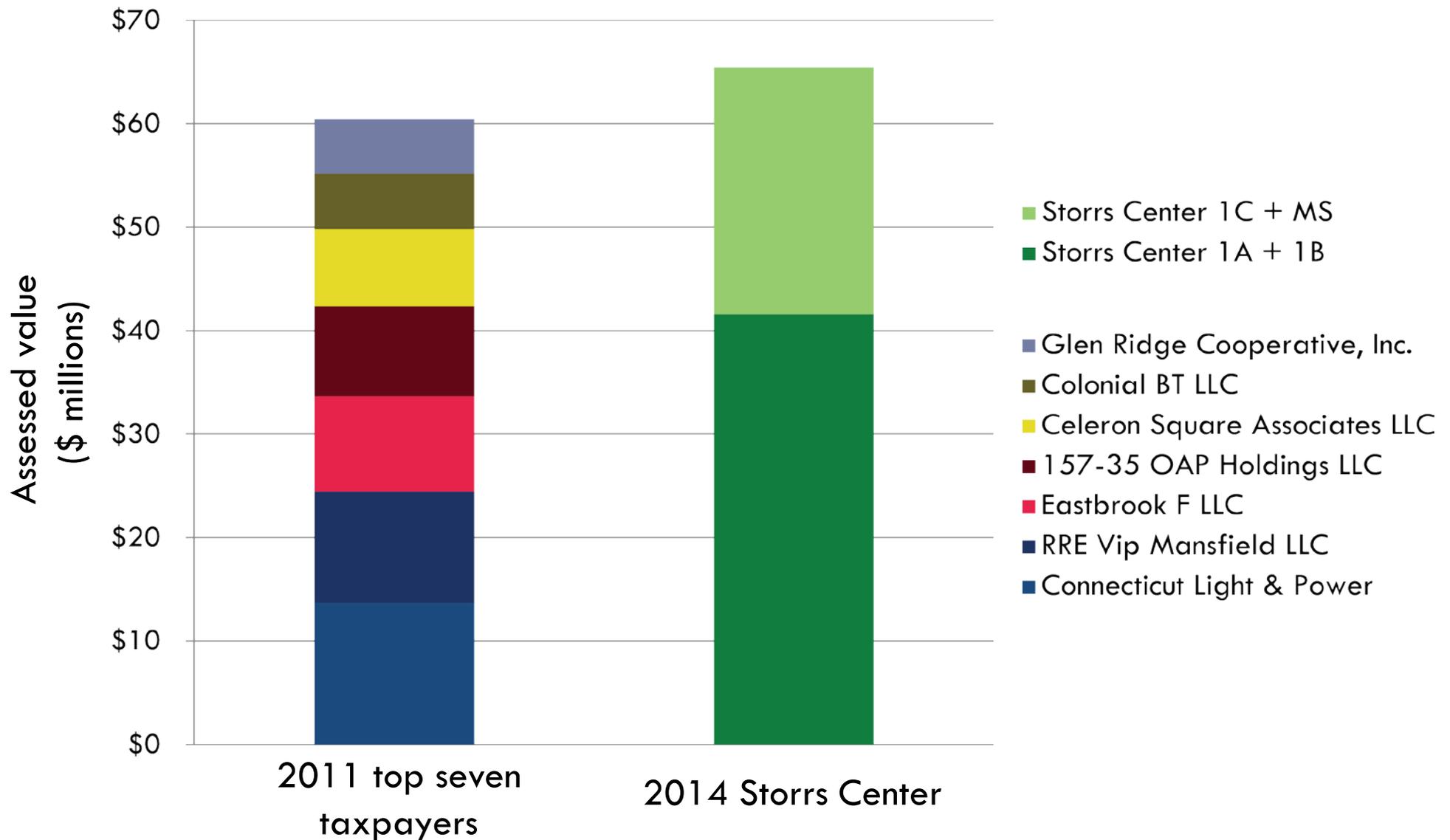
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Line Item	Assessed Value
<u>2014 Projected Grand List</u>	
Gross Real Property <sup>2</sup>	\$901,987,952
<u>2014 Storrs Center Assessed Value</u>	
Phases 1A and 1B	\$41,522,000
<u>Phases 1C and Market area</u>	<u>\$23,705,000</u>
<b>Total</b>	<b>\$65,227,000</b>
<u>2014 Estimated Grand List</u>	
<b>Gross Real Property</b>	<b>\$967,214,952</b>

<sup>1</sup> This is the first year all four initial phases of Storrs Center are fully assessed, and the next scheduled revaluation of all property in the Town

<sup>2</sup> Projected at 1% annually.

The 2014 assessed value of these initial phases is greater than the 2011 assessed values of the top seven taxpayers combined.



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This equates to nearly \$2 million in additional gross taxes in FY 2015-16, bringing the estimated gross taxes to the Town to over \$31 million.

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	Projected Tax Revenue
<u>FY2015-16 Projected Tax Revenues</u> <sup>1</sup>	
Property Taxes	\$29,799,427
<u>Storrs Center</u>	
Phases 1A and 1B <sup>2</sup>	\$1,270,000
<u>Phases 1C and Market area</u>	<u>\$725,000</u>
<b>Total</b>	<b>\$1,995,000</b>
<u>FY2015-16 Estimated Tax Revenues</u>	
<b>Property Taxes</b>	<b>\$31,794,427</b>

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<sup>1</sup> Estimate via adopted FY2012-13 Mansfield Town Budget.

<sup>2</sup> Excludes residential real estate tax abatement of \$728,000.

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In calculating costs to the Town, both average (per capita) costs and marginal costs were accounted for in Phases 1A and 1B.

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**Average  
costs**

**Community Services**

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**Marginal  
costs**

**Public Safety**

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**Public Works**

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**Intermodal Center**

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Note: all costs inflated at 3% per year.

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For Phases 1 C and the Market area, only average costs were applied.

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**Average  
costs**

General Government

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Public Safety

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Public Works

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Community Services

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Town-Wide Expenditures

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**Marginal  
costs**

None

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Note: all costs inflated at 3% per year.

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For all phases with a residential component, we estimated costs associated with school-aged children.

	New students generated	Gross cost	State aid	Net cost <sup>1</sup>
Phase 1A	5.0	\$76,646	(\$26,125)	<b>\$50,521</b>
Phase 1B	6.3	\$96,917	(\$33,035)	<b>\$63,882</b>
Phase 1C	4.3	\$65,750	(\$22,411)	<b>\$43,339</b>

<sup>1</sup> Net school costs are applied in the first year in which a particular phase is operational.

## Total Costs per Fiscal Year

	Fiscal year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total average costs	\$0	\$5,167	\$15,971	\$50,001	\$86,058	\$118,419	\$146,648	\$151,047	\$155,578	\$160,246
Total school costs	\$0	\$52,036	\$53,597	\$125,011	\$177,540	\$182,866	\$188,352	\$194,002	\$199,822	\$205,817
Total marginal costs	\$107,339	\$201,652	\$415,403	\$427,865	\$440,701	\$453,922	\$467,540	\$481,566	\$496,013	\$510,894
<u>Garage sinking fund</u>	\$0	\$0	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494
Total costs	\$107,339	\$258,855	\$534,971	\$654,377	\$757,344	\$809,843	\$858,815	\$884,579	\$911,117	\$938,450

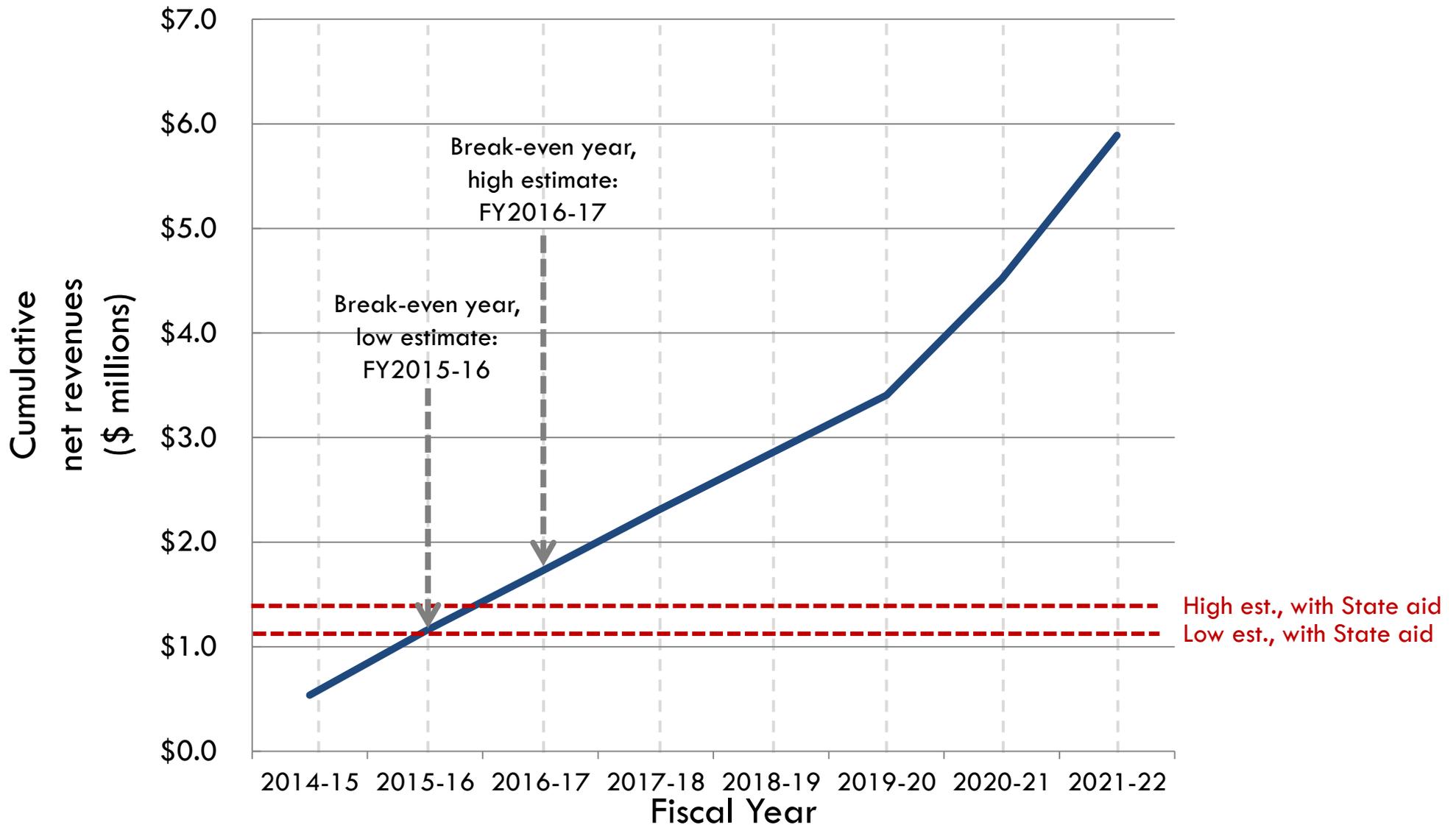
## Net Fiscal Impact by Phase

	Fiscal year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<u>Phase 1A + 1B</u>										
Gross tax revenue	\$68,217	\$830,378	\$1,371,770	\$1,269,854	\$1,269,854	\$1,269,854	\$1,269,854	\$1,269,854	\$1,472,109	\$1,472,109
Tax abatement	\$0	(\$321,000)	(\$715,000)	(\$728,000)	(\$671,000)	(\$606,000)	(\$581,000)	(\$554,000)	(\$291,000)	\$0
Municipal costs	(\$107,339)	(\$258,855)	(\$484,971)	(\$580,295)	(\$609,002)	(\$633,093)	(\$652,086)	(\$671,649)	(\$691,798)	(\$712,552)
<u>One-time net revenues</u>	<u>\$705,100</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net fiscal impact	\$665,978	\$250,523	\$171,799	(\$38,441)	(\$10,148)	\$30,761	\$36,768	\$44,205	\$489,311	\$759,557
<u>Phases 1C + Market area</u>										
Tax revenue	\$0	\$0	\$248,438	\$724,970	\$724,970	\$724,970	\$724,970	\$724,970	\$840,439	\$840,439
Municipal costs	\$0	\$0	\$0	(\$22,582)	(\$95,298)	(\$122,114)	(\$150,453)	(\$154,967)	(\$159,616)	(\$164,404)
<u>One-time net revenues</u>	<u>\$0</u>	<u>\$0</u>	<u>\$166,177</u>	<u>\$0</u>						
Net fiscal impact	\$0	\$0	\$414,615	\$702,388	\$629,673	\$602,856	\$574,517	\$570,003	\$680,823	\$676,035
<u>Other costs</u>										
Garage sinking fund	\$0	\$0	(\$50,000)	(\$51,500)	(\$53,045)	(\$54,636)	(\$56,275)	(\$57,964)	(\$59,703)	(\$61,494)
<u>Phases 1A + 1B + 1C + Ma</u>										
Total net fiscal impact	\$665,978	\$250,523	\$536,414	\$612,447	\$566,480	\$578,981	\$555,009	\$556,245	\$1,110,431	\$1,374,098
Total cumulative net fiscal impact			\$536,414	\$1,148,861	\$1,715,341	\$2,294,322	\$2,849,331	\$3,405,576	\$4,516,008	\$5,890,105

Net fiscal revenues will be used to fund the infrastructure costs associated with the development. Additional State aid may be available.

Project	Deficit	
	High Estimate	Low Estimate
Parking Garage	\$775,000	\$525,000
Dog Lane and Storrs Road	\$880,000	\$880,000
Other Infrastructure	\$300,000	\$300,000
<b>Total</b>	<b>\$1,995,000</b>	<b>\$1,705,000</b>
Potential new State aid	(\$605,000)	(\$605,000)
<b>Total with State aid</b>	<b>\$1,350,000</b>	<b>\$1,100,000</b>

Between FY2014-15 and 2021-22, almost \$6 million will be collected in net revenues from Storrs Center, leaving a considerable budget cushion.



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