

## **Devens Economic Analysis Team ("DEAT")**

**Minutes of June 29, 2011 Meeting  
7:00pm – 8:30pm  
Fireplace Meeting Room, Old Library**

**Orville Dodson, Clerk**

Members Present: Victor Normand, Sandy Chapman, Maureen Babcock, Orville Dodson, Steve Finnegan, Steve Colwell.

Also in attendance: Ron Ricci.

Victor Normand called the meeting to order at 7:00pm.

We first reviewed the minutes of prior meetings of 3/23/11 and 6/17/11. It was moved and seconded that we accept and approve the minutes for 3/23/11 and the vote was unanimous to approve. It was then moved and seconded that we accept and approve the minutes for 6/17/11 and the vote was unanimous to approve.

Maureen first reported that she had attended the presentation by Trinity on Vicksburg Square ("VS") on 6/21/11 in Ayer. The presentation was similar to the one discussed in our 6/17/11 meeting and called "Vicksburg Square Presentation #2" but did include several points of new information:

1. Trinity anticipates \$208,045 in annual tax receipts from Vicksburg Square when it is built out. At the current state-wide cost of about \$13,000/year per public school child, this would pay for only a small fraction (fewer than 20) of the estimated 150 school age children coming from Vicksburg Square. See Fig. 1 at the end of these minutes.
2. Trinity plans to get a zoning change for Vicksburg to "Multi-family Residential" and use a deed restriction on the whole of Vicksburg Square to call out the "80% Affordable Units at 60% of median income" requirement. Members wondered if this approach was too complex.
3. Trinity said it used the "income approach" to get the "Estimated Real Estate Values" in their "Estimated Property Tax Revenue" forecast for VS. This is a commonly used method to estimate a property's valuation but is quite different from using "cost to build" as the property's valuation (which would produce a considerably higher valuation).

Maureen remarked upon the loss of considerable parking space for adjacent playing fields (Rogers Field) that will occur as result of VS's development. New space for parking will need to be found and funding for the new parking will be needed.

Returning to the issue of Trinity's VS plans fulfilling their "workforce housing" goal, Victor asked Steve Colwell to study Harvard town employee salary ranges for the prominent categories of Police, Town Hall, DPW, and Teachers. He asked Maureen to ask Ft. Devens itself, Mass Dev, and (possibly) the Army about military wages. Specifically number of active military persons in the area, family sizes, incomes. Likewise for the federal prison at Devens and for the hospital there. Also, if possible, veteran numbers in the area and pensions.

Victor also wondered why Trinity went with the zoning and deed restriction approach in #3 (above).

Victor noted that Trinity is paying its investors substantially from the annual tax credits, thus Trinity's maintaining the 80% affordable at VS is crucial. What are the mechanics for achieving and maintaining the 80% affordable?

Victor then suggested that we go through the replies in Trinity's June 27, 2011 letter to DEAT in response to our questions to them. This reply came from Abby Goldenfarb, Project Manager for VS at Trinity. There were 21 questions from us and 21 replies from Trinity. Many items provoked little discussion but those that did were:

Item #1: The reply is fine but we still wonder how the VS plan addresses specifically Town Workers of Harvard, Ayer, and Shirley, residents of those towns, and the Devens workforce.

A wider discussion of what goals does Trinity's VS plan achieve. To what extent does it make Devens a more appealing place for the residential population of Devens? To what extent does it make Devens a more appealing place for businesses to locate? Are there better plans? Is it the right thing for Devens and the towns? Related issue here: Trinity's plans call for changes in the master Reuse Plan (the zoning changes they need). Changes in the Reuse Plan are rare and hard to get so does Trinity's VS plan reach the high bar for Reuse Plan changes?

Item #3: Victor noted that he didn't see the towns of Harvard, Ayer, or Shirley as data sources cited by Trinity. Nor does he see Mass Development as a source.

Item #4: Ron Ricci noted that Ayer has expressed interest in Assisted Living since it would provide jobs in the area. Victor wondered if anyone has asked any Assisted Living companies if they would be interested in VS (or in Devens overall)?

Item #12: Members do think that there are limits to military/veteran preferences that can be permitted. In a similar matter, it was noted that Mass DHCD currently has a 4-year wait to get the tax credits – there are that many earlier projects in the queue. This may adversely affect Trinity's plans.

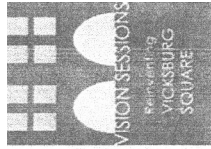
Item #17: Members asked that Trinity tell us if there is any difference in the number of children from affordable units verses market-rate units. There is no breakdown between the two either for existing Trinity projects (Lucerne, Mattapan, etc.) or for VS.

The committee then reviewed the things to be done prior to our next meeting and noted the following:

- Steve Colwell will research Harvard town employee salaries.
- Maureen will research numbers/incomes of active military in the area, likewise the federal prison and the federal hospital at Devens. Also veteran numbers and pensions, if possible.
- Figure #2 (at the end of these minutes) gives Victor's calculation of average family income per affordable unit and per market-rate at VS under Trinity's current plan of 100% rental with 80/20 affordable/market-rate ratio. This is case #1 in Figure 3. Victor will do a similar calculation for cases 2, 3, and 4 from Figure 3.
- Steve Finnegan will research the issue of number of children per affordable unit verses the number in market-rate units.

It was then moved and seconded that the meeting adjourn and it did so at 9:00apm.

# Estimated Property Tax Revenue



	Revere Hall	Allen Hall	Hale Hall	Knox Hall
Estimated Real Estate Value	\$4,111,207	\$4,111,207	\$2,735,756	\$4,743,483
Tax Rate (per \$1,000 of assessed value)	13.25	13.25	13.25	13.25
Estimated Tax Revenue	\$54,473	\$54,473	\$36,248	\$62,851

**Total Estimated Annual Tax Revenue = \$208,046**

**Estimated Annual Disposable Income = \$6 to \$8 million**

Figure 1: Trinity Estimated Prop Tax Revenue from Vicksburg (6/21/11).

# Devens Economic Analysis Team

	Rental	Ownership	Unit Type	
			Market	Affordable
Total Development	246	0	49	197
Estimated Development cost				
Estimated Real Estate Value				
Estimated Property Tax Revenue				
Number of Units	246	0	49	197
1 bedroom	134		11	45
2 bedroom	56		11	45
3 bedroom	56		11	45
Number of School Age Children (5-17)	117	*	23	94
Number of Residents	518			
1 bedroom	201		17	67
2 bedroom	158		32	127
3 bedroom	158		32	127
Disposable Income	**		80	321
Median Family Income	\$ 8,000,000		\$ 3,841,290	\$ 4,158,710
	\$ 32,520		\$ 78,075	\$ 21,132

\*Heir #,

\*\* Gross income - tax (ie, net in one's checks)

1 Assuming all the MBST. Rate units have income exactly \$1 above the max for an affordable,

V wants to do the above chart for the cases #2, 3, 4 on pg V2

(from Victoria)

Figure 2: Avg Family Income per Affordable and Market-Rate Unit at Vicksburg.

# Devens Economic Analysis Committee

Mixed Income Models	Market	Affordable
Trinity Proposal – 100% Rental	20%	80%
100% Rental	75%	25%
100% Ownership	75%	25%
25% Rental/75% Ownership	75%	25%

"V2"  
~~V2~~

(from Victor)  
Figure 3: Mixed Income Cases ("Models") to Study.