

**FISCAL IMPACT STUDY**

**MATUNUCK BEACH ROAD  
PROPOSED RESIDENTIAL  
CONDOMINIUM DEVELOPMENT**

**TOWN OF SOUTH KINGSTOWN, RI**

**FOR:**

**STEPHEN DISIMONE**

**PREPARED BY: JDL ENTERPRISES -  
JOSEPH D. LOMBARDO, AICP**

**MARCH 2020**

## **INTRODUCTION ~**

This Fiscal Impact Study (FIS) has been prepared to supplement a Land Development Project and Comprehensive Permit Application for a planned Residential Development. Matunuck Beach Road is proposed as a 12-unit Condominium Residential Development with 4 Low /Moderate Income Housing Units (LMI at 100% of AMI) located on land off of Matunuck Beach Road in South Kingstown, Rhode Island. The subject parcel is AP 92-2 - Lot #56. The FIS will use the per capita multiplier method for estimating anticipated public revenues and expenses associated with the proposed development. The per capita multiplier is a generally accepted planning method to complete this study for review by the Town of South Kingstown. The FIS will attempt to estimate both future revenues and expenses utilizing past and present statistics and financial data from a variety of sources, to be noted.

## **SUMMARY ~**

**The Town of South Kingstown will realize total estimated Gross Revenues of \$87,2272 from Property Taxes on an annual basis with the development of the proposed Matunuck Beach Road Project. Therefore, the 12 new households will produce additional of tax revenue for the Town.**

**By subtracting the total expense estimate of \$40,298 from the total anticipated revenue of \$87,272, the Town of South Kingstown will actually realize a Net Revenue Gain of \$46,974, with regard to expenses and revenues on an annual basis with the full development at Matunuck Beach Road.**

**In addition, the Town of South Kingstown will be adding 4 qualified LMI Units towards its goal of 10% Low & Moderate Income Housing units.**



**BASELINE INFORMATION ~**

In order to begin the FIS, baseline information needs to be presented, including; population, housing units, Town budget numbers, and school age children. The following table presents this information, and will establish per capita multipliers for South Kingstown, and this particular development proposal at Matunuck Beach Road.

**TABLE # 1:  
PER CAPITA MULTIPLIERS - BASE YEAR OF 2020 –  
TOWN OF SOUTH KINGSTOWN**

	<b>PUBLIC SCHOOL PUPILS</b>	<b>MUNICIPAL BUDGET</b>	<b>SCHOOL BUDGET</b>	<b>HOUSING UNITS (2010 Census)</b>	<b>POPULATION (2010 Census)</b>
<b>TOTAL</b>	2,882	\$26,060,434*	\$54,896,836*	13,218	30,639
<b>PER HOUSEHOLD</b>	N/A	\$850*	N/A	2.32	N/A
<b>PER PUPIL</b>	N/A	N/A	\$19,048	0.22	0.09

NOTES: \* Source: Town of South Kingstown Town Budget: FY 2019-2020 Budget  
Pupils: School Superintendent’s Office as of October 2019  
School Budget is Town contribution only and does not include the \$5,353,387 in  
RI State Aid contribution for a total school budget of \$61,391,825  
US Census Data - 2010

Therefore, in summary, the Per Capita Multipliers for South Kingstown are:

- Municipal Budget per capita.....**\$850**
- School Budget per capita .....**\$19,048**
- Population Multiplier per household .....**2.32**
- School age multiplier per household .....**0.22**

The Municipal Multiplier is conservative as private services provided by the development and typical projected expenses will not occur as this site development is maintained by a private developer/owner versus typical residential development that has town roadways and public works related expenses on site.

**MATUNUCK BEACH ROAD DEVELOPMENT ESTIMATES ~**

Based on the per capita multipliers presented above, Table 2 presents the anticipated population projections for Matunuck Beach Road Residential Development:

**TABLE # 2: POPULATION PROJECTIONS -  
PROPOSED MATUNUCK BEACH ROAD DEVELOPMENT - 2020  
TOWN OF SOUTH KINGSTOWN**

	PER UNIT	# OF UNITS	TOTALS
POPULATION - 2 BDR	2.05*	12	25

\* The per capita population estimates of 2.05 for the 2-bedroom units reflect national, regional and local residential housing data, and as described below.

In order to determine the school age children that may result from a development such as proposed, normally it can be expected to mirror the national, regional and more closely, local state averages of 0.05 students per household, or 5 students per 100 households. To verify the number of school age children that may result from a development such as proposed, a previous study of existing two-bedroom condominiums in Westerly was conducted through the Tax Assessor’s Office and School Department. This survey shows that the following complexes total 268 two-bedroom townhouse condominiums: Beachwood, Captain's Watch, High Cliff, Village Terrace, King's Grant, Westwood and Springbrook. Inquiry of the Westerly School Department indicates that only 7 students are enrolled in the public schools from these 268 condominiums. The ratio is therefore one (1) school student per 38 condominiums or .026 students per housing unit (or 2.6 students per 100 households).

Similar ratios have been determined to exist in several other condominium developments around the state and nearby Connecticut (Refer to Appendix C), notably Greenwich Place and River Farm in West Warwick (Refer to Appendix B & D). With regard to apartment complexes, at Cumberland Crossing, a 258-unit two-bedroom style apartment complex, there were only 14 school age children residing at that location in Cumberland in 2006. (See Appendix A & E for additional information on apartment complexes).

Appendix F is a recent compilation of the existing condominium developments in Smithfield, RI which also indicates similar ratios for school age children in that community. Thus, to estimate the school age children that may result from the residential development as proposed for Village at Albion, it can be expected to mirror 0.05 students per household or 5 students per 100 households that have been determined to exist in numerous other condominium and apartment developments as described above. Thus, at 0.05 students per household, one (1) student would be expected from the residential development proposed within the Matunuck Beach Road development. That is primarily due to the proposed design of all (2) bedroom units that typically do not attract or retain families with children as potential residents.

A total of **25** people (including the school age children) will be projected to be residents. Review of Conclusions from the Addendum will substantiate the projected number of school age children from the condominium residential development.

**MATUNUCK BEACH ROAD REVENUE ESTIMATES ~**

Based on the projections presented above in Tables 1 & 2, Table 3 presents the projected total municipal revenue for the Residential Development:

**TABLE # 3:  
TOTAL PROJECT REVENUE PROJECTIONS -  
MATUNUCK BEACH ROAD RESIDENTIAL DEVELOPMENT –  
BASE YEAR OF 2020  
TOWN OF SOUTH KINGSTOWN**

	SALES PRICE	ASSESSED VALUE *	TAX RATE *	UNITS	TOTAL REVENUE PER UNIT	TOTAL REVENUE
<b>RESIDENTIAL MULTIFAMILY TWO BED UNITS MARKET RATE</b>	\$650,000	\$650,000	\$14.45/ \$1000	8	\$9,392	\$75,136
<b>RESIDENTIAL MULTIFAMILY TWO BED UNITS LOW/MOD RATE</b>	\$210,000	\$210,000	\$14.45/ \$1000	4	\$3,034	\$12,136
<b>TOTALS</b>				12		\$87,272

+ Per Stephen DiSimone –Matunuck Beach Road

\* Per Town of South Kingstown Tax Assessor’s Office – Residential rate @100

Low/ Moderate Units at 100% AMI

**Total combined gross revenue from the proposed residential development is:  
\$87,272.**

**ADDITIONAL REVENUE ~**

**There will be one-time fee revenue collected for Building Permits, Water and Sewer connections, and Site Plan Review that will accrue to the community for the building and construction of the Matunuck Beach Road project.**

**MATUNUCK BEACH ROAD EXPENSES ESTIMATES ~**

Based on the per capita multipliers and population and school age children projections presented above, Table 5 presents the projected total municipal expenses for the Matunuck Beach Road Development:

**TABLE # 5:  
TOTAL PROJECT EXPENSES PROJECTIONS –  
MATUNUCK BEACH ROAD  
TOWN OF SOUTH KINGSTOWN - 2020**

	SCHOOL PUPILS	MUNICIPAL BUDGET	HOUSING UNITS	POPULATION
TOTAL	1	N/A	12	25
PER CAPITA	N/A	\$850	2.05	N/A
PER PUPIL	\$19,048 <sup>+</sup>	N/A	---	N/A
TOTAL EXPENSES	\$19,048	\$21,250	N/A	N/A

<sup>+</sup> School Budget is Town contribution only and does not include the \$5,353,387 in RI State Aid contribution for a total school budget of \$61,391,825

Therefore, the actual cost to the Town for school and municipal expenses for the residential project is **\$40,298.**

The municipal expenses highlighted above in Table 5 are conservative as some of that projected expense will not occur as this site development is maintained by a private developer/owner versus typical residential development that has town roadways and public works related expenses on site.

**MATUNUCK BEACH ROAD ANTICIPATED  
REVENUE AND EXPENSE COMPARISON~**

Based on information and statistics presented above in Tables 1-5, Table 6 presents a comparison of the projected total municipal revenue with total projected expenses for **MATUNUCK BEACH ROAD**, as anticipated:

**TABLE # 6:  
MATUNUCK BEACH ROAD REVENUE AND EXPENSE COMPARISON –  
BASE YEAR OF 2020  
TOWN OF SOUTH KINGSTOWN**

	TOTAL MUNICIPAL COSTS	TOTAL SCHOOL COSTS	TOTAL COSTS	TOTAL ESTIMATED REVENUE	NET RESULTS
TOTAL PROJECT	\$21,250	\$19,048 (1 student)	\$40,298	\$87,272	\$46,974

**SUMMARY ~**

The Town of South Kingstown will realize total estimated Gross Revenues of \$87,2272 from Property Taxes on an annual basis with the development of the proposed Matunuck Beach Road Project. Therefore, the 12 new households will produce additional of tax revenue for the Town.

By subtracting the total expense estimate of \$40,298 from the total anticipated revenue of \$87.272, the Town of South Kingstown will actually realize a Net Revenue Gain of \$46,974, with regard to expenses and revenues on an annual basis with the full development at Matunuck Beach Road.

In addition, the Town of South Kingstown will be adding 4 qualified LMI Units towards its goal of 10% Low & Moderate Income Housing units.

## **ADDENDUM – CONCLUSIONS RE: MULTIFAMILY HOUSING & SCHOOL AGE CHILDREN**

In order to determine and substantiate the number of school age children that may result from a residential development of apartments or condominiums, normally it can be expected to mirror the national, regional and more closely, local state averages. Empirical data collected over the past 10 years primarily in Rhode Island and a lesser degree from Connecticut, a ratio of 0.05 students per household, or 5 students per 100 households has been verified numerous times. To verify the number of school age children that may result from any such development that is to be newly constructed, in densities exceeding 50 units, contain one and two-bedroom units, the selection of the developments to study over the years of research of similar type developments is key.

Usually this involves an inquiry to the local School Department or bus company to quantify the number of students residing in the various selected residential developments. This will produce a ratio of school age children per 100 units to be used as a multiplier. These ratios have been determined to exist in numerous condominium and apartment developments throughout Rhode Island and Connecticut over the past 10 years.

Based on a recent study in October of 2011 by Community Opportunities Group, Inc. for the Town of Maynard, MA, the following findings and conclusions verify and substantiate the projection of a ratio of 0.05 students per household, or 5 students per 100 households:

- Statistics derived from the Census Bureau's new American Community Survey (ACS) indicates virtually no school-age children in one-bedroom units, and very few in two-bedroom multi-family units
- Households in new multifamily housing are quite different from their counterparts in older multi-family developments. The differences range from household size and composition to household income and employment characteristics. A key factor separating new from old developments is that the former are frequently designed to cater to childless households.
- The number of school-age children in new multi-family housing is driven primarily by the size of the dwelling units (number of bedrooms) and whether the units are subject to age restrictions. For non-age-restricted housing, two-bedroom units attract a mixed population, including some families with school-age children; and one-bedroom units rarely have dependent children, especially older children.

In addition to unit sizes, new multi-family developments have a lesser tendency to attract families based on:

- *Density.* Higher - density developments tend to have fewer children of any age than lower density developments. This seems to correlate with unit size because very high-density developments are usually dominated by one- and two-bedroom units.
- *Other choices in the housing market.* Since new multifamily developments are so often designed to discourage family occupancy, families seeking rental housing will choose other options if available in the same market area
- *Housing costs.* In a given market area, the higher the rent, the more likely it is that a renter household will not have school age children
- *Older multi-family dwellings* are more likely to house families with children because they are relatively small buildings with yards, and the rents (or condominium sale prices) tend to run below market. Families that can afford to own a home generally purchase one.

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IN SUMMARY, statistics gathered in a broader manner for an entire community may not accurately reflect the anticipated number of school age children that will be residents of newly constructed, more dense multi-family housing. Townwide averages blend all multifamily residents and do not account for the large differences that determine the choices a family with children will make based on age, density, amenities and most importantly, number of bedrooms. There have been very few studies completed in the three-state region (MA, RI & CT) during the past 10-15 years to really assist any particular community to assess the impact of school age children that may reside in a proposed residential development. Given all the specific and detailed data collection prepared by JDL ENTERPRISES and the chosen methodology, there is a higher degree of confidence in predicting school age children for a new development, such as proposed for the Town of South Kingstown, RI than attempting to utilize generalized older studies that do not reflect the actual project being reviewed by the community.

**Appendix A**  
**COMAPARABLE APARTMENT COMPLEXES**  
**SCHOOL AGE CHILDREN (SAC)**

<i>COMMUNITY</i>	<i>APARTMENT NAME</i>	<i>TOTAL UNITS</i>	<i>SCHOOL AGE CHILDREN</i>	<i># SAC PER 100 UNITS</i>
<b>Cranston</b>	Springfield	216	9	4.1
<b>No. Prov.</b>	Windsor	240	6	2.5
<b>Warwick</b>	Villa Del Rio	391	25	6.3
<b>Warwick</b>	Briarwood Meadows	456	6	1.3
<b>Providence</b>	Centre Place	225	2	.8
<b>Narragansett</b>	Pier Village	99	0	0
<b>W. Warwick</b>	Greenwich Place	168	15	8.9
<b>TOTALS</b>		1794	63	3.5

Source: Community Impact Study for South County Commons, LLC, So. Kingstown, RI  
 By Dan Varin – March 2003

**Appendix B**  
**COMAPARABLE CONDOMINIUM/APARTMENT**  
**COMPLEXES**  
**SCHOOL AGE CHILDREN (SAC)**

<i>COMMUNITY</i>	<i>DEVELOPEMNT NAME</i>	<i>TOTAL UNITS</i>	<i>SCHOOL AGE CHILDREN</i>	<i># SAC PER 100 UNITS</i>
<b>Cumberland</b>	Cumberland Crossing	258	14	5.4
<b>Westerly</b>	7 Complexes	268	7	2.6
<b>W. Warwick</b>	Riverview Farm	125	4	3.2
<b>Stonington, CT</b>	8 Complexes (detail in Appendix C)	209	5	2.4
<b>TOTALS</b>		860	30	3.5

Source: JDL ENTERPRISES – March 2006

## APPENDIX C

### ~TOWN OF STONINGTON, CT ~

#### PUBLIC SCHOOL STUDENTS: EXISTING CONDOMINIMUM DEVELOPMENTS

• Stonington Landing	54 units	1 Student
• Whitehall Pond Rte ( Mystic)	26 units	0 Students
• Whitehall Landing	24 units	4 Students
• Hewitt Road(Mystic )	12 units	0 Students
• Mystic River Square	25 units	0 Students
• Broadway School (Mystic)	21 units	0 Students
• Riverwalk Condos ( Pawcatuck)	37 units	0 Students
• Pequot Run ( Pawcatuck)	10 units	0 Students
	<b>TOTAL = 209 UNITS</b>	<b>5 STUDENTS</b>

**AVERAGE NUMBER OF STUDENTS PER UNIT =  $209/5 = 0.024$   
OR 2.4 STUDENTS PER ONE HUNDRED CONDOMINIUM UNITS**

#### SOURCES OF INFORMATION:

1. First Student Bus Company – (Data Released by Mr. Frank Connolly of the Stonington School Dept. – Business Office)
2. Tax Assessor – Town of Stonington, CT

Date: February 15, 2006

**Appendix D**  
**ADDITIONAL COMPARABLE CONDOMINIUM**  
**COMPLEXES**  
**SCHOOL AGE CHILDREN (SAC)**

<i>COMMUNITY</i>	<i>DEVELOPEMNT NAME</i>	<i>TOTAL UNITS</i>	<i>SCHOOL AGE CHILDREN</i>	<i># SAC PER 100 UNITS</i>
<b>No. South Kingstown</b>	Silver Pines	29	1	3.5
<b>Woonsocket</b>	Laurelwood (age- restricted)	162	0	0
<b>Cumberland</b>	3 complexes	57	1	1.7
<b>TOTALS</b>		248	2	<1

Source: JDL ENTERPRISES – March 2006

**Appendix E**  
**ADDITIONAL COMPARABLE**  
**CONDOMINIUM/APARTMENT COMPLEXES**  
**SCHOOL AGE CHILDREN (SAC)**

<i>COMMUNITY</i>	<i>DEVELOPEMNT NAME</i>	<i>TOTAL UNITS</i>	<i>SCHOOL AGE CHILDREN</i>	<i># SAC PER 100 UNITS</i>
<b>W. Greenwich (Apts)</b>	Centre of NE*	240	21	8.75
<b>S. Kingstown (Apts) #</b>	So County Commons	234	16	6.84
<b>S. Kingstown (Condo)#</b>	Preserve	52	0	0.00
<b>Coventry</b>	Centre of NE + – Hopkins Hill	90	4	4.44
<b>TOTALS</b>		<b>616</b>	<b>41</b>	<b>6.65</b>

Source: JDL ENTERPRISES – February 2009

\*Per City of West Greenwich Planning Dept – as of Dec 1, 2008. A total of 26 of the 240 units are 3 bedroom units. The balance of units is mostly 2 bedroom units, and some 1 bedroom units. These are apartments for rent.

+ Per Universal Properties – as of Dec. 30, 2008

# Per Vin Murray – Planning Director – City of South Kingstown – Current school year statistics

**Appendix F**  
**CONDOMINIUM COMPLEXES**  
**SCHOOL AGE CHILDREN (SAC)**  
**Town of Smithfield, RI**

<u>Condo</u>	<u>Total #</u>		
	<u>Units</u>	<u>Student total</u>	
Apple Valley Condo	74	7	
Apple Valley Estates	48	3	
Autumn Run	86	5	
Cedar Crest	38	2	
Homestead Mills Apts.	125	14	
Orchard Meadow	94	5	
Pheasant Run	94	4	
Pleasant View condos	54	8	
Shadowbrook	68	1	
Stonehenge	48	1	
Tamarac	84	5	
Timberlane	84	5	
Village at Summerfield (Detached 1- fam.)	125	2	
Village in the Woods (Detached 1- fam.)	<u>31</u>	<u>11</u>	
	1053	73	0.069326
			Students Per Unit Average

Source: Unit Count - Smithfield Planning Department  
Student count by development provided by Smithfield School Department - October 2014

