



Draft Project Report
Brewer's Station Fiscal Impact Analysis

Prepared for
Isle of Wight County, Virginia

On behalf of
Kimley-Horn Associates, Inc. and
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Submitted by
Urban Community Economics

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This report is based on information that was current as of October 2013 and Urban Community Economics has not undertaken any update of its research effort since such date.

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This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.

I. Introduction

Urban Community Economics (UCE) was retained by Francis Norsworthy (“the Developer”) to prepare a fiscal impact analysis of a proposed mixed-use development in Isle of Wight County, Virginia (“the Jurisdiction”).

UCE analyzed the fiscal implications of a planned community that would include 34 multifamily for sale condominium units, 65 for-sale townhomes, and 162 garden-style rental apartment flats. The residential program will be anchored by 85,000 square feet of neighborhood-serving commercial uses including approximately a 52,650 square foot grocery store and 32,350 square feet of other supporting retail and restaurant uses. The project’s developer has proposed that the site be considered for rezoning to allow for higher density multifamily and a higher intensity mix of uses as defined by the Isle of Wight County Comprehensive Land Use Plan.

This report examines issues related to the expected tax revenues from the project, the cost of providing public services to the proposed development, and the fiscal structure and the project’s impact on the Isle of Wight County’s municipal General Fund budget. This report answers a very important community question: will the new community, as proposed, provide sufficient new revenues to Isle of Wight County to offset the added costs associated with providing public services to the proposed community?

Background

Description of the Proposed Project Site

The proposed \$58.0 million development project is planned as a mixed-use community. The proposed residential and commercial development program is reflected in Table 1: Key Development Program Assumptions.

The commercial component of the project includes a variety of neighborhood-serving retail uses (anchor grocery, convenience retail, a pad-site corner store, and restaurant). The total estimated retail space should house approximately 85,000 square feet.

In total, the for-sale housing program includes 65 single family townhomes (6.44 dwelling units per acre), 34 multifamily units (6.69 dwelling units per acre), and 162 multifamily apartment flats (12.09

dwelling units per acre). At full residential project build-out in Year 5, it is anticipated that 251 new rental and for-sale residential units will be completed.

Table 1: Key Development Program Assumptions

Development Program	Land Plan Designation	Units	Gross SF/ Unit	Construction Cost / Sq Ft	Construction Cost / Unit
Residential Development					
Single Family Townhomes	Land Bay I	65	1,500	\$ 110	\$ 165,000
Multi-Family Apartments	Land Bay II	162	1,030	\$ 110	\$ 113,248
Multi-Family Condominiums	Land Bay IV	34	1,100	\$ 115	\$ 126,500
261					
			Square Feet	Est. Sales Productivity / Sq Ft	Construction Cost/ Sq Ft
Commercial Development			Land Bay III		
Neighborhood Services	Retail A, D, E		18,750	\$ 300	\$ 200
Convenience Retail	Retail B		2,700	\$ 300	\$ 200
Anchor Grocery	Retail C		52,650	\$ 400	\$ 200
Restaurant	Pad		4,900	\$ 500	\$ 250
Corner Store	Pad		6,000	\$ 300	\$ 200
Total			85,000		
Other Public Amenities			Square Feet		
Open Air Farmers' Market/Community Meeting Building			5,225		
Clubhouse, Pool, Park Areas, Tot-Lots			TBD		
Multi-Use Trail, Pedestrian Sidewalks and Open Spaces			TBD		

Source: Kimley-Horn; Urban Community Economics, 2013.

The residential component of the project is expected to be constructed over a six-year period (assuming site preparation commences in 2013). The fiscal impact analysis assumes residential construction at approximately 54 apartment units annually in Year 1 through Year 3, followed by townhome construction of 32 and 33 units annually in Year 4 and Year 5. Condominium construction (34 total units) is assumed to occur in Year 6. The fiscal analysis assumes that real property tax revenues are essentially based on construction value and property tax revenues will commence in the year the unit is constructed.

Housing, Population, and Employment

Appendix Table A-13 summarizes the profile of project residents and employees. Population in the single-family homes was based on the average Isle of Wight County household size of 2.56 persons, as reported by ESRI Business Information Solutions, Inc. (a demographic and economic forecasting company). The townhome population reflects an average household size of 1.92 persons (75% of single family), while the multifamily rental flats are assumed to house approximately 1.66 persons (65% of single family) on average.

The estimated current commercial population was based on employment data reported by the ESRI Business Analyst (2012). Commercial employment generation factors for the Brewer's Station project were developed using industry standard averages, or detailed information provided by other sources, as noted in the report's population and employment assumptions.

To estimate the number of new school-age children that attending Isle of Wight County Public Schools, UCE relied upon student generation factors established by the TischlerBise Draft Cash Proffer Study (June 22, 2012). Based on these factors, UCE assumed that each single family unit would yield approximately 0.379 students per single family unit and approximately 0.282 pupils per multifamily unit (Table 2).

Table 2: Student Generation Factor Assumptions

Pupils by School Level	Pupils/Single Family Unit	Pupils/Multifamily Unit
Elementary	0.180	0.180
Middle	0.067	0.055
High	0.132	0.047
Total	0.379	0.282

Source: TischlerBise Draft Cash Proffer Study, June 22, 2012.

Based on these inputs, UCE estimates that the total residential population generated by the project will be 501 persons and 80 public school children; likewise, the commercial components of the project will generate approximately 146 employees. These key assumptions form the basis for calculating the fiscal benefits and costs associated with providing public services within the project area. A summary of these calculations is provided in the following section of this report.

II. Summary of Net Fiscal Impact

The residential and commercial construction is expected to be completed by Year 6 of the development timeframe. The majority of the commercial and residential space is expected to be absorbed by Year 8.

At full buildout, the proposed Brewer's Station mixed-use development project is expected to generate up to approximately \$992,000 in Isle of Wight County General Fund Operating Budget revenues (in current year 2013 dollars).

In addition, the Developer is expected to contribute approximately \$2.84 million in cash proffers during the construction phase of the project (projected to occur between Year 1 and Year 6 of development).

In contrast, the new residential and commercial activity associated with the proposed Brewer's Station development is expected to require incremental annual General Fund expenditures of approximately \$591,000 to provide the additional public services required by the project (including public school operating costs).

In total, the proposed Brewer's Station development project is expected to yield a net positive annual Isle of Wight County General Fund benefit of approximately \$401,000 total project buildout. Together with the estimated cash proffer payments of \$2.84 million contributed by the Developer, the 20-year cumulative net fiscal impact to Isle of Wight County is estimated to be \$8.36 million, or a net present value of \$8.04 million (assuming a 0.49% discount rate).

In conclusion, the incremental Isle of Wight County General Fund operating expenditures associated with the proposed Brewer's Station development will be sufficiently supported by the expected incremental real property and other tax revenues, as well as the cash proffer payment of \$2.84 million. Notably, in no single year of the development buildout will the value of project-related public service costs exceed estimated project revenues. These findings indicate that the population and employment generated by the project will produce sufficient revenues to offset the incremental increase in General Fund operating budget costs. A summary of these findings is provided in Table 3 on the following pages.

Table 3: Summary of Proposed Brewer's Station Mixed-Use Development Fiscal Benefits and Costs

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2033
	Cumulative	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 20
General Fund Revenues																	
Real Property Tax	\$ 8,782,927	\$ -	\$ 62,599	\$ 125,198	\$ 187,796	\$ 336,993	\$ 406,132	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947
Business Personal Property Tax	\$ 971,731	\$ -	\$ -	\$ -	\$ -	\$ 37,066	\$ 37,066	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840
BPOL Tax	\$ 445,236	\$ -	\$ -	\$ -	\$ -	\$ 18,648	\$ 18,648	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196
Local Retail Sales Tax	\$ 6,489,723	\$ -	\$ -	\$ -	\$ -	\$ 287,469	\$ 287,469	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319	\$ 394,319
Total	\$ 16,689,617	\$ -	\$ 62,599	\$ 125,198	\$ 187,796	\$ 680,176	\$ 749,314	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302
Cash Proffer Payments																	
Residential - Single Family	\$ 868,270	\$ -	\$ -	\$ -	\$ -	\$ 427,456	\$ 440,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential - Multifamily	\$ 1,975,484	\$ -	\$ 544,266	\$ 544,266	\$ 544,266	\$ -	\$ -	\$ 342,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial - Shopping Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,843,754	\$ -	\$ 544,266	\$ 544,266	\$ 544,266	\$ 427,456	\$ 440,814	\$ 342,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Benefits	\$ 19,533,371	\$ -	\$ 606,865	\$ 669,464	\$ 732,062	\$ 1,107,632	\$ 1,190,128	\$ 1,334,988	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302	\$ 992,302
General Fund Public Service Costs																	
Variable Costs	\$ (8,318,001)	-	-	(433)	(93,669)	(187,121)	(298,969)	(376,706)	(468,558)	(530,196)	(530,196)	(530,196)	(530,196)	(530,196)	(530,196)	(530,196)	(530,196)
Fixed (Staffing) Costs	\$ (853,987)	-	-	-	-	-	-	-	(60,999)	(60,999)	(60,999)	(60,999)	(60,999)	(60,999)	(60,999)	(60,999)	(60,999)
Total	\$ (9,171,988)	-	-	(433)	(93,669)	(187,121)	(298,969)	(376,706)	(529,557)	(591,195)	(591,195)	(591,195)	(591,195)	(591,195)	(591,195)	(591,195)	(591,195)
Net Fiscal Impact	\$ 8,355,846	\$ -	\$ 606,865	\$ 669,031	\$ 638,394	\$ 920,511	\$ 891,159	\$ 958,283	\$ 462,745	\$ 401,107	\$ 401,107	\$ 401,107	\$ 401,107	\$ 401,107	\$ 401,107	\$ 401,107	\$ 401,107
Net Present Value /1	\$ 8,041,553																
Other Developer Contributions																	
Roadway Improvements	\$ 1,500,000	\$ -	\$ 1,000,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Upgrades	\$ 1,700,000	\$ -	\$ 1,200,000	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,200,000	\$ -	\$ 2,200,000	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1/ Assumes discount rate of 0.49% according to the "net present value for public finance" methodology established by Government Finance Officers Association and based on forecast inflation rate of 2.1% and 10-Year Treasury bond rate of 2.6%, July 2013.
Source: Kimley-Horn; Government Finance Officers Association; Congressional Budget Office; municipalbonds.com; Urban Community Economics, 2013.

III. Fiscal Impact Analysis Methodology

The goal of a fiscal impact analysis is to compare the public revenues generated by new development with the public costs attributable to that development. As is the case for all changes in land use, new revenues and public service costs will be generated for Isle of Wight County. This section outlines how UCE determined the types and magnitudes of revenues and costs that were attributed to Isle of Wight County. Detailed supporting tables for this analysis are included as the appendices to this report.

UCE's calculation of the net fiscal impact reflects a number of key assumptions regarding the potential project's population characteristics and its corresponding generation of estimated revenues and expenditures. Several of the inputs informing key assumptions are explained in the proceeding text.

Key Assumptions

Appendix Tables A-1 through A-6 summarize the project's key assumptions: proposed phasing, building type, number and size of each structure, and residential and commercial revenue values. These tables also define UCE's assumptions and inputs regarding County demographics, average household size, tax and fee rates, and other factors that will affect the project's fiscal characteristics.

The following sources provided UCE's key inputs:

- **Population and Households** – Isle of Wight County data from, ESRI Business Analyst 2013, and the TischlerBise report "Isle of Wight County, Virginia Cash Proffer Study: Schools, Parks & Recreation, Library, Sheriff, Fire & Rescue, and General Government," June 22, 2012.
- **Employment Generation Factors** – TischlerBise report "Isle of Wight County, Virginia Cash Proffer Study: Schools, Parks & Recreation, Library, Sheriff, Fire & Rescue, and General Government," June 22, 2012 and ESRI Business Analyst.
- **Tax Revenues and Permit Fees** – Isle of Wight County Real Estate Assessment Office and Department of Budget and Finance annual General Fund Operating Budget (FY2013-FY2014).

- **Public Service Cost Estimates** – Review of Isle of Wight County Department of Budget and Finance General Fund Operating Budget (FY2013-FY2014) and interviews with Isle of Wight County Economic Development and Planning Departments.
- **Cash Proffer Estimate** – TischlerBise report “Isle of Wight County, Virginia Cash Proffer Study: Schools, Parks & Recreation, Library, Sheriff, Fire & Rescue, and General Government,” June 22, 2012.
- **Development Fees** – Isle of Wight County Building Fee Schedule, Kimley-Horn, Inc., and UCE assumptions. Note that permit fees are considered revenue neutral and are excluded from this analysis.

Analysis of Potential Revenues & Expenditures

General Fund Operating Costs

UCE evaluated the Isle of Wight County General Fund Operating Budget (FY2013-FY2014) to evaluate the costs associated with providing municipal services to current and projected residents and employees. The budget documents are summarized in Appendix Table A-11 through Table A-15.

Core municipal services that are likely to be directly and materially impacted by the budget on a per capita basis are included in the fiscal cost estimate. Certain departments are likely to be more impacted than others by an increase in residential and commercial populations. UCE evaluated the potential impacts on staffing and administration by first dividing the General Fund budget into fixed (staffing) and variable cost factors. Each type of annual operating cost requires a distinct methodology to appropriately reflect the cost burden that could be associated with new residents and employees resulting from the proposed project buildout.

Fixed (Staffing) Vs. Variable Public Service Costs

UCE determined that a significant proportion of the budget cost structure supports full- and part-time salaries, wages, other compensation, and non-departmental fringe benefits. More than 50% of the County’s operating budget (excluding annual transfer payment costs) is dedicated to staffing costs (See Appendix Table A-12). UCE determined that other relevant annual ongoing costs that would be required to support an increase in residential and commercial activity in Isle of Wight

County include line items such as equipment repair and maintenance, and machinery supplies such as motor fuel and lube.

Departmental budgets also include typical operating line items such as postage, telephone, office supplies and other office expenses. Based on the Cash Proffer methodology detailed in the TischlerBise report “Isle of Wight County, Virginia Cash Proffer Study: Schools, Parks & Recreation, Library, Sheriff, Fire & Rescue, and General Government,” June 22, 2012., UCE applied a per capita calculation to these primary municipal costs to estimate the current per resident/employee share of supporting these costs.

The estimated per capita cost value was then applied to the population and employment projections derived from the proposed Brewer’s Station development program outlined in the introduction to this report to produce an estimate of the total potential costs to the Isle of Wight County General Fund Operating Budget.

Fixed (Staffing) Costs

Based on UCE experience with similar developments, it is anticipated that certain operating departments could require additional staffing to meet the public service needs of the new community. For planning purposes, UCE developed a proposed approach to the phasing for new staff for the following departments:

- **Public Safety:** According to the National Fire Protection Association and the Department of Justice, the average staffing requirements are roughly one to three full-time equivalent uniformed public safety officers (patrolmen) for every 1,000 residents. UCE conducted research to determine the average cost per FTE police officer including salaries, benefits, and pension. Note that the TischlerBise Cash Proffer Study values include the cost for Sheriff Department vehicles, equipment and facilities. UCE concluded that Isle of Wight County could expect to require expanding current public safety capacity by one full-time equivalent employee to meet the needs of the new Brewer’s Station community in year six of the project buildout (261 new units and approximately 501 new residents) at \$61,000 per FTE.

- **Public Works, Planning, and Community Development:** Based on the residential program of 261 units over six years and the associated infrastructure upgrades proposed by the Brewer's Station development project, UCE concludes that Isle of Wight County does not likely require additional Public Works, Planning, or Community Development staffing to support the new population.

Variable Public Service Costs

Variable public service costs fund important municipal operations such as materials, supplies, fuel, utility costs, facility and equipment maintenance, and other "consumable" goods that fluctuate from year to year. UCE incorporated the potential variable costs that could be impacted by the proposed development for the following departments:

- General Government
- Judicial Administration
- Public Safety
- Health & Welfare
- Parks and Recreation
- Community Development

Note that the "Education" department is not calculated on a per capita basis (reflected as "calculated separately" in the budget analysis. The total annual operating cost to educate an Isle of Wight public school student is approximately \$9,733, including local Isle of Wight County contributions of \$4,027 (excluding debt service) and the balance funded by State and Federal resources. This estimate excludes capital expenditures covered by the Developer's proffer contribution.

Public education operating costs are also based on the estimated number of new public school students that will be generated by the Brewer's Station development project. These values are based on the student generation factors established by the 2012 Isle of Wight Proffer Study prepared by TischlerBise.

The “Health and Welfare” department budget also includes an adjustment to reflect the cost to Isle of Wight County (net of intergovernmental transfers). As such, UCE excludes certain State programs and Section 8 costs. However, the local contribution to the social services transfer was included in the cost allocation, with 100 percent applied to the residential population.

Note that intergovernmental transfers for education programs and capital costs are assumed accounted for in the payment of development impact fees and are therefore excluded from the analysis.

General Fund Revenues

The estimated project-based public revenues are calculated on the following basis:

- **Directly affected and calculated** – Revenue items such as property tax revenue, building permit revenues and expenditures, licenses and permits, can be directly calculated and are detailed in several tables in the fiscal impact model.
- **Household** – Certain budget categories will likely be affected by the increases in new residents and businesses. For these items, UCE examined the current budget to determine revenues and expenditures on a per capita basis.
- **Per Square Foot of Commercial Activity** – Real and personal property tax revenues and associated expenditures related to the new commercial development are based on current assessment rates established by Isle of Wight County Commissioner of Real Estate Tax Assessments.

Real & Personal Property and Sales Tax Revenues

Commercial and residential real and personal property tax revenues are the key line items that can be directly calculated by using the program assumptions and tax rates from Appendix Table A-1. UCE estimated the property tax revenue stream by calculating the total capitalized market value per square foot.

Market value is calculated by estimating the net operating income for each use and applying a market capitalization rate. Net operating income is based on a high-level estimate of property

revenues (rental rates as reported by Costar data and other primary research), standard industry operating costs, and other factors.

The assessed value is calculated by applying the current Isle of Wight County equalization rate of 100 percent of the project's market value. The projections of property taxes are summarized in Appendix Table A-6. Sales tax revenues were estimated by applying typical sales productivity averages (sales per square foot).

Utility Fund Revenues and Expenditures

Based on discussions with the Isle of Wight County Public Utilities Department, potential increases in residential and commercial activity will be served by fee-based public utility services. Accordingly, these items are considered "revenue neutral" and are excluded from the analysis.

One-Time Project Benefits

Other types of one-time and ongoing revenues may be generated by the project. The total estimated value of developer's contributions is \$6.03 million including \$2.74 million of cash proffer payments and \$5.94 million in roadway and utility improvements. These developer contributions are in addition to the incremental annual public revenues that flow into the General Fund.

UCE's estimate of the cash proffer that would be required by this development is detailed in

Table 4. Given that the developer will pay these fees to Isle of Wight County in the year prior to occupancy; these funds will help offset the cost of any needed capital improvements that would be required to support future residents and employees.

Cash Proffer and Impact Fees

UCE's estimate of the cash proffer contributions related to the development is based on the following assumptions:

- **Single Family Proffers** – The Developer proposes to make cash proffers to Isle of Wight County in the amount of \$13,358 for the actual number of single family units. Accordingly, 65 townhome units X \$13,358 = \$868,270.
- **Multifamily Proffers** - The Developer proposes to make cash proffers of \$10,079 for constructed multifamily units (rental apartments, condominium units, and flats). Accordingly, 196 units X \$10,079 = \$1,975,484.
- **Commercial Proffers** – Cash proffers are excluded from the rezoning application.
- **Roadway Upgrades** – The Developer proposes to invest approximately \$1,500,000 in public roadway upgrades to serve the site.
- **Water & Sewer Utility Upgrades** – The Developer proposes to invest approximately \$1,700,000 in public water and sewer system extension upgrades to serve the site.

UCE notes that the Isle of Wight County Capital Improvement Program (CIP) budget cycle is based on a five-year period. Accordingly, the estimated \$2.84 million cash proffer payment would be allocated to the capital improvement budget according to development that occurs within five-year development period segments.

The total potential value of other one-time project benefits is \$3.20 million and includes the values of the proposed road right of way, intersection improvements, and utility upgrades. Note that these project-related financial benefits are not included in the calculation of Net Present Value.

Table 4: Proposed Developer Contributions
Other Economic Benefits

The proposed Brewer's Station development project is expected to generate other economic benefits in the local community. The project is expected to require approximately \$56.24 million in total construction investment (including hard and soft costs for buildings, roadway improvements, and utility upgrades) over the six-year buildout.

Considering the residential and commercial building construction value only, this investment translates into approximately \$46.87 million in total hard costs, including \$28.12 million in construction materials purchases and \$18.75 million in construction wages. Assuming an annual construction wage of approximately \$45,000, the Brewer's Station project could generate up to 69 full-time equivalent construction jobs each year of the six years of project development.

Table 5: Summary of Economic Benefits

	Cumulative
Construction Investment (Hard Costs)	\$ 46,867,190
Construction Materials /1	\$ 28,120,314
Construction Wages /2	\$ 18,746,876
Total Construction Wages	\$ 18,746,876
Divided by Average Annual Construction Wage /3	\$ 45,000
Person Years of Construction Employment =	417
Divided by Construction Years /4	6
Estimated Average Annual FTE Construction Jobs /3	69
1/ Construction materials as % of hard construction costs =	60%
2/ Construction wages as % of hard construction costs =	40%
3/ Average construction wage based on Virginia Employment Commission	
4/ Assumed construction timeframe subject to change.	

Source: RS Means Construction Cost Estimators; VA Department of Taxation; Kimley-Horn; Urban Community Economics, 2013.

IV. Appendix A: Detailed Assumptions and Calculations

A summary of the calculations supporting UCE's assessment of net fiscal impact to Isle of Wight County is presented in the detailed appendix tables. In Table 1, the project's overall impact on the County is summarized from the subsequent tables detailed in the appendix to this report. The line labeled "Net Fiscal Impact" shows the net effect for each year during the six-year development period and for the remaining years in the 20-year fiscal impact analysis timeframe.

The net present value of this revenue stream is then calculated by applying a discount rate of 0.49% percent. The discount rate reflects a government's cost of borrowing or a community's preference for present versus future consumption. For the purpose of this analysis, the discount rate of 0.49% is calculated according to the "net present value for public finance" methodology established by the Government Finance Officers Association and based on the forecast inflation rate of 2.1% and 10-Year Treasury bond rate of 2.6% as of July 2013 (calculated as $((1+0.021)/(1+0.026))-1$). The discount rate essentially represents the cost of tax-financed projects in current year dollars.

The net present value represents the project's value to Isle of Wight County over 20 years, expressed in today's current year dollars.

**Brewer's Station Development Project
Fiscal and Economic Impact Analysis**

Table A-1: Key Demographic and Economic Assumptions

Demographic Assumptions		2012 (ESRI)	
Population		35,726	
Households		13,828	
Non-Farm Employment		9,728	
Household Size		Pop. Per Unit -	
	% of Avg.	2012 (ESRI)	
Avg. HH Size - Single-Family	100%	2.56	
Townhomes	75%	1.92	
Apartment Units	65%	1.66	
Student Generation Impacts 1/		Multifamily-	
	Single Family	Townhomes	Flats
Elementary	0.180	0.180	0.180
Middle	0.067	0.055	0.055
High	0.132	0.047	0.047
Total	0.379	0.282	0.282
Economic Assumptions		FTEs / Unit	
Employment Generation			
Commercial / Retail		600	
Residential - Multifamily Apartment		0.025	
		Director/ Supervisor	Staff
Percent of Total		25%	75%
Full-Time		100%	65%
Part-Time		0%	35%
Average Annual Wage (Weighted Avg) /2	\$ 65,000	\$ 26,000	
Full-Time Equivalent Hours - Annual	2,080		
Part-Time Equivalent Hours - Annual	1,248		
Development Assumptions		Tax Rate (FY2013-	
Tax Rates		2014)	Per Value Basis
Ad Valorem Property Tax	0.73	\$ 100	Fair Market Value
Personal Property Tax	4.50	\$ 100	
Machinery & Tools	0.70	\$ 100	
Equalization Rate (Assessment Ratio)			
Residential	100%	of Market Value	
Commercial	100%	of Market Value	
Furniture, Fixtures, & Equipmt Value	\$ 40	Per Sq Ft Commercial	
Sales Tax Rates		State	Local
Sales Tax - General	5.0%	1.0%	6.0%
Sales Tax - Food for Home Consumption	1.0%	1.5%	2.5%
			% Grocery Sales
			27.0%
			73.0%
Retail BPOL Tax Receipts		Tax Rate per	
	Min	Max	\$100
Gross Receipts <\$50K	\$ -	\$ 49,999	\$ -
Gross Receipts \$50K - \$149K	\$ 50,000	\$ 149,000	\$ 0.12
Gross Receipts \$150K+	\$ 150,000		\$ 0.08
Additional Tax for above \$150k			\$ 1,800
Construction Assumptions		Model Input	Value Basis
Construction Start Year	2013		
Analysis Base Year	2012		
Soft Costs (Design & Contingency, % of Hard)	20%		
Construction Materials Costs (% of Hard)	60%		
Construction Wages (% of Hard)	40%		
Construction Materials Purchased In-State	100%		
Construction Years (UCE Estimate)	15		
Site Preparation Cost / Acre	\$ 225,000		
1 acre =	43,560	square feet	

1/ Student Generation Factors based TischlerBise Draft Cash Proffer Study, June 22, 2012.

2/ Employment and Wage Data Source: ESRI Business Analyst 2012 & Virginia Employment Commission, 2013.

Source: American Fact Finder; Kimley-Horn; Urban Community Economics, 2013.

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Table A-2: Proposed Development Program

Development Program	Land Plan Designation	Units	Gross SF/ Unit	Construction Cost / Sq Ft	Construction Cost / Unit
Residential Development					
Single Family Townhomes	Land Bay I	65	1,500	\$ 110	\$ 165,000
Multi-Family Apartments	Land Bay II	162	1,030	\$ 110	\$ 113,248
Multi-Family Condominiums	Land Bay IV	34	1,100	\$ 115	\$ 126,500
		261			

Commercial Development	Land Bay III	Square Feet	Est. Sales Productivity / Sq Ft	Construction Cost/ Sq Ft
Neighborhood Services	Retail A, D, E	18,750	\$ 300	\$ 200
Convenience Retail	Retail B	2,700	\$ 300	\$ 200
Anchor Grocery	Retail C	52,650	\$ 400	\$ 200
Restaurant	Pad	4,900	\$ 500	\$ 250
Corner Store	Pad	6,000	\$ 300	\$ 200
Total		85,000		

Other Public Amenities	Square Feet
Open Air Farmers' Market	5,225
Community Meeting Building	5,225
Clubhouse, Pool, Park Areas, Tot-Lots	TBD
Multi-Use Trail, Pedestrian Sidewalks and Open Spaces	TBD

Source: Kimley-Horn; Urban Community Economics, 2013.

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Table A-3: Buildout Assumptions

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Units	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Residential Development														
Annual Space Buildout /1														
Single Family Townhomes	65				32	33								
Multi-Family Condominiums	34						34							
Multi-Family Apartments	162	54	54	54										
Total	261	0	54	54	54	32	33	34	0	0	0	0	0	0
Cumulative Space Buildout														
Single Family Townhomes	65	0	0	0	32	65	65	65	65	65	65	65	65	65
Multi-Family Condominiums	34	0	0	0	0	0	34	34	34	34	34	34	34	34
Multi-Family Apartments	162	0	54	108	162	162	162	162	162	162	162	162	162	162
Total	-	54	108	162	194	227	261	261	261	261	261	261	261	261
Commercial Development														
Cumulative Space Buildout (% of Total)														
Neighborhood Services	18,750	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Convenience Retail	2,700	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Anchor Grocery	52,650	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Restaurant	4,900	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Corner Store	6,000	0%	0%	0%	0%	0%	100%	100%	100%	100%	100%	100%	100%	100%
Total	85,000													
Cumulative Space Buildout (sq ft)														
Neighborhood Services	18,750	-	-	-	-	-	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750
Convenience Retail	2,700	-	-	-	-	-	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Anchor Grocery	52,650	-	-	-	-	52,650	52,650	52,650	52,650	52,650	52,650	52,650	52,650	52,650
Restaurant	4,900	-	-	-	-	-	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900
Corner Store	6,000	-	-	-	-	-	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total	85,000	-	-	-	-	52,650	52,650	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Annual Space Buildout														
Neighborhood Services	18,750	-	-	-	-	-	18,750	-	-	-	-	-	-	-
Convenience Retail	2,700	-	-	-	-	-	2,700	-	-	-	-	-	-	-
Anchor Grocery	52,650	-	-	-	-	52,650	-	-	-	-	-	-	-	-
Restaurant	4,900	-	-	-	-	-	4,900	-	-	-	-	-	-	-
Corner Store	6,000	-	-	-	-	-	6,000	-	-	-	-	-	-	-
Total	85,000	-	-	-	-	52,650	32,350	-	-	-	-	-	-	-

1/ Apartment buildout assumes five-year absorption timeframe, equivalent to a leasing target of approximately three units/month.
Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-3: Buildout Assumptions

		2027	2028	2029	2030	2031	2032	2033
	Total Units	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Residential Development								
Annual Space Buildout /1								
Single Family Townhomes	65							
Multi-Family Condominiums	34							
Multi-Family Apartments	162							
Total	261	0	0	0	0	0	0	0
Cumulative Space Buildout								
Single Family Townhomes	65	65	65	65	65	65	65	65
Multi-Family Condominiums	34	34	34	34	34	34	34	34
Multi-Family Apartments	162	162	162	162	162	162	162	162
Total		261	261	261	261	261	261	261
Commercial Development								
Cumulative Space Buildout (% of Total)								
Neighborhood Services	18,750	100%	100%	100%	100%	100%	100%	100%
Convenience Retail	2,700	100%	100%	100%	100%	100%	100%	100%
Anchor Grocery	52,650	100%	100%	100%	100%	100%	100%	100%
Restaurant	4,900	100%	100%	100%	100%	100%	100%	100%
Corner Store	6,000	100%	100%	100%	100%	100%	100%	100%
Total	85,000							
Cumulative Space Buildout (sq ft)								
Neighborhood Services	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750
Convenience Retail	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Anchor Grocery	52,650	52,650	52,650	52,650	52,650	52,650	52,650	52,650
Restaurant	4,900	4,900	4,900	4,900	4,900	4,900	4,900	4,900
Corner Store	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Total	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Annual Space Buildout								
Neighborhood Services	18,750	-	-	-	-	-	-	-
Convenience Retail	2,700	-	-	-	-	-	-	-
Anchor Grocery	52,650	-	-	-	-	-	-	-
Restaurant	4,900	-	-	-	-	-	-	-
Corner Store	6,000	-	-	-	-	-	-	-
Total	85,000	-	-	-	-	-	-	-

1/ Apartment buildout assumes five-year absorption timeframe,
equivalent to a leasing target of approximately three units/month.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
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Table A-4: Residential Market Value Assumptions

	Average SF/		Market Value /		Market Value	Gross Market					
Residential - For Sale	Units	Unit	Unit	/ SF		Value					
Single Family Townhomes	65	1,500	\$ 287,000	\$ 191	\$	18,655,000					
Multi-Family Condominiums	34	1,100	\$ 195,000	\$ 177	\$	6,630,000					
Total						\$	25,285,000				

	Units	Rent Per	Potential Gross		Effective Gross	Operating	Net Operating	Capitalization		Market Value
Residential - For Lease		Unit	Income	Vacancy	Income	Expenses /1	Income	Rate	Market Value	/ Unit
Multi-Family Apartments	162	\$ 1,265	\$ 2,458,813	5%	\$ 2,335,873	\$ 599,400	\$ 1,736,473	6.75%	\$ 25,725,523	\$ 158,800

1/ Multifamily residential operating assumptions:
Area Efficiency for Office and Apartment Building 85%
Operating Expenses per Apartment Unit \$ 3,700

Source: Isle of Wight County; Kimley-Horn; Urban Community Economics, 2013.

Brewer's Station Development Project
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Table A-5: Commercial Market Value Assumptions

	Rentable Sq	Rent Per Sq	Potential Gross		Effective Gross	Operating	Net Operating	Capitalization	Market Value		
Commercial Development	Square Feet	Ft	Ft	Income	Vacancy	Income	Expenses /1	Income	Rate /2	Market Value	/ Sq Ft
Anchor Grocery	52,650	44,753	\$ 17.00	\$ 895,050	5%	\$ 850,298	\$ 85,030	\$ 765,268	8.0%	\$ 9,565,847	\$ 214
Restaurant	4,900	4,165	\$ 19.00	\$ 93,100	5%	\$ 88,445	\$ 8,845	\$ 79,601	8.0%	\$ 995,006	\$ 239
Convenience Retail	2,700	2,295	\$ 19.00	\$ 51,300	5%	\$ 48,735	\$ 4,874	\$ 43,862	8.0%	\$ 548,269	\$ 239
Neighborhood Services	18,750	15,938	\$ 19.00	\$ 356,250	5%	\$ 338,438	\$ 33,844	\$ 304,594	8.0%	\$ 3,807,422	\$ 239
Corner Store	6,000	5,100	\$ 19.00	\$ 114,000	5%	\$ 108,300	\$ 10,830	\$ 97,470	8.0%	\$ 1,218,375	\$ 239
Total	85,000			\$ 1,509,700		\$ 1,434,215	\$ 143,422	\$ 1,290,794		\$ 16,134,919	
Other Public Amenities											
Open Air Farmers' Market	5,225	4,441	\$ -	\$ -	5%	\$ -	\$ -	\$ -	8.0%	\$ -	
Community Meeting Building	TBD										

1/ Commercial property operating assumptions:

Area Efficiency for Commercial Building	85%
Operating Expenses for Commercial Space (% of Gross)	10%

Source: Isle of Wight County; Kimley-Horn; Urban Community Economics, 2013.

**Brewer's Station Development Project
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Table A-6: Estimated Real Property Taxes

	2012 Year 0	2013 Year 1	2014 Year 2	2015 Year 3	2016 Year 4	2017 Year 5	2018 Year 6	2019 Year 7	2020 Year 8	2021 Year 9	2022 Year 10	2023 Year 11
Residential Development												
Gross Annual Market Value												
Single Family Townhomes	\$ -	\$ -	\$ -	\$ -	\$ 9,184,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000
Multi-Family Condominiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000
Multi-Family Apartments	\$ -	\$ 8,575,174	\$ 17,150,349	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523
Total	\$ -	\$ 8,575,174	\$ 17,150,349	\$ 25,725,523	\$ 34,909,523	\$ 44,380,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523
Real Property Tax Revenue Generation /1												
Single Family Townhomes	\$ -	\$ -	\$ -	\$ -	\$ 67,043	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182
Multi-Family Condominiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399
Multi-Family Apartments	\$ -	\$ 62,599	\$ 125,198	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796
Total	\$ -	\$ 62,599	\$ 125,198	\$ 187,796	\$ 254,840	\$ 323,978	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377
Commercial Development												
Gross Annual Market Value												
Anchor Grocery	\$ -	\$ -	\$ -	\$ -	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938
Restaurant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596
Convenience Retail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022
Neighborhood Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320
Corner Store	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382
Total	\$ -	\$ -	\$ -	\$ -	\$ 11,253,938	\$ 11,253,938	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257
Real Property Tax Revenue Generation /2												
Anchor Grocery	\$ -	\$ -	\$ -	\$ -	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154
Restaurant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545
Convenience Retail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709
Neighborhood Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699
Corner Store	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464
Total	\$ -	\$ -	\$ -	\$ -	\$ 82,154	\$ 82,154	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570
Total Residential and Commercial Tax Generation												
Generation	\$ -	\$ 62,599	\$ 125,198	\$ 187,796	\$ 336,993	\$ 406,132	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947

1/ Tax generation assumptions:

Tax Rate / \$100 Val	0.73
Equalization Rate - Residential	100%
Equalization Rate - Commercial	100%

2/ See 1.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-6: Estimated Real Property Taxes

	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Residential Development									
Gross Annual Market Value									
Single Family Townhomes	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000	\$ 18,655,000
Multi-Family Condominiums	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000	\$ 6,630,000
Multi-Family Apartments	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523	\$ 25,725,523
Total	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523	\$ 51,010,523
Real Property Tax Revenue Generation /1									
Single Family Townhomes	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182	\$ 136,182
Multi-Family Condominiums	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399	\$ 48,399
Multi-Family Apartments	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796	\$ 187,796
Total	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377	\$ 372,377
Commercial Development									
Gross Annual Market Value									
Anchor Grocery	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938	\$ 11,253,938
Restaurant	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596	\$ 1,170,596
Convenience Retail	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022	\$ 645,022
Neighborhood Services	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320	\$ 4,479,320
Corner Store	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382	\$ 1,433,382
Total	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257	\$ 18,982,257
Real Property Tax Revenue Generation /2									
Anchor Grocery	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154	\$ 82,154
Restaurant	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545	\$ 8,545
Convenience Retail	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709	\$ 4,709
Neighborhood Services	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699	\$ 32,699
Corner Store	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464	\$ 10,464
Total	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570	\$ 138,570
Total Residential and Commercial Tax Generation									
	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947	\$ 510,947

1/ Tax generation assumptions:

Tax Rate / \$100 Val	0.73
Equalization Rate - Residential	100%
Equalization Rate - Commercial	100%

2/ See 1.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

**Brewer's Station Development Project
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Table A-7: Estimated Retail Sales Taxes

(Continued)													
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Gross Annual Taxable Retail Sales													
Anchor Grocery	-	-	-	-	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000
Restaurant	-	-	-	-	-	-	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
Convenience Retail	-	-	-	-	-	-	810,000	810,000	810,000	810,000	810,000	810,000	810,000
Neighborhood Services	-	-	-	-	-	-	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000
Corner Store	-	-	-	-	-	-	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Total	-	-	-	-	21,060,000	21,060,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000
Sales Tax Generation													
% of Total													
Anchor Grocery - General	-	-	-	-	341,172	341,172	341,172	341,172	341,172	341,172	341,172	341,172	341,172
Anchor Grocery - Food at Home	-	-	-	-	384,345	384,345	384,345	384,345	384,345	384,345	384,345	384,345	384,345
Restaurant	-	-	-	-	-	-	147,000	147,000	147,000	147,000	147,000	147,000	147,000
Convenience Retail	-	-	-	-	-	-	48,600	48,600	48,600	48,600	48,600	48,600	48,600
Neighborhood Services	-	-	-	-	-	-	337,500	337,500	337,500	337,500	337,500	337,500	337,500
Corner Store	-	-	-	-	-	-	108,000	108,000	108,000	108,000	108,000	108,000	108,000
Total	-	-	-	-	725,517	725,517	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617
Sales Tax Generation by Jurisdiction /1													
State of Virginia	-	-	-	-	438,048	438,048	972,298	972,298	972,298	972,298	972,298	972,298	972,298
Isle of Wight County	-	-	-	-	287,469	287,469	394,319	394,319	394,319	394,319	394,319	394,319	394,319
Total	-	-	-	-	725,517	725,517	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617
1/ State and Local Sales Tax Rate Allocation Assumptions:													
General Tax Rate	5%	1%	6%										
Percent of Total	83%	17%	100%										
Food at Home Tax Rate	1%	2%	3%										
Percent of Total	40%	60%	100%										

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-7: Estimated Retail Sales Taxes

		2025	2026	2027	2028	2029	2030	2031	2032
		Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Gross Annual Taxable Retail Sales									
Anchor Grocery		21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000	21,060,000
Restaurant		2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
Convenience Retail		810,000	810,000	810,000	810,000	810,000	810,000	810,000	810,000
Neighborhood Services		5,625,000	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000	5,625,000
Corner Store		1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Total		31,745,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000	31,745,000
Sales Tax Generation									
	% of Total								
Anchor Grocery - General	27%	341,172	341,172	341,172	341,172	341,172	341,172	341,172	341,172
Anchor Grocery - Food at Home	73%	384,345	384,345	384,345	384,345	384,345	384,345	384,345	384,345
Restaurant		147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000
Convenience Retail		48,600	48,600	48,600	48,600	48,600	48,600	48,600	48,600
Neighborhood Services		337,500	337,500	337,500	337,500	337,500	337,500	337,500	337,500
Corner Store		108,000	108,000	108,000	108,000	108,000	108,000	108,000	108,000
Total		1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617
Sales Tax Generation by Jurisdiction /1									
State of Virginia		972,298	972,298	972,298	972,298	972,298	972,298	972,298	972,298
Isle of Wight County		394,319	394,319	394,319	394,319	394,319	394,319	394,319	394,319
Total		1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617	1,366,617
1/ State and Local Sales Tax Rate Allocation Assumptions:									
General Tax Rate	5%								
Percent of Total	83%								
Food at Home Tax Rate	1%								
Percent of Total	40%								

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

**Brewer's Station Development Project
Fiscal and Economic Impact Analysis**

Table A-8: Estimated Tangible Business Personal Property Tax Rate per Square Foot of Commercial Space

Commercial Development	Sq Ft	FF&E PSF Estimate	Total FF&E	Business Personal		
				Assessed Value at 40%	Property Tax at \$4.40 per \$100	BPOL Tax / Sq Ft
Anchor Grocery	52,650	\$ 40.00	\$ 2,106,000	\$ 842,400	\$ 37,066	\$ 0.70
Restaurant	4,900	\$ 40.00	\$ 196,000	\$ 78,400	\$ 3,450	\$ 0.70
Convenience Retail	2,700	\$ 40.00	\$ 108,000	\$ 43,200	\$ 1,901	\$ 0.70
Neighborhood Services	18,750	\$ 40.00	\$ 750,000	\$ 300,000	\$ 13,200	\$ 0.70
Corner Store	6,000	\$ 40.00	\$ 240,000	\$ 96,000	\$ 4,224	\$ 0.70
Total	85,000		3,400,000	1,360,000	59,840	
Weighted Average						\$ 0.70

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-9: Estimated Business Personal Property and BPOL Tax Generation

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Retail Space Buildout (Cumulative Sq Ft)	-	-	-	-	52,650	52,650	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Business Personal Property Tax Generation/1	\$ -	\$ -	\$ -	\$ -	\$ 37,066	\$ 37,066	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840
Business, Professional, and Occupational License Tax Generation													
Gross Annual Taxable Retail Sales													
Anchor Grocery	\$ -	\$ -	\$ -	\$ -	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000
Restaurant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000
Convenience Retail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000
Neighborhood Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000
Corner Store	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 21,060,000	\$ 21,060,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000
BPOL Tax Generation													
Anchor Grocery	\$ -	\$ -	\$ -	\$ -	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648
Restaurant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760
Convenience Retail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448
Neighborhood Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Corner Store	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240
Total	\$ -	\$ -	\$ -	\$ -	\$ 18,648	\$ 18,648	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196
1/ Business Personal Property Tax Generation Tax Rate/ Sq Ft													
													\$ 0.70
2/ BPOL Tax Rate Assumptions:													
Tax Rate per \$ of Value													
	Min	Max											Rate
Gross Receipts <\$50K	\$ -	\$ 49,999	\$ -										
Gross Receipts \$50K - \$149K	\$ 50,000	\$ 149,000	\$ 0.12										
Gross Receipts \$150K+	\$ 150,000	\$ -	\$ 0.08										
Additional Tax for above \$150k	\$ -	\$ -	\$ 1,800										

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-9: Estimated Business Personal Property and BPOL Tax Ge

	2025	2026	2027	2028	2029	2030	2031	2032
	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Retail Space Buildout (Cumulative Sq Ft)	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Business Personal Property Tax Generation/1	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840	\$ 59,840
Business, Professional, and Occupational License Tax Generation								
Gross Annual Taxable Retail Sales								
Anchor Grocery	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000	\$ 21,060,000
Restaurant	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000
Convenience Retail	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000	\$ 810,000
Neighborhood Services	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000	\$ 5,625,000
Corner Store	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Total	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000	\$ 31,745,000
BPOL Tax Generation								
Anchor Grocery	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648	\$ 18,648
Restaurant	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760
Convenience Retail	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448	\$ 2,448
Neighborhood Services	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Corner Store	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240	\$ 3,240
Total	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196	\$ 27,196

1/ Business Personal Property Tax Generation Tax Rate/ Sq Ft

2/ BPOL Tax Rate Assumptions:

Tax Rate per \$ of Value

Gross Receipts <\$50K
Gross Receipts \$50K - \$149K
Gross Receipts \$150K+

Additional Tax for above \$150k

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-10: Estimated Project-Based Population and Employment

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Residential Development														
Single Family Townhomes		0	0	0	0	32	65	65	65	65	65	65	65	65
Multi-Family Condominiums		0	0	0	0	0	0	34	34	34	34	34	34	34
Multi-Family Apartments		-	54	108	162	162	162	162	162	162	162	162	162	162
Population Generation														
Cumulative Population		Factor/ Unit												
Single Family Townhomes		2.56	LAG YR	-	-	-	82	166	166	166	166	166	166	166
Multi-Family Condominiums		1.92	LAG YR	-	-	-	-	65	65	65	65	65	65	65
Multi-Family Apartments		1.66	LAG YR	-	90	180	270	270	270	270	270	270	270	270
Total		501	-	90	180	270	351	436	501	501	501	501	501	501
Students/ Unit														
Cumulative School Children														
Single Family Townhomes		0.38	LAG YR	-	-	-	12	25	25	25	25	25	25	25
Multi-Family Condominiums		0.28	LAG YR	-	-	-	-	10	10	10	10	10	10	10
Multi-Family Apartments		0.28	LAG YR	-	15	30	46	46	46	46	46	46	46	46
Total		80	-	15	30	46	58	70	80	80	80	80	80	80
PROJECT-BASED EMPLOYMENT														
Commercial Development (Sq Ft)		SF/ Employee	-	-	-	-	52,650	52,650	85,000	85,000	85,000	85,000	85,000	85,000
Commercial Employment		600	LAG YR	-	-	-	88	88	142	142	142	142	142	142
Multifamily Residential Units			LAG YR	-	54	108	162	162	162	162	162	162	162	162
Residential Employment		Employees/ Unit	0.025	LAG YR	0	1	3	4	4	4	4	4	4	4
Total Project-Based Employment		146	-	1	3	4	92	92	146	146	146	146	146	146

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-10: Estimated Project-Based Population and Employment

Residential Development		2026	2027	2028	2029	2030	2031	2032	2033
		Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Single Family Townhomes		65	65	65	65	65	65	65	65
Multi-Family Condominiums		34	34	34	34	34	34	34	34
Multi-Family Apartments		162	162	162	162	162	162	162	162
	Population Generation								
Cumulative Population	Factor/ Unit								
Single Family Townhomes	2.56	166	166	166	166	166	166	166	166
Multi-Family Condominiums	1.92	65	65	65	65	65	65	65	65
Multi-Family Apartments	1.66	270	270	270	270	270	270	270	270
Total	501	501	501	501	501	501	501	501	501
	Students/ Unit								
Cumulative School Children									
Single Family Townhomes	0.38	25	25	25	25	25	25	25	25
Multi-Family Condominiums	0.28	10	10	10	10	10	10	10	10
Multi-Family Apartments	0.28	46	46	46	46	46	46	46	46
Total	80	80	80	80	80	80	80	80	80
PROJECT-BASED EMPLOYMENT									
Commercial Development (Sq Ft)		85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
	SF/ Employee								
Commercial Employment	600	142	142	142	142	142	142	142	142
Multifamily Residential Units		162	162	162	162	162	162	162	162
	Employees/ Unit								
Residential Employment	0.025	4	4	4	4	4	4	4	4
Total Project-Based Employment	146	146	146	146	146	146	146	146	146

Source: Isle of Wight County; Kimley-Horn; UCE, 201

**Brewer's Station Development Project
Fiscal and Economic Impact Analysis**

Table A-11: Isle of Wight County Public Schools Operating Cost per Pupil - Excluding Debt Service

Operating Revenues by Source (Excluding Capital Costs)	Percent of	
	Total	
Local (Isle of Wight County) Costs	\$ 26,017,717	44%
Federal & State Costs	\$ 32,994,622	56%
Total Federal, State & Local Costs	\$ 59,012,339	100%

Isle of Wight County Public Schools Operating Costs		% Impacted by New Residents	
Instructional Services	\$ 42,154,253	100%	\$ 42,154,253
Admin., Attendance & Health	\$ 2,387,329	100%	\$ 2,387,329
Pupil Transportation	\$ 3,037,017	100%	\$ 3,037,017
Operations & Maintenance	\$ 4,197,628	100%	\$ 4,197,628
Technology	\$ 1,350,570	100%	\$ 1,350,570
Child Nutrition Services	\$ 2,254,438	100%	\$ 2,254,438
Debt Services	\$ 3,631,104	0%	\$ -
Total Operating Budget	\$ 59,012,339		\$ 55,381,235

Total Student Enrollment 6,063

	Including Debt Svc	Excluding Debt Service
Total Cost per Pupil (Inc. Debt Svc)	\$ 9,733	\$ 9,134

Percent Funded by Local (Isle of Wight County) Sources 44%

Local Cost per Pupil \$ 4,027

1/ Excluding Debt Service. Total expenditure per pupil including debt service is \$4800 per IOW County Public Schools, 2013.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-12: Estimated Per Capita Public Service Costs

Proportion of Residential & Non-Residential Populations

Public Service Cost Allocation Summary -- Marginal Cost Methodology

	Potential Commercial / Residential Impact		FY 2013 Adopted Budget	Fixed	Variable	Per Capita
Function		Description				
General Government	C/R	Salaries & Wages	2,457,499			not affected
	C/R	Employee Benefits	1,096,028			not affected
	C/R	Professional/Contracted Services	683,830		683,830 \$	15.04
	C/R	Purchased Services	772,654		772,654 \$	17.00
	C/R	Materials / Supplies	62,815		62,815 \$	1.38
	C/R	Equipment / Vehicles	86,197		86,197 \$	1.90
	C/R	Other	-		- \$	-
			5,159,023	-	1,605,496 \$	35.32
Judicial Administration	C/R	Salaries & Wages	701,895	701,895		not affected
	C/R	Employee Benefits	264,050	264,050		not affected
	C/R	Professional/Contracted Services	179,400		179,400 \$	3.95
	C/R	Purchased Services	33,781		33,781 \$	0.74
	C/R	Materials / Supplies	12,695		12,695 \$	0.28
	C/R	Equipment / Vehicles	1,050		1,050 \$	0.02
			1,192,871	965,945	226,926 \$	4.99 #
Public Safety	C/R	Salaries & Wages	4,306,030	4,306,030		calculated separately
	C/R	Employee Benefits	1,550,216	1,550,216		
	C/R	Professional/Contracted Services	121,550		121,550 \$	2.67
	C/R	Purchased Services	1,955,060		1,955,060 \$	43.01
	C/R	Materials / Supplies	322,000		322,000 \$	7.08
	C/R	Equipment / Vehicles	39,000		39,000 \$	0.86
			8,293,856	5,856,246	2,437,610 \$	53.63
General Services	C/R	Salaries & Wages	1,469,200	1,469,200		not affected
	C/R	Employee Benefits	504,598	504,598		not affected
	C/R	Professional/Contracted Services	2,680,772		2,680,772 \$	58.98
	C/R	Purchased Services	1,077,111		1,077,111 \$	23.70
	C/R	Materials / Supplies	229,150		229,150 \$	5.04
	C/R	Equipment / Vehicles	28,500		28,500 \$	0.63
	C/R	Other (Regional Stormwater Mngt)	-		- \$	-
			5,989,331	1,973,798	4,015,533 \$	88.34
Health & Welfare	R	Salaries & Wages	18,399	18,399		not affected
	R	Employee Benefits	4,840	4,840		not affected
	R	Professional/Contracted Services	35,739		35,739 \$	1.00
	R	Purchased Services	783		783 \$	0.02
	R	Materials / Supplies	186		186 \$	0.01
	R	Donations to Other Organizations	820,214		820,214	not affected
	N/A	Social Services -State/Federal			-	not affected
	N/A	Comprehensive Services Act - Local			-	not affected
	N/A	Comprehensive Services Act - State			-	not affected
	N/A	Section 8 - Local			-	not affected
	N/A	Section 8 - State			-	not affected
				880,161	23,239	856,922 \$

Continued on Following Page

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Continued

Potential		FY 2009 Adopted				
Function	Commercial / Residential Impact	Description	Budget	Fixed	Variable	Per Capita
Education	R	State/Federal/Other	31,318,894	Calculated Separately in Direct Annual Public School Costs and Proffers		
	R	Local	27,693,445			
	R	Capital	-			
			59,012,339			
Parks, Recreation & Cultural	R	Salaries & Wages	974,851	974,851	not affected	
	R	Employee Benefits	414,092	414,092	not affected	
	R	Professional/Contracted Services	38,790		38,790	\$ 1.09
	R	Purchased Services	102,028		102,028	\$ 2.86
	R	Materials / Supplies	239,590		239,590	\$ 6.71
	R	Equipment / Vehicles	26,000		26,000	\$ 0.73
	R	Other (Donations to external orgs)	646,888		646,888	\$ 18.11
			2,442,239	1,388,943	1,053,296	\$ 29.48
Community Development	C/R	Salaries & Wages	1,060,664	1,060,664	calculated separately	
	C/R	Employee Benefits	388,787	388,787		
	C/R	Professional/Contracted Services	111,318		111,318	\$ 11.44
	C/R	Purchased Services	154,060		154,060	\$ 15.84
	C/R	Materials / Supplies	32,920		32,920	\$ 3.38
	C/R	Equipment / Vehicles	1,200		1,200	\$ 0.12
	C/R	Other	32,620		32,620	\$ 3.35
			1,781,569	1,449,451	332,118	\$ 34.14
Other Financing Uses	C/R	Non-Departmental Compensation	30,000	Calculated Separately in Development Impact Fees and Proffers		
	C/R	Non-Departmental Benefits	185,827			
	C/R	Annexation Agreement	238,835			
	C/R	Materials / Supplies	4,000			
	C/R	Non-Departmental Other	63,300			
	C/R	Capital Projects				
	C/R	Debt Service	2,569,427			
	C/R	Reserves	154,389			
	C/R	Transfer to Other Funds	6,463,458			
		9,709,236				
Total Expenditures		94,460,625				
Per Capita Public Service Costs for Residents			353			
Per Capita Public Service Costs for Commercial Uses			216			
1/ Population and Employment Assumptions						
Residents			35,726	79%		
Non-Agricultural Employees (2013 ESRI Est.)			9,728	21%		
Total			45,454	100%		

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

**Brewer's Station Development Project
Fiscal and Economic Impact Analysis**

Table A-13: Estimated Annual Ongoing General Fund Public Service Costs

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Cumulative Residential Population (Persons)	Cost Per Capita	-	-	-	90	180	270	351	436	501	501	501	501	501
Residential Public Service Costs	\$ 353	\$ -	\$ -	\$ -	\$ 31,695	\$ 63,389	\$ 95,084	\$ 123,979	\$ 153,778	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804
	Cost Per Pupil	-	-	-	15	30	46	58	70	80	80	80	80	80
Public School Education Costs /2	\$ 4,027	\$ -	\$ -	\$ -	\$ 61,325	\$ 122,649	\$ 183,974	\$ 232,815	\$ 283,182	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794
Cumulative Commercial Population (FTEs)	Cost Per Capita	-	-	2.0	3.0	5.0	92.0	92.0	146.0	146.0	146.0	146.0	146.0	146.0
Commercial Public Service Costs	\$ 216	\$ -	\$ -	\$ 433	\$ 649	\$ 1,082	\$ 19,911	\$ 19,911	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598
Total Variable Public Service Costs		\$ -	\$ -	\$ 433	\$ 93,669	\$ 187,121	\$ 298,969	\$ 376,706	\$ 468,558	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196

1/ Public school education costs reflect operating costs only (excludes debt service) per IOW County Public School Annual Operating Budget 2013. Capital costs and other debt service expenditures are accounted for separately.
Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

**Brewer's Station Development Project
Fiscal and Economic Impact Analysis**

Table A-13: Estimated Annual Ongoing General Fu

		2026	2027	2028	2029	2030	2031	2032	2033
		Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Cumulative Residential Population (Persons)	Cost Per Capita	501	501	501	501	501	501	501	501
Residential Public Service Costs	\$ 353	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804	\$ 176,804
	Cost Per Pupil	80	80	80	80	80	80	80	80
Public School Education Costs /2	\$ 4,027	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794	\$ 321,794
Cumulative Commercial Population (FTEs)	Cost Per Capita	146.0	146.0	146.0	146.0	146.0	146.0	146.0	146.0
Commercial Public Service Costs	\$ 216	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598	\$ 31,598
Total Variable Public Service Costs		\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196	\$ 530,196

1/ Public school education costs reflect operating costs cited for in the developer's cash proffer payment

Source: Isle of Wight County; Kimley-Horn; UCE, 20

**Brewer's Station Development Project
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Table A-14: Estimated Incremental Fixed (Staffing) Costs

Description	Public Safety Officer	
Estimated Annual Salaries and Wages per FTE /1,2	\$	45,692
Fringe Benefits /3	\$	15,307
Total Annual Cost /FTE /1	\$	60,999

1/ Based on salaries and wages reported per FY 2013 Budget, unless specified.

2/ Public Safety Officer : Lieutenant

3/ Estimated as 33.5 percent of basic salary.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-15: Estimated Annual Ongoing General Fund Public Service Costs - Fixed (Salaries & Wages)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Commercial and Residential Development														
Residential Population	-	-	90	180	270	351	436	501	501	501	501	501	501	501
Commercial (Employee) Population	-	-	1	3	4	92	92	146	146	146	146	146	146	146
	-	-	91	182	274	443	528	647	647	647	647	647	647	647
Proposed Staffing														
Public Safety Officer /1	-	-	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Estimated Annual Fixed (Staffing) Cost	<i>Cost per FTE</i>													
Public Safety Officer /1	\$ 60,999	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999

1/ NFPA assumes 1-3 FTE officers/1,000 residents.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-15: Estimated Annual Ongoing General Fund Pub

	2027	2028	2029	2030	2031	2032	2033
	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Commercial and Residential Development							
Residential Population	501	501	501	501	501	501	501
Commercial (Employee) Population	146	146	146	146	146	146	146
	647	647	647	647	647	647	647
Proposed Staffing							
Public Safety Officer /1	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Estimated Annual Fixed (Staffing) Cost	<i>Cost per FTE</i>						
Public Safety Officer /1	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999
Total	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999	\$ 60,999

1/ NFPA assumes 1-3 FTE officers/1,000 residents.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-16: Estimated Vertical Development Costs

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Cumulative	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Single Family Townhomes		\$ -	\$ -	\$ -	\$ -	\$ 5,280,000	\$ 5,445,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family Condominiums		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,301,000	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family Apartments		\$ -	\$ 6,115,397	\$ 6,115,397	\$ 6,115,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	33,372,190	\$ -	\$ 6,115,397	\$ 6,115,397	\$ 6,115,397	\$ 5,280,000	\$ 5,445,000	\$ 4,301,000	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Space Buildout													
Neighborhood Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Convenience Retail		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540,000	\$ -	\$ -	\$ -	\$ -	\$ -
Anchor Grocery		\$ -	\$ -	\$ -	\$ -	\$ 10,530,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restaurant		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,225,000	\$ -	\$ -	\$ -	\$ -	\$ -
Corner Store		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ 10,530,000	\$ -	\$ 2,965,000	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Development Costs	46,867,190	-	6,115,397	6,115,397	6,115,397	15,810,000	5,445,000	7,266,000	-	-	-	-	-
Design & Contingencies (@ 20% of Hard Costs)	9,373,438	-	1,223,079	1,223,079	1,223,079	3,162,000	1,089,000	1,453,200	-	-	-	-	-
Total Construction Investment	56,240,628	-	7,338,476	7,338,476	7,338,476	18,972,000	6,534,000	8,719,200	-	-	-	-	-
Road Improvements & Other Infrastructure	<u>\$3,200,000</u>												
Total Construction Investment	59,440,628												

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-16: Estimated Vertical Development Costs

		2025	2026	2027	2028	2029	2030	2031	2032	2033
	Cumulative	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Single Family Townhomes		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family Condominiums		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family Apartments		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	33,372,190	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Space Buildout										
Neighborhood Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Convenience Retail		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Anchor Grocery		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restaurant		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corner Store		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Development Costs	46,867,190	-	-	-	-	-	-	-	-	-
Design & Contingencies (@ 20% of Hard Costs)	9,373,438	-	-	-	-	-	-	-	-	-
Total Construction Investment	56,240,628	-	-	-	-	-	-	-	-	-
Road Improvements & Other Infrastructure	<u>\$3,200,000</u>									
Total Construction Investment	59,440,628									

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

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Table A-17: Estimated One-Time Construction Job Creation Benefits

	Cumulative	2013 Year 0	2014 Year 1	2015 Year 2	2016 Year 3	2017 Year 4	2018 Year 5	2019 Year 6	2020 Year 7	2021 Year 8	2022 Year 9	2023 Year 10
Construction Investment (Hard Costs)	\$ 46,867,190	\$ -	\$ 6,115,397	\$ 6,115,397	\$ 6,115,397	\$ 15,810,000	\$ 5,445,000	\$ 7,266,000	\$ -	\$ -	\$ -	\$ -
Construction Materials /1	\$ 28,120,314	\$ -	\$ 3,669,238	\$ 3,669,238	\$ 3,669,238	\$ 9,486,000	\$ 3,267,000	\$ 4,359,600	\$ -	\$ -	\$ -	\$ -
Construction Wages /2	\$ 18,746,876	\$ -	\$ 2,446,159	\$ 2,446,159	\$ 2,446,159	\$ 6,324,000	\$ 2,178,000	\$ 2,906,400	\$ -	\$ -	\$ -	\$ -
Total Construction Wages	\$ 18,746,876											
Divided by Average Annual Construction Wage /3	\$ 45,000											
Person Years of Construction Employment =	417											
Divided by Construction Years /4	6											
Estimated Average Annual FTE Construction Jobs /3	69											
1/ Construction materials as % of hard construction costs =	60%											
2/ Construction wages as % of hard construction costs =	40%											
3/ Average construction wage based on Virginia Employment Commission data,												
4/ Assumed construction timeframe subject to change.												

**Source: RS Means Construction Cost Estimators; VA Department of Taxation;
Kimley-Horn; Urban Community Economics, 2013.**

Brewer's Station Development Project
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Table A-19: Estimated Cash Proffer

Cash Proffer Schedule/1	Public School	Parks & Recreation	Library	Sherriff	Fire/Rescue /EMS	General Government	Total Proffer
Residential (Per Housing Unit)							
Single Family	\$ 9,337	\$ 1,171	\$ 285	\$ 357	\$ 1,248	\$ 960	\$ 13,358
Multifamily	\$ 7,395	\$ 782	\$ 190	\$ 238	\$ 833	\$ 641	\$ 10,079
Residential Proffers							Units Total Proffer Payment
Single Family							65 \$ 868,270
Multifamily							196 \$ 1,975,484
Subtotal							261 \$ 2,843,754
Non-Residential/2,3							
Retail/Shopping Center	n/a	0	n/a	\$ -	\$ -	\$ -	\$ -
Commercial Proffers							Square Feet Proffer Estimate /1
Anchor Grocery							52,650 -
Restaurant							4,900 -
Convenience Retail							2,700 -
Neighborhood Services							18,750 -
Corner Store							6,000 -
Subtotal							85,000 -
Total Potential Proffer Amount							\$ 2,843,754

1/ Estimates are based on values established in the Isle of Wight County Cash Proffer Study prepared by TischlerBise, May 2012.

2/ Based on unit of measure equal to: 1,000 square feet of non-residential space

3/ Commercial cash proffers excluded from rezoning application.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
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Table A-20: Other Fiscal Benefits - Proposed Developer Contributions

	Cumulative	2013	2,014	2,015	2,016	2,017	2,018	2,019	2020	2021	2022	2023	2024	2025
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	
Public Infrastructure Investments														
Roadway Improvements	\$1,500,000	\$0	\$1,000,000	\$500,000	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Upgrades	\$1,700,000		\$1,200,000		\$500,000				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Developer Contribution	\$3,200,000	\$0	\$2,200,000	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer's Cash Proffer Payments														
Residential Buildout														
Single Family Units	-	-	-	-	-	32	33	-	-	-	-	-	-	-
Multifamily units	-	-	54	54	54	-	-	34	-	-	-	-	-	-
Cumulative Units	-	-	54	108	162	194	227	261	261	261	261	261	261	261
Public Infrastructure Investments	Proffer/Unit													
Single Family Units	\$13,358	\$ -	\$ -	\$ -	\$ -	\$ 427,456	\$ 440,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multifamily units	\$10,079	\$ -	\$ 544,266	\$ 544,266	\$ 544,266	\$ -	\$ -	\$ 342,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Proffer Value	\$2,843,754	\$ -	\$ 544,266	\$ 544,266	\$ 544,266	\$ 427,456	\$ 440,814	\$ 342,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Buildout														
Cumulative Square Feet	-	-	-	-	-	52,650		32,350						
Commercial Proffer Value	Proffer/SqFt													
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Residential + Commercial Proffer Value	\$ 2,843,754	\$ -	\$ 544,266	\$ 544,266	\$ 544,266	\$ 427,456	\$ 440,814	\$ 342,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Infrastructure Improvements + Cash Proffers	\$6,043,754													

1/ Other Developer Contributions are comprised water and sewer connection/tap fees and commercial building permit fees.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.

Brewer's Station Development Project
Fiscal and Economic Impact Analysis

Table A-20: Other Fiscal Benefits - Proposed Developer Contributions

	Cumulative	2026	2027	2028	2029	2030	2031	2032	2033
	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
Public Infrastructure Investments									
Roadway Improvements	\$1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Upgrades	\$1,700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Developer Contribution	\$3,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer's Cash Proffer Payments									
Residential Buildout									
Single Family Units	-	-	-	-	-	-	-	-	-
Multifamily units	-	-	-	-	-	-	-	-	-
Cumulative Units	261	261	261	261	261	261	261	261	261
Public Infrastructure Investments	Proffer/Unit								
Single Family Units	\$13,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multifamily units	\$10,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Proffer Value	\$2,843,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Buildout									
Cumulative Square Feet	Proffer/SqFt								
Commercial Proffer Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Residential + Commercial Proffer Value	\$ 2,843,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Infrastructure Improvements + Cash Proffers	\$6,043,754								

1/ Other Developer Contributions are comprised water and sewer connection/tap fees and commercial building permit fees.

Source: Isle of Wight County; Kimley-Horn; UCE, 2013.