

CITY OF SOMERVILLE, MASSACHUSETTS BOARD OF ASSESSORS JOSEPH A. CURTATONE MAYOR

In regards to the attached 10 year revenue projection: How were new values and taxes projected?

Planning and ISD provided all specifications regarding new development projects in terms of building size and use. In addition, they also supplied the timing or phasing of development projects. Assessing has been meeting with ISD and Planning every other month to update the 'what and the when' as specifications and timing change.

Assessing then took the specifications and applied current assessing valuation factors (which were shared with RKG for DIF projections). Assessing assumed higher end buildings, new construction or substantial rehab of existing buildings clustered around new MBTA stations. In this regard, we looked to valuation factors that have been used at Assembly Row and to a lesser degree, Davis Square.

These factors * include:

Condos @	\$750,000 per unit
Market Apts. @	\$225,000 per unit
Affordable @	\$108,000 per unit
Commercial/office @	\$375/ per sf
Retail @	\$350/ per sf
Hotel @	\$290,000 per room

*Depending on exact location, some development projects used lower factors.

Other assumptions included a 4% valuation add-on per year for commercial, residential and personal property (for the last 5-6 years commercial has been averaging 5%, residential in the 7-8% range and personal property in the 6-8% range). This factor was applied to all other use groups in addition to the large or larger scale projects identified in the 10 year project detail spreadsheet. Of course the underlying value of the larger scale projects was subtracted to avoid double counting.

Parcel counts were adjusted for each year based upon an average of 130 additional condo units per year and an average of 30 fewer two family properties and 15 fewer three family properties. Other minor parcel counts were adjusted from year to year. One hundred additional residential exemptions per year were estimated. Growth was calculated from the large scale project detail and past trends.

From this point the exercise was rather straight forward and involves the same DOR recap process used in any year. First, a new LA-4 was adjusted for the year in question along with parcel counts. Next, the LA-7 (the form that determines the minimum residential factor or the split with classification) was derived.



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After that, the LA-5 or levy options was calculated by entering the new estimated levy for the year based upon the additional 2.5% along with allowable growth. New parcel counts were entered on the form along with the residential exemption data. Once all the relevant variables are entered, the LA-5 calculates the new tax rates for the year. With a new levy and the new valuation split, the 10 year results show a steady decline in the residential share and an increase in the commercial share. All years were assumed to have no excess levy capacity.

10 YEAR REVENUE PROJECTION DETAIL PROVIDED BY OSPCD

LOCATION/PROJECT	RES LAND	COMM LAND	RES %	COMM %	TOTAL RES	TOTAL	TOTAL INC	RES	COMM	COMMERCIAL SF	RES
INCOME APPROACH 10/17/2017	VALUE	VALUE	LAND	LAND	VALUE	COMM VALUE	VALUE	GROWTH	GROWTH		UNITS
								MINUS LAND	MINUS LAND		
FRIT AT PARTNERS ASQ (RETAIL CONDO)						\$26,600,000	\$26,600,000		\$1,600,000	105,000 RETAIL	
ASQ BLOCK 5A	\$3,357,600	\$3,357,600	50%	50%	\$52,764,250	\$52,764,250	\$105,528,500	\$49,406,650	\$49,406,650	155 ROOM HOTEL + 23,500 RETAIL	134
181 WASHINGTON ST 81-A-11	\$1,329,900	\$70,000	95%	5%	\$5,383,300	\$283,300	\$5,666,600	\$4,053,400	\$213,300	2,400 RETAIL	35
197 WASHINGTON ST 81-A-12 (CONDOS)	<i><i><i></i></i></i>	\$10,000	5070	0,0	\$16,366,900	\$1,297,100	\$17,664,000	\$11,445,500	\$750,300	3760 RETAIL	30
315 HIGHLAND AVE 29-E-28 (CONDOS)					\$8,982,900	\$735,500	\$9,718,400	\$7,554,100	\$611,300	1,600 RETAIL	7
USQ 83-B-1 70 PROSPECT ST (NOT A "D" BLOCK)	\$788,600	\$59,400	93%	7%	\$3,494,800	\$263,100	\$3,757,900	\$2,706,200	\$203,700	1,296 RETAIL	18
9R SHERMAN ST, 101-C-4		\$713,700				\$1,766,800	\$1,766,800		\$1,053,100	9,900 OFFICE	
ASQ BLOCK 6	\$6,222,100	\$541,000	92%	8%	\$112,247,800	\$9,760,700	\$122,008,500	\$106,025,700	\$9,219,700	45,000 RETAIL	448
315 BROADWAY 58-C-8	\$1,175,800	\$175,700	87%	13%	\$6,701,800	\$1,001,400	\$7,703,200	\$5,526,000	\$825,700	7,403 RETAIL	46
373 BEACON ST 37-C-2		\$875,000				\$7,875,000	\$7,875,000		\$7,000,000	35 ROOM HOTEL	
266 BEACON ST 39-D-7 (+ 5, 6)	\$763,400	¢.5 200	0.4.0/	1.60/	\$1,687,400	¢1.040.500	\$1,687,400	\$924,000	\$1.1 55 .000		7
2-8 BROADWAY 103-D-1 & LOTS 2 & 3 1060 BROADWAY, POWDER HSE SCHOOL 12-A-11	\$342,600 \$2,600,000	\$65,200 \$3,150,000	84% 45%	16% 55%	\$4,200,000	\$1,242,500 \$7,500,000	\$5,442,500 \$15,660,000	\$3,857,400 \$5,560,000	\$1,177,300 \$4,350,000	3,550 RETAIL 20,000 OFFICE	21 40
444 SOMERVILLE AVE 64-A-2	\$2,600,000	\$3,150,000	45 %	55 %	\$8,160,000	\$17,243,625	\$15,860,000 \$17,243,625	\$5,560,000	\$16,019,125	45,983 LAB & OFFICE SPACE	40
231 LOWELL ST 42-B-4	\$1,045,000	\$112,500	90%	10%	\$3,855,000	\$350,000	\$4,205,000	\$2,810,000	\$237,500	1,000 COMM STUDIOS	19
260 BEACON ST 39-D-9 & 8	\$1,105,000	\$275,000	91%	9%	\$3,405,000	\$1,015,000	\$4,420,000	\$2,300,000	\$740,000	3,145 RETAIL	17
46 MEDFORD ST 97-D-5	\$780,000	\$96,900	89%	11%	\$2,385,000	\$420,000	\$2,805,000	\$1,605,000	\$323,100	1,200 COMMERCIAL	12
	#E 050 000				#1E 200 000		#4E (00.000	#10.0E0.000			75
60-70 CROSS ST EAST, 89-A-1 (+ LOTS 2 & 3) 434 MCGRATH HWY 80-B-4	\$5,250,000 \$2,812,550	\$1,514,450	65%	35%	\$15,600,000 \$9,750,000	\$5,250,000	\$15,600,000 \$15,000,000	\$10,350,000	\$3,735,550	15,000 RETAIL	75 48
434 MCGRATH HWY 80-B-4 400-406 MYSTIC AVE 69-C-5 (+ LOTS 2 & 4)	\$2,812,550	\$1,514,450 \$93,491	65% 91%	35% 9%	\$9,750,000	\$5,250,000 \$1,040,900	\$15,000,000 \$6,140,900	\$6,937,450 \$4,193,191	\$3,735,550	2,974 RETAIL	48 25
163 GLEN ST 93-A-12	\$715,000	<i>ψ23</i> /± 21	71/0	7 /0	\$2,160,000	φ1,0 1 0,200	\$2,160,000	\$1,445,000	ψ247,409	2,777 NL 171L	11
USQ BLOCK D2.1, 2.2, 2.3	\$36,414,500	\$17,935,500	67%	33%	\$79,680,000	\$74,186,250	\$153,866,250	\$43,265,500	\$56,250,750	203,250 OFFICE/RETAIL	391
		· ·					· ·		· · ·	÷	
1-15 MCGRATH HWY 115-B-8		\$1,500,000				\$13,200,000	\$13,200,000		\$11,700,000	60 ROOM HOTEL	
ASQ BLOCK 5B		\$36,583,392				\$93,125,000	\$93,125,000		\$56,541,608	225,000 OFFICE/25,000 RETAIL	
USQ BLOCK D-7.1	\$2,300,843	\$471,257	83	17%	\$7,935,000	\$1,662,500	\$9,597,500	\$5,634,157	\$1,191,243	4,750 RETAIL	39
NORTH POINT, 117-A-2 & 3	\$16,030,300	\$55,090,500	23%	77%	\$27,090,000	\$153,750,000	\$180,840,000	\$11,059,700	\$98,659,500	110,000 COM. BLDG 1 300,000 COM. BLDG 2	133
343-351 SUMMER ST	N/A CONDOS				\$19,500,000		\$19,500,000	\$18,715,100		300,000 COM: BLDG 2	29
44 BROADWAY 103-B-1	\$1,300,000				\$4,080,000		\$4,080,000	\$2,780,000			20
17-25 MURDOCK ST 33-H-4	\$1,430,000				\$4,425,000		\$4,425,000	\$2,995,000			22
2 HARDING ST 97-B-19 (T5.4)	\$6,370,000				\$18,928,000		\$18,928,000	\$12,558,000			91
515 SOMERVILLE AVE 52-H-38	\$1,228,997	\$57,103	96%	4%	\$11,340,000	\$1,050,000	\$12,390,000	\$10,111,003	\$992,897	3,000 RETAIL	56
350 MYSTIC AVE	\$459,000	\$561,000	45%	55%	\$3,468,000	\$4,200,000	\$7,668,000	\$3,009,000	\$3,639,000	12,000 RETAIL	17
ASQ BLOCK 8 118-120 BROADWAY 91-A-1	\$57,478,584 \$1,279,200	\$5,339,541 \$280,800	92% 82%	9% 18%	\$102,000,000 \$4,896,000	\$9,450,000 \$1,050,000	\$111,450,000 \$5,946,000	\$44,521,416 \$3,616,800	\$4,110,459 \$769,200	27,000 RETAIL 3,000 COMMERCIAL	500 24
	<i><i><i>ϕ</i>1<i>,</i>2<i>i,j</i>,200</i></i>	\$200,000	0270	10 /0	\$1,000,000	\$1,000,000	φ0,910,000	45,010,000	<i>\$105,200</i>	5,000 COMMERCENTE	21
1154 BROADWAY, TEELE SQ 9-D-1	\$875,000	\$710,400	55%	45%	\$2,160,000	\$2,205,000	\$4,365,000	\$1,285,000	\$1,494,600	6,300 RETAIL	11
182 BROADWAY 90-C-2	\$1,045,000	\$300,000	78%	22%	\$3,855,000	\$1,050,000	\$4,905,000	\$2,810,000	\$750,000	3,000 RETAIL	19
45 BROADWAY, BROADWAY BRAKE 102-B-9 & 10		\$3,125,000				\$31,250,000	\$31,250,000	1-	\$28,125,000	125 ROOM HOTEL	
122 LINE ST 76-F-26	\$2,470,000	\$20,000,000			\$7,710,000	#05 (35 000	\$7,710,000	\$5,240,000	#CE (25 000		38
USQ BLOCK D-6.1 & 6.2		\$28,000,000				\$95,625,000	\$95,625,000		\$67,625,000	255,000 COMMERCIAL	
USQ BLOCK D-4.1, 4.2, 4.3 & 4.4	\$8,510,879	\$4,670,208 \$36,283,221	19%	81%	\$24,601,200	\$11,512,500 \$104,878,800	\$11,512,500 \$129,480,000	\$16,090,321	\$6,842,292 \$68,595,579	30,700 COMMERCIAL	120
ASQ BLOCK 7 USQ BLOCK D-1.1	\$0,510,679	\$4,375,000	19/0	01 /0	\$24,001,200	\$56,000,000	\$56,000,000			280,000 OFFICE 175 ROOM HOTEL/15,000 RETAIL	
USQ BLOCK D-5.1 (POST OFFICE) 81-E-8		\$6,205,776				\$13,285,000	\$13,285,000		\$7,079,224	12,000 COMM./25,100 RETAIL	
050 BEOCK D-5.1 (1051 0111CE) 01-E-0		\$0,203,770				\$13,203,000	\$13,203,000		\$7,07 <i>5,22</i> 4	12,000 COMM/25,100 RETAIL	
600 WINDSOR PL 96-A-39	\$3,400,000				\$21,840,000		\$21,840,000	\$18,440,000			105
0 WINDSOR		\$2,500,000				\$33,750,000			\$31,250,000	90,000 LAB	
USQ BLOCK D-5.2 & 5.3	\$3,023,840	\$1,422,984	68%	32%	\$8,505,000	\$3,920,000	\$12,425,000	\$5,481,160	\$2,497,016	11,200 RETAIL	42
USQ BLOCK D 1.2 & D 1.3	\$4,084,000	\$21,441,000	16%	84%	\$12,015,000	\$64,012,500	\$76,027,500	\$7,931,000	\$42,571,500	170,700 COMMERCIAL	59
ASO BLOCK 9	\$ 1,00 1,000	\$17,451,300	1070	01/0	¢12,010,000	\$50,625,000	\$50,625,000	\$7,552,666	\$33,173,700	135,000 COMMERCIAL	0,5
USQ BLOCK D-3.1, 3.2 & 3.3	\$16,995,750	\$82,979,250	17%	83%	\$41,940,000	\$198,525,000	\$240,465,000	\$24,944,250	\$115,545,750	529,400 COMMERCIAL	206
USQ BLOCK D-7.2	\$2,591,990	\$457,410	85	15%	\$9,300,000	\$1,662,500	\$10,962,500	\$6,708,010	\$1,205,090	4,750 RETAIL	46
USQ SCATTERED SITES:											
45 & 51 UNION SQ, 73-D-19A, 19B & 19C		\$4,000,000				\$17,625,000	\$17,625,000		\$13,625,000	7,500 RETAIL/40,000 OFFICE	
71 BOW ST, 63-C-32 & 31	\$487,200	\$352,800	58%	42%	\$2,496,000	\$1,750,000	\$4,246,000	\$2,008,800	\$1,397,200	5,000 RETAIL	12
346 SOMERVILLE AVE, 74-B-13 & 12, 18,19,20A	\$1,859,200	\$380,800	83%	17%	\$6,656,000	\$1,400,000	\$8,056,000	\$4,796,800	\$1,019,200	4,000 RETAIL	32
370-374 SOMERVILLE AVE, 74-B-1 & 2	\$2,324,000	\$476,000	74%	26%	\$8,320,000	\$2,975,000	\$11,295,000	\$5,996,000	\$2,499,000	8,500 RETAIL	40
24-32 WEBSTER AVE, 82-G-1, 6 & 5	\$1,008,000	\$672,000	60%	40%	\$4,992,000	\$3,325,000	\$8,317,000	\$3,984,000	\$2,653,000	9,500 RETAIL	24
69-73 WEBSTER AVE, 96-D-1, 2 & 21	\$2,520,000	¢0 100 000			\$7,488,000	¢17 /05 000	017 (DE 000	\$4,968,000		7 500 DET AU / 40 000 OPPICE	36
249-255 WASHINGTON ST., 73-E-23 & 24 352 MCGRATH HWY., 93-F-7	\$1,864,800	\$2,138,300 \$655,200	74%	26%	\$7,488,000	\$17,625,000 \$2,625,000	\$17,625,000 \$10,113,000	\$5,623,200	\$15,486,700 \$1,969,800	7,500 RETAIL/40,000 OFFICE 7,500 RETAIL	36
157-163 WASHINGTON ST, 93-F-8 & 9	\$1,864,800	\$700,000	74%	26%	\$8,320,000	\$2,800,000	\$10,113,000	\$6,220,000	\$1,989,800	8,000 RETAIL	40
182 WASHINGTON ST, 94-D-1	φ_100,000	\$1,851,300	, 0 /0	20/0	φ0,020,000	\$39,262,500	φ11/120/000	<i>40,220,000</i>	\$37,411,200	15,750 RETAIL/90,000 OFFICE	10
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	¢E (04.040	\$22,536,160	20%	80%	\$27,918,000	\$111,672,000	\$139,590,000	\$22,283,960	\$89,135,840	300,000 COMMERCIAL	133
BRICKBOTTOM (50% OF BUILD OUT) MAP 115 INNER BELT (40% OF BUILD OUT) MAP 110,111,115	\$5,634,040 \$17,091,456	\$89,730,144	16%	84%	\$86,240,400	\$452,762,100	\$539,002,500	\$69,148,944		1,202,500 COMMERCIAL	432

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EXPECTED YEAR OF COMPLETION	GLX DEPENDENT
OF COMILETION	DEL ENDEN I
35% FY 2017/COMPLETE FY18 (core & shell)	NO
TENANT FIT OUT COMPLETE FY19 25% FY 2017/60% FY 2018/COMPLETE FY 2019	NO
23% Ff 2017/00% Ff 2018/COMPLETE FF 2019 COMPLETE FY 18	NO
50% FY17/COMPLETE FY 18	NO
60% FY17/COMPLETE FY 18	NO
50% FY17/80% FY 18	NO
65% FY18/COMPLETE FY19	NO
RETAIL 100%/RES. 55% FY 2018/COMPLETE FY 2019	NO
60% FY 2018/COMPLETE FY 2019	NO
10% FY18/COMPLETE FY 19	NO
50% FY 2018/COMPLETE FY 2019 50% FY 18/COMPLETE FY 19	NO NO
75% FY 19/COMPLETE FY 2020	NO
66% FY 18/COMPLETE FY 19	NO
5% FY 18/COMPLETE FY 19	NO
25% FY 2018/COMPLETE FY 2019	NO
0% FY 18/COMPLETE FY 19	NO
50% FY 2019/COMPLETE FY 2020	NO
40% FY19/COMPLETE FY 2020	NO
5-10% FY18/50% FY 19/COMPLETE FY 2020	NO
50% FY 2019/COMPLETE FY 2020 D2.2 & D2.3 25% FY 2020/75% FY 2021/100% FY 2022	NO YES
D2.2 & D2.3 25% FY 2020/75% FY 2021/100% FY 2022 D2.1 33% FY 2020- FY 2022	163
25% FY 19/COMPLETE FY 2020	NO
25% FY 2019/COMPLETE FY 2020	NO
50% FY 2020/COMPLETE FY 2021	NO*
10% BLDG 1 FY 2018/75% FY 2019, COMPLETE FY 2020 COMPLETE FY 2020	NO
40% FY 19/COMPLETE FY 2020	
25% FY19/COMPLETE 2020	
25% FY19/COMPLETE 2020	
50% FY FY19/COMPLETE FY 2020 10% FY 19/COMPLETE FY 2020	NO NO
25% FY 19/COMPLETE FY 2020	NO
25% FY 2019/COMPLETE FY 2020	NO
25% FY 2019/COMPLETE FY 2020	NO
50% FY 2020/COMPLETE FY 2021	NO
50% FY 2020/COMPLETE FY 2021	NO
25% FY 2020/COMPLETE FY 2021	NO
50% FY 2020/COMPLETE FY 2021	
20% FY 2023- FY 2027	YES
20% FY 2023- FY 2027 50% FY 2020/COMPLETE FY 2021	YES NO
33% FY 2021, 33% FY 2022, 33% FY 2023	YES
50% FY 2021/COMPLETE FY 2022	YES
may get 1 year of 15,000-20,000 sf of comm. prior to	
	NO
COMPLETE FY 2022 COMPLETE FY 2022	NO
D5.2 & 5.3 20% FY 2023-FY 2027	YES
20% FY 2023- FY 2027	YES
50% FY 2021/COMPLETE FY 2022 D3.1 33% FY 2021-FY 2023	NO YES
D3.1 33% FY 2021-FY 2023 D3.2 & 3.3 20% FY 2023-FY 2027	163
20% FY 2023- FY 2027	NO*
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	VEC
3.3% FY 2019-2027+ 3.3% FY 2019-2027+	YES YES
3.3% FY 2019-2027+ 3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+ 3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+ 3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+	YES
3.3% FY 2019-2027+	YES
FY 2019 - FY 2027+	YES
FY 2019 - FY 2027+ FY 2019 - FY 2027+	YES

10 YEAR REVENUE PROJECTION DETAIL PROVIDED BY OSPCD

DAVIS SQUARE	\$5,340,895	\$22,769,080	19%	81%	\$13,229,699	\$56,400,301	\$69,630,000	\$7,888,804	\$33,631,221	150,000 COMMERCIAL	66	FY 2019 - FY 2027+	NO	
GILMAN SQUARE:														
350-360 MEDFORD ST (HOMAN'S & XTRA FUELS),														
61-G-1, 2, 3 & 4	\$3,845,800	\$1,894,200	67%	33%	\$17,056,000	\$8,400,000	\$25,456,000	\$13,210,200	\$6,505,800	6,000 COMM/18,000 MFG	82	3.3% FY 2019-2027+	YES	
										(INCLUDES 4 WORK-LIVE				
										ARTIST UNITS)				
255 PEARL ST, ABJ SITE, 60-E-10	\$1,014,000	\$546,000	65%	34%	\$4,992,000	\$2,730,000	\$7,722,000	\$3,978,000	\$2,184,000	7,800 COMM	24	3.3% FY 2019-2027+	YES	
ASQ OTHER (88-A-1 & 87-B-1, 2, +3)	\$5,035,250	\$246,727,250	2%	98%	\$12,288,528	\$602,137,872	\$614,426,400	\$7,253,278	\$355,410,622	1,600,000 COMMERCIAL	80	20% FY 2020/50% FY 2022/65% FY 2026	NO	
												COMPLETE FY 2027		
GRAND JUNCTION	\$6,106,563	\$16,510,337	27%	73%	\$31,620,000	\$85,446,175	\$117,066,175	\$25,513,437	\$68,935,838	201,039 COMM.,/28,733 RETAIL	155	10% FY 2023-2027 +	YES	
200 INNER BELT RD (2ND BLDG.) 115-A-3		\$21,498,768				\$56,250,000	\$56,250,000		\$34,751,232	150,000 R & D		FY 2025	YES	
299 BROADWAY (STAR MARKET) 70-D-27	\$8,217,888	\$17,463,012	32%	68%	\$28,435,200	\$60,424,800	\$88,860,000	\$20,217,312	\$42,961,788	160,800 COMMERCIAL	140	FY 2025	YES	
299 DROADWAT (STAR MARKET) 70-D-27	\$0,217,000	\$17,403,012	32 /0	00 /0	\$26,435,200	\$00,424,800	\$00,000,000	\$20,217,312	\$42,901,700	160,800 COMMERCIAL	140	F 12025	165	
90 WASHINGTON ST 106-A-3	\$8,641,275	\$1,291,225	87%	13%	\$31,272,150	\$4,672,850	\$35,945,000	\$22,630,875	\$3,381,625	13,000 RETAIL	154	LITIGATION-VALUE NOT COUNTED		
											*WOLLD LIVELV NE	ED INFRASTRUCTURE IMPROVEMENTS TO PROCEED		
											WOULD LIKELT NE	ED INFRASTRUCTURE INFROVENIENTS TO FROCEED		
TOTAL ALL DEVELOPMENT	\$260,931,334	\$790,966,434			\$945,052,177	\$2,681,994,973	\$3,546,546,650	\$676,985,743	\$1,865,357,539		4,293			
MINUS GLX DEPENDENT	\$173,326,800	\$383,396,226			\$617,347,144	\$1,284,788,019	\$1,902,135,163	\$444,020,344	\$901,391,793		2,568			
TOTAL MINUS GLX DEPENDENT	\$87,604,534	\$407,570,208			\$327,705,033	\$1,397,206,954	\$1,644,411,487	\$232,965,399	\$963,965,746		1,725			