

**Nelson's Grant**

**Community Impact on York County, Virginia**

**November 2009**

Prepared for:

**Pritchard and Miller Real Estate Development**

Prepared by:

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## Nelson's Grant

### Community Impact on York County, Virginia

Revision #4

#### EXECUTIVE SUMMARY

This report, prepared by *The Wessex Group (TWG)*, presents an assessment of the community impact of Nelson's Grant on York County. Nelson's Grant is proposed as a mixed-use development with condominiums, townhomes and commercial space on a site of approximately 13.8 acres located on US Route 17 north of Fort Eustis Boulevard and adjacent to Patriot's Square Shopping Center. The proposed development plan calls for the construction of ...

- A total of 112 residences (66 townhomes and 46 condominiums) consisting of one, two and three bedrooms. Approximately half of the townhomes will be offered with detached garages and the remaining will have garages that are attached.
- Commercial space consisting of 10,750 square feet of retail stores and 3,000 square feet of professional offices.
- Community amenities including sidewalks, a gazebo, walking trails and a fitness center w/meeting rooms.
- Off site improvements including a turn lane, water extension, and relocation of overhead utilities.

In preparing the impact estimates for the development, population characteristics of the locality and proposed development have been used to project locality revenues and expenditures. For example, county expenditures are allocated on a per capita, per household or per child basis to the assessment. Revenue estimates are derived by applying the appropriate tax rates to housing characteristics specific to the proposed development. However, the type of housing proposed is well known to have a direct effect on household composition such as the number of school aged children likely to live there. Further, consistent data often is not available by housing type or value. In this case more than one generally accepted estimators or generators often are used to suggest the range within which the actual values are likely to be captured. For this reason, the revenue and expenditure estimates shown in the tables that follow compare the analysis using school aged children generators from two sources: (1) the County using Census data together with information from the York County Planning Department and (2) information obtained from comparable developments within the regional area. The generator used to estimate the number of people per household for the development, and obtained from the US Census, is 2.46. The school aged children generators used by the York County Planning Division for families living in townhomes and condominiums, are respectively 0.45 and 0.30 children per household. The impact estimates derived using these values are referred to as the *County* analysis. The results of the *Comparable* analysis are reported in the text following. Detail on the *County* analysis is reported in Appendix B at the end of this report.

For the "*Comparable*" analysis TWG contacted the management of **Riverwalk Towns** and **The Quarters of York County**. Both developments consist of townhomes with two and three bedroom units, and with unit prices and community amenities similar to those proposed for Nelson's Grant. A combined total population of 276 people live in the developments in a total of 156 housing units yielding an average of 1.77 people per household based on these two (2) developments. Currently, a total of 32 school children live in both communities (source: Transportation Division of York County) yielding a "*Comparable*" generator for school children of 0.205 per household. The impact estimates derived from the use of household size and school-aged children generators obtained from the actual experience of nearby comparable properties are referred to as the "*Comparable*" analysis.

The developer expects that construction of the proposed Nelson's Grant will begin in 2011 with build-out in 2015. At completion, the development will add...

- approximately \$29.0 million in property value to the real estate tax base of York County.
- Incremental employment of 17 full-time equivalent (FTE) jobs per year in 2015 when commercial businesses are fully operational.
- Population estimates range from 198 residents including 24 school age children (using generators from *Comparable* properties) to 276 residents of whom 44 are expected to attend public schools (using *County* average generators from the census).

At Buildout and based on population estimates and school generators from *Comparable* properties, revenues for York County are estimated to total \$342,270 with annual expenditures of \$285,120 and a net fiscal impact of \$57,150 at build-out in 2015 (Table A). If the population including the number of school children is estimated using the *County* estimators, Nelson's Grant is estimated to create \$352,880 in revenues and \$435,730 in expenditures resulting in a negative net fiscal impact of (\$82,840).

One way of evaluating the "net" effect of a series of cash flows that occur over time is to project the cash flows into the future and then to discount the annual cash flows to the present time. The result is known as the "net present value" of the future cash flows. Using a *Comparable* generator, the **net present value** of the future cash flows that York County may expect to obtain as the result of the development of Nelson's Grant over the period 2011 through 2031 and discounted at 5% is expected to be **\$1.64 million**. If the *County* generator is used, the development is expected to generate a smaller, but also positive, net present value of **\$0.17 million**. The expected cash flows from the *Comparable* generators is shown in Table A below. Details of the analysis using the *County* generators are shown in the Appendix to this report.

County Cash Flow Estimates	Comparable Generators				
	2011	2012	2013	2014	Build-out
Revenues	\$316,440	\$530,930	\$534,560	\$414,770	\$342,270
Expenditures	47,390	132,610	221,990	267,660	285,120
Net Fiscal Impact	<b>\$269,040</b>	<b>\$398,320</b>	<b>\$312,570</b>	<b>\$147,100</b>	<b>\$57,150</b>
Net Present Value (2011 – 2030, 5%)					<b>\$1.64 million</b>

**Nelson’s Grant**  
**Community Impact on York County, Virginia**

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## Nelson's Grant

### Community Impact on York County, Virginia

As part of a rezoning application submitted by **Pritchard and Miller Real Estate Development (P&MRED)** this report from *The Wessex Group, Ltd.* (TWG) presents an assessment of the Community Impact on York County of the proposed Nelson's Grant development, a mixed use project planned to include condominiums, townhomes retail stores and professional offices on a site of approximately 13.8 acres located on US Route 17 north of Fort Eustis Boulevard and adjacent to Patriots Square Shopping Center in York County. The first section of the report addresses the *fiscal impact* of the development. The second section of the report describes the expected *community* impact of the development on the York County in terms of school capacity, parks and recreation, fire and police services.

#### Fiscal Impact Assessment of Proposed Development

Fiscal impacts are those that directly affect a municipality's budget. New developments attract new county residents who, in turn, generate the need for public services such as emergency medical services, police, and fire protection. In turn, the development generates additional tax revenue for the county from real estate taxes, other locality taxes and local household spending. All dollar figures contained in this report are expressed in 2009 dollars, and all fiscal impact estimates are based on Revenues and Expenditures from the General Fund of York County's FY 2010 Adopted Budget. As no attribution for economic inflation has been made, the estimates provided here represent current dollar amounts. In effect, the revenues and expenditures shown are the amounts the locality would expect to receive if the development were completed today.

In preparing the impact analysis, estimates for the development, population characteristics of the locality and proposed development have been used to project locality revenues and expenditures. For example, county expenditures are allocated on a per capita, per household or per child basis to the assessment. Revenue estimates are derived by applying the appropriate tax rates to housing characteristics specific to the proposed development. However, the type of housing proposed is well known to have a direct effect on household composition such as the number of school aged children likely to live there. Further, consistent data often is not available by housing type or value. In this case more than one generally accepted estimators or generators often are used to suggest the range within which the actual values are likely to be captured. For this reason, the revenue and expenditure estimates shown in the tables that follow compare the analysis using school aged children generators from two sources: (1) the County using Census data together with information from the York County Planning Department and (2) information obtained from comparable developments within the regional area. The generator used to estimate the number of people per household for the development, and obtained from the US Census, is 2.46. The school aged children generators used by the York County Planning Division for families living in townhomes and condominiums, are respectively 0.45 and 0.30 children per household. The impact estimates derived using these values are referred to as the *County* analysis. Results of the *Comparable* analysis are reported in the text following and in greater detail in **Appendix A**. Results of the *County* analysis are reported in **Appendix B** at the end of this report.

For the "*Comparable*" analysis TWG contacted the management of **Riverwalk Towns** and **The Quarters of York County**. Both developments consist of townhomes with two and three bedroom units, and with unit prices and community amenities similar to those proposed for Nelson's Grant. A combined total population of 276 people live in the developments in a total of 156 housing units yielding an average of 1.77 people per household based on these two (2) developments. Currently, a total of 32 school children live in both communities (source: Transportation Division of York County) yielding a "*Comparable*" generator for school children of 0.205 per household. The impact estimates derived from the use of household size and school-aged children generators obtained from the actual experience of nearby comparable properties are referred to as the "*Comparable*" analysis.

The plans and fiscal impact estimates included in this section of the report describe the development schedule, construction investment, the employment directly associated with the construction of this development, and the local spending attributed to new residents in the development. Employment estimates are used to calculate the marginal cost of government services generated by new commercial activity. No attribution is made as to the residence location of any employees.

For a more detailed explanation of the analysis, and its findings, that follows please refer to the Appendix at the end of the report.

## Development Plan and Construction Investment

The developer proposes a total of 112 residences along with commercial space totaling 13,750 square feet along with a gazebo, sidewalk, walking trails and a fitness center. Off site improvements include a turn lane, water extension, and relocation of overhead utilities. The proposed development plan is shown in Table 1 on the following page.

**Table 1**  
**Development Components - Nelson's Grant**

<b>Residential Development</b>	<b>Units</b>	<b>Square Feet per Unit</b>	<b>Construction Cost per Unit*</b>	<b>Market Value per Unit</b>
Townhouse with Detached Garage	25	2,100	\$247,000	\$325,000
Townhouse (3 Story) with Attached Garage	28	1,800	\$209,000	275,000
Bungalow with Detached Garage	13	2,000	\$247,000	325,000
Condominium	46	1,000	\$148,000	195,000
<b>Total Residential Development</b>	<b>112</b>		<b>\$22,055,200</b>	<b>\$29,020,000</b>
<b>Commercial Development</b>		<b>Square Feet</b>	<b>Construction Cost per SF*</b>	<b>Total Cost of Construction</b>
Specialty Retail		10,075	\$108	\$1,160,000
Professional Office		3,000	\$120	\$360,000
<b>Total Commercial Development</b>		<b>13,750</b>		<b>\$1,520,000</b>

\* Construction Costs include Cost of Infrastructure

Table 2 following presents the annual construction schedule. The developer expects that construction of the proposed Nelson's Grant will occur throughout a four year period beginning in 2011 with full occupancy of residences and commercial operations in 2015.

**Table 2**  
**Annual Construction Schedule – Nelson's Grant**

<b>Residential Units</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total</b>
Townhouse with Detached Garage	10	9	6	0	25
Townhouse (3 Story) with Attached Garage	14	9	5	0	28
Bungalow with Detached Garage	0	8	5	0	13
Condominium	6	16	12	12	46
<b>40 Total Residential Units</b>	<b>30</b>	<b>42</b>	<b>28</b>	<b>12</b>	<b>112</b>
<b>Commercial SF</b>					
Specialty Retail	0	5,000	5,000	750	10,750
Professional Office	0	1,000	2,000	0	3,000
<b>Total Commercial SF</b>	<b>0</b>	<b>6,000</b>	<b>7,000</b>	<b>750</b>	<b>13,750</b>

Table 3 shows annual and cumulative construction investment. Based on assumptions shown above in Table 1, cumulative construction investment for Nelson's Grant is estimated to be \$24.9 million.

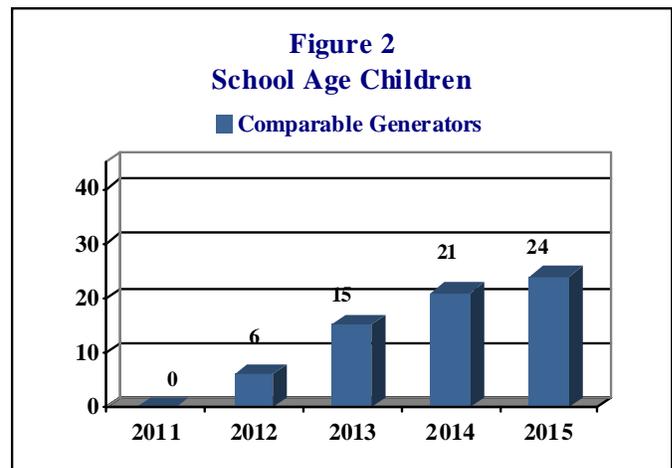
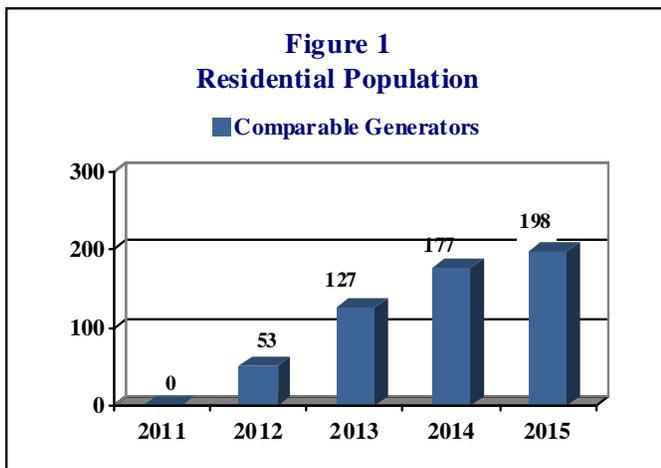
**Table 3**  
**Construction Cost – Nelson's Grant**  
**(\$ Thousands)**

Nelson's Grant	2011	2012	2013	2014
Off Site Improvements	\$ 280.0	\$ 0.0	\$ 0.0	\$ 0.0
Community Amenities	600.0	0.0	0.0	0.0
Residential Homes	6,285.0	8,451.0	5,540.0	1,778.0
Commercial	0	660.0	780.0	81.0
<b>Total Annual Construction Investment</b>	<b>\$ 7,165.0</b>	<b>\$ 9,111.0</b>	<b>\$ 6,320.0</b>	<b>\$ 1,859.0</b>
<b>Cumulative Construction Investment</b>	<b>\$ 7,165.0</b>	<b>\$ 16,276.0</b>	<b>\$ 22,596.0</b>	<b>\$ 24,455.0</b>

### Residential Population

Based on generators from *comparable* properties, the residential population of Nelson's Grant is estimated to be 198 persons at build-out in 2015 (Figure 1). This estimate was determined from the average number of people who currently reside in Riverwalk Towns and The Quarters of York County, developments located in York County and considered to be similar to Nelson's Grant. A combined total of 276 people in both developments live in a total of 156 homes resulting in an average of 1.769 people per household. School children in the two developments total 32 (York County Schools Division of Transportation) for an average of 0.205 per household. Based on this assumption, the 112 residences planned for Nelson's Grant should add 24 children to the county public schools.

If the average number of people per household from US Census (2.463) is applied, the population expected to live at Nelson's Grant is an estimated 276 residents. According to the Planning Division of York County, townhomes and condominiums generate an average of 0.45 and 0.30 school children per household. Based on these *county* generators, the 66 townhomes and 46 condominiums at Nelson's Grant will add an estimated 44 school age children.



## Employment and Payroll

The number of FTE employees expected to work in the commercial portions of this development are included in the fiscal impact analysis because it is one basis of estimating local government expenditures attributed to new construction and to new commercial operations. Assuming that payroll is 40% of construction costs and that average salary expense for construction workers is \$52,931 (Virginia Employment Commission construction salary plus 30% payroll cost) the construction phase should provide jobs for an average of 46 workers per year (Table 4). Payroll during construction should total an estimated \$7.5 million.

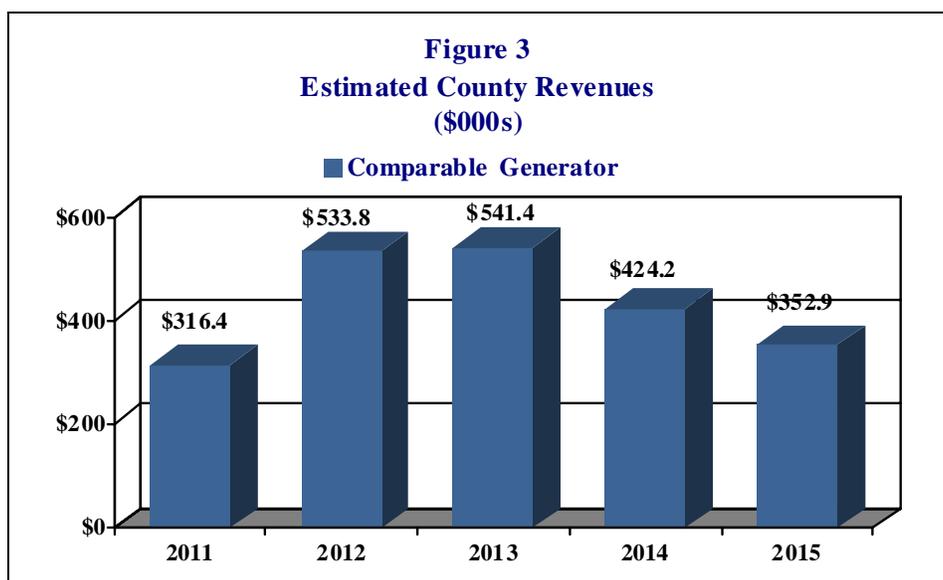
Permanent jobs are expected to be generated by the commercial operations planned for Nelson's Grant. It is assumed that 100% of the commercial employment will be net new to the county with the expectation that 17 new permanent jobs will be generated by the proposed development at build-out when all commercial spaces are assumed to be occupied. Annual permanent payroll is expected to total an estimated \$501,000 at build-out and thereafter.

**Table 4**  
**Employment Estimates – Nelson's Grant**

Nelson's Grant	2011	2012	2013	2014	2015
Average Annual Construction Jobs	54	69	48	14	0
Average Annual Permanent Jobs	0	0	8	16	17
<b>Average Annual FTE Employment</b>	<b>54</b>	<b>69</b>	<b>55</b>	<b>30</b>	<b>17</b>
<b>Average Annual Payroll (\$Thousands)</b>	<b>\$2,205</b>	<b>\$2,803</b>	<b>\$2,150</b>	<b>\$1,053</b>	<b>\$501</b>

## Local Government Revenues

Residential developments in York County generate several types of revenues, including real estate tax, personal property tax, and retail sales tax. Construction of the development generates revenues such as retail sales tax, building permit fees, business and professional license tax, and meals tax from employees. However, these revenues do not continue beyond build-out. Figure 3 shows the annual revenue streams that the county may expect from Nelson's Grant. At build-out, the proposed development is expected to generate an estimated \$342,270 based on a population of 198 residents using *comparable* generators. If as many as 276 people live in Nelson's Grant, based on *County* generators, then estimated revenues increase slightly to \$352,880.



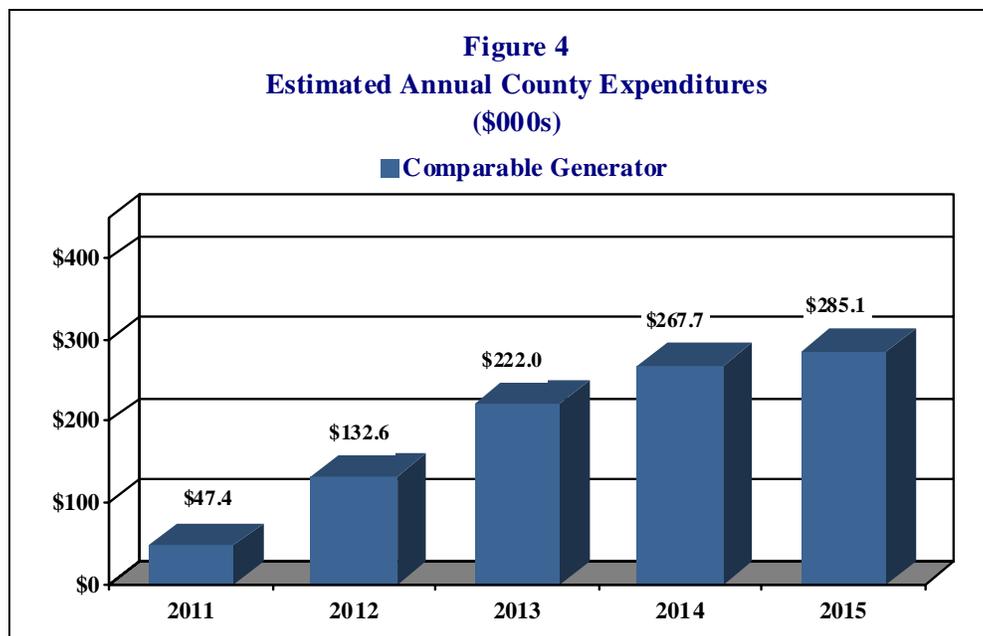
Annual line-item estimates are shown in Table 5. Assumptions associated with the various components of the revenue stream are in the Appendix.

**Table 5**  
**Estimated Annual County Revenues – Nelson's Grant**  
**Comparable Generator**

Cash Inflow and Outflow	2011	2012	2013	2014	Build-out
Real Estate Tax	\$46,710	\$125,430	\$180,740	\$198,920	\$200,880
Personal Property	0	11,290	28,260	40,140	44,800
Retail Sales Tax	7,170	16,900	31,540	40,860	43,100
Meals Tax	2,170	5,780	9,480	11,300	11,990
Building Permits	231,110	327,500	235,800	78,600	0
BPOL	12,900	17,960	17,580	14,630	12,100
Recordation Taxes	8,960	9,360	6,200	2,010	0
Other Local Revenues	7,430	16,700	24,970	28,310	29,400
<b>Total Revenues</b>	<b>\$316,440</b>	<b>\$530,930</b>	<b>\$534,560</b>	<b>\$414,770</b>	<b>\$342,270</b>

### Local Government Expenditures

The county's estimated costs for providing public services to Nelson's Grant are shown in Figure 4 with further detail provided in Table 6. Construction of the proposed development from 2011 through 2014 is expected to generate cumulative government expenditures of an estimated \$682,010. At build-out in 2015, fully occupied condominiums and commercial space will generate estimated county expenditures of nearly \$285,120 annually based on a population of 198 persons derived from the *comparable* generator. In comparison, cumulative expenditures generated from the larger number of residents estimated by the *county* generator (expected to be 276), are expected to reach \$435,730 at build-out and beyond.



**Table 6**  
**Estimated Annual County Expenditures – Nelson's Grant**  
**Comparable Generator**

Public Service Expenditures	Comparable Generators				
	2011	2012	2013	2014	Build-out
General Administration	\$1,290	\$2,900	\$4,340	\$4,920	\$5,110
Judicial Services	1,790	4,020	6,020	6,820	7,080
Public Safety	18,020	40,480	60,550	68,630	71,290
Environ. & Dev.	3,060	6,870	10,280	11,650	12,100
Finance & Planning	5,480	12,310	18,410	20,870	21,680
Human Services	2,460	5,530	8,270	9,380	9,740
General Services	5,070	11,390	17,030	19,310	20,060
Community Services	4,160	9,340	13,980	15,840	16,450
Capital & Fund Transfers	3,720	8,360	12,510	14,180	14,730
Non-Departmental	2,330	5,240	7,830	8,880	9,220
<b>Total Public Service Exp.</b>	<b>\$47,390</b>	<b>\$106,450</b>	<b>\$159,220</b>	<b>\$180,480</b>	<b>\$187,470</b>
<b>Education Expenditures</b>					
School Operating	0	22,100	53,050	73,680	82,520
School Debt Service	0	4,050	9,720	13,510	15,130
<b>Total Education Exp.</b>	<b>\$0</b>	<b>\$26,160</b>	<b>\$62,780</b>	<b>\$87,190</b>	<b>\$97,650</b>
<b>Total Expenditures</b>	<b>\$47,390</b>	<b>\$132,610</b>	<b>\$221,990</b>	<b>\$267,660</b>	<b>\$285,120</b>

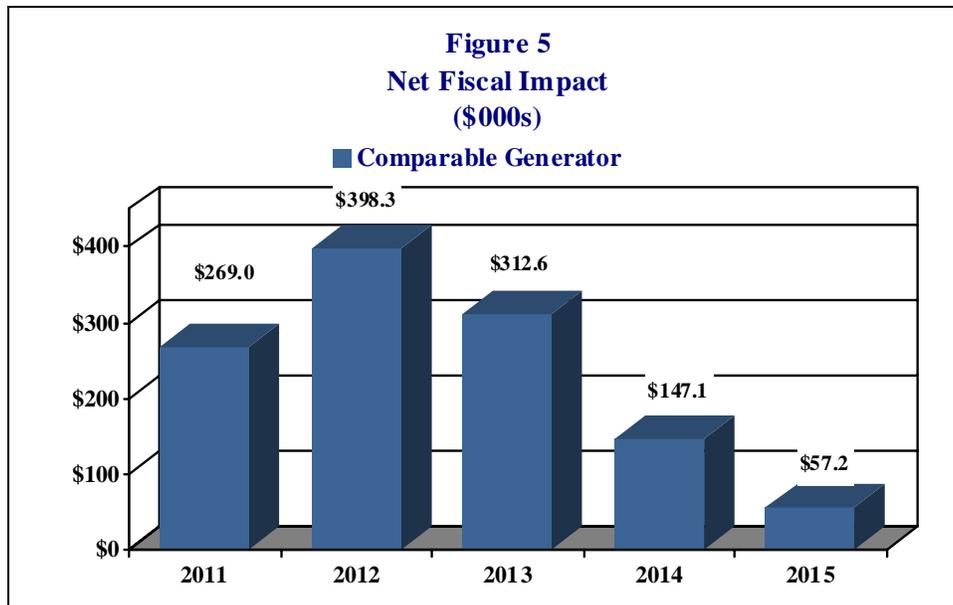
**Public Service Expenditures:** TWG estimates the incremental expenditures that this development will generate for York County's government (excluding operating costs and capital improvements for schools) by applying the current per capita and per employee costs of government to the estimated incremental residents and employees expected to live and work in Nelson's Grant. Based on the current value of residential real property as a proportion of total real property value, TWG assumes that 73.5% of total expenditures are attributed to residences and the remaining 26.5% are attributed to employees. The per capita costs of government are shown in the Appendix.

**Education Expenditures:** To calculate education costs, per student amounts for operating costs (\$3,509) and capital improvements (\$643) have been applied to the number of students expected to reside in the development each year (Figure 2).

As shown in Table 6, operating costs associated with public education are expected to generate the largest single expenditure, estimated at build-out to range from an estimated \$97,650 based on the *comparable* generator. If the *county* generator is used, the total education expenditures at Buildout are expected to be \$180,610.

## Net Fiscal Impact

The net fiscal impact of a development on the local government operations is calculated by subtracting government expenditures from government revenues. The annual estimated net fiscal impacts during the development period and at build-out are shown in Figure 5 with detail provided in Table 7. The county should realize a cumulative net fiscal impact of nearly \$976,000 during construction. Once build-out is complete, it is estimated that this development will provide an annual net fiscal impact to the county of \$37,650. If however, the development generates as many as 241 residents including 38 school children, the net fiscal impact could reach a negative \$87,980 annually at build-out and beyond.



**Table 7**  
**Net Fiscal Impact – Nelson's Grant**  
**Comparable Generator**

Cash Inflow and Outflow	2011	2012	2013	2014	Buildout 2015
Revenues	\$316,440	\$530,930	\$534,560	\$414,770	\$ 342,270
Expenditures	47,390	132,610	221,990	267,660	285,120
<b>Net Fiscal Impact</b>	<b>\$269,040</b>	<b>\$398,320</b>	<b>\$312,570</b>	<b>\$147,100</b>	<b>\$ 57,150</b>
<b>Net Present Value (2011 – 2030, 5%)</b>					<b>\$ 1.6 mil</b>

**Projected Cumulative Fiscal Impact:** In an effort to illustrate the long-term net fiscal benefit or cost of this development to the county, *The Wessex Group* calculated the net present value of revenues and expenditures for years 2011 through 2030. A modest 1.0% real (not including inflation) appreciation has been included in the real estate valuation for residential property. All other costs and revenues are estimated in 2009 dollar amounts. Carried over the twenty year period and discounted at 5%, the estimated net present value of Nelson's Grant is \$1.6 million based on the *comparable* generator. However, if the population reaches 276 people with 44 school children (*county* generator) the net present is just over \$166,000. For further explanation of net present value, refer to page 15 of the Appendix.

## Community Impact Assessment

This section of the report describes the Community Impact (non-fiscal) of the proposed Nelson's Grant development. It considers the probable impact of the development on various county services such as schools, park facilities, and fire and police services. While these impacts ultimately may have direct fiscal consequences for the county, the assessment here presents only the type and nature of the assessment. Information for this portion of the assessment were obtained from the York County Planning Department and the York County School Board.

### School Capacity

It is estimated Nelson's Grant will generate from 20 to 38 school age children. If these students are educated in the public school system, they would attend Yorktown Elementary, Yorktown Middle School or York High School. According to the York County School Division, all schools have capacity more than adequate to absorb new students generated by the development. Table 8 shows the current capacity of school facilities in York County are more than sufficient to accommodate the expected number of school aged children generated by the proposed Nelsons Grant development.

•  
**York County School Membership and Capacity**

<b>Schools</b>	<b>FY 2010 Membership (ADM)</b>	<b>Current Program Capacity</b>	<b>Currently Available Capacity</b>
Yorktown Elementary	584	734	150
Yorktown Middle School	752	982	230
York High School	1,077	1,214	137

### Parks and Recreation

Nelson's Grant will offer various amenities to its residents including a park, walking trails, and a fitness center. Sidewalks will be installed to encourage pedestrian activity throughout the community.

Residents also will have convenient access to several public parks within a five minute drive from the development site. These parks include Chisman Creek Park, Wolftrap Park, Back Creek Park and the Colonial National Historic Park. Chisman Creek Park is a 13-acre site located on Wolftrap Road and has two-lighted softball fields, restrooms and a parking lot. Wolf Trap Park is a 28-acre park that features four soccer fields, restrooms a parking lot, and two ponds, and this park also is located on Wolftrap Road in Grafton. Back Creek Park is located on 27 acres in the Seaford area of the county and offers an award-winning tennis facility with six lighted tennis courts. The park also presents a free boat launching facility, a picnic area, and restrooms to the public. The Colonial National Historic Park also is located near the development site with convenient access to a tour road that surrounds the park and is open for bicycling, jogging, walking, or horseback riding.

Due to the proximity of these parks to the proposed development site, it is likely these facilities will experience a modest increase in activity from the new residents living in the development.

### Fire Services

TWG contacted York County's Fire Chief/Coordinator of Emergency Management, Stephen P. Kopczynski, to discuss the probable impact of the development on the county's fire and EMS services. Questions asked of Mr. Kopczynski and his responses are provided below.

- 1. What is the distance between the development site and the closest fire/EMS station? What is the name of the closest fire/EMS station to the development?**

"The primary fire station district in which the proposed development would exist is Fire Station #4/Yorktown located at 901 Goosley Road The next due/back up response will be from Fire Station #1/Grafton."

- 2. Does your department have any equipment needs for this particular development? Do you have any equipment needs in general?**

“An in depth evaluation of any specific additional equipment needs has not yet been completed. Normally equipment/resource needs (based on the Fire and Life Safety response demand in a specific geographic area, fire station district and/or County wide) are identified and requested through the County's Capital Improvement Program and/or General Operating budget process . It should be noted that the cumulative effect of additional occupancies do increase service demands on the Department of Fire and Life Safety. We do not currently know to what extent this development will impact the Department of Fire and Life Safety's service demands.”

### Police Services

To understand the impact of Nelson's Grant on the police services, TWG contacted Sheriff J.D. “Danny” Diggs. Questions and responses are provided below.

**1. Do you have any specific crime concerns for this proposed mixed use development?**

“No.”

**2. Nelson's Grant is expected to be comparable to Riverwalk Towns or The Quarters of York County? What has been your experience with the safety needs of these communities?**

“They have been of little or no impact upon law enforcement services. I believe these types of communities are an asset to the County.”

**3. Are there any specific equipment needs your department will need to service an additional community such as this development? Do you have any equipment needs in general?**

“This development will not cause any additional equipment needs. Overall, we are always in need of updated technology such as Mobile Field Reporting, GPS vehicle tracking, and broadband capability for mobile computers in patrol cars.”

**4. Are you supportive or not supportive of this proposed development?**

“I am a strong supporter of this development.”

**Nelson's Grant**

**Community Impact on York County, Virginia**

**APPENDIX A**

***“COMPARABLE” ANALYSIS – ANALYTIC DETAIL***

**Table A-1**  
**Demographic Characteristics of York County**

<b>Demographic Characteristic</b>	<b>Amount</b>	<b>Source</b>
Population	61,027	US Census, 2008 Estimates
No of Households	24,774	
Population per Household	2.463	
Population per Household for Proposed Dev	1.769	Comparable Developments in York County
Median Household Income	\$86,594	Virginia Employment Commission, 2008
Employment – Total	21,862	Virginia Employment Commission, 2008
Projected Number of School-aged Children	12,750	York County Adopted Budget FY 2010
Residential Real Property as % of Total RP Value	73.5%	York County Assessor

**Table A-2**  
**York County Revenue Budget FY 2010**

<b>Revenue Source</b>	<b>Budget Amount</b>	<b>Percent of Total</b>
Real Estate Tax	\$58,641,500	47.6%
Personal Property Tax	12,686,500	10.3%
Local Sales Tax	9,000,000	7.3%
Meals Tax	5,000,000	4.1%
Business and Professional Licenses	6,117,000	5.0%
Building Permits	560,150	0.5%
Recordation Taxes	525,000	0.4%
Other Local Revenues (See Table below for detail)	11,330,082	9.2%
<b>Total General Fund Estimated in FIS</b>	<b>\$103,860,232</b>	<b>84.3%</b>
<b>Total General Fund less Transfers</b>	<b>\$123,187,632</b>	<b>100.0%</b>

**Table A-3**  
**York County - Other Local Revenue Budget FY2010**

<b>Budget Item</b>	<b>Budget Amount</b>
Consumption Utility Tax	\$262,000
Communications Sales Tax	1,515,000
Motor Vehicle License	1,278,000
Bank Franchise Tax	136,000
Dog License	25,000
Fines and Forfeitures	323,250
Use of Money and Property	970,200
Charges for Services	2,283,580
Miscellaneous Revenues	87,500
Rolling Stock Tax	10,860
Commonwealth Shared Expenses	3,913,312
Commonwealth Categorical Aid	361,442
Revenue from Federal Government	163,938
<b>Total</b>	<b>\$11,330,082</b>

**Table A-4**  
**York County Expenditures - FY 2010 Budget**

<b>Public Service Expenditures</b>	<b>Amount</b>	<b>Per Capita</b>	<b>Per Employee</b>
General Administration	\$1,967,892	\$23.70	\$23.84
Judicial Services	2,729,834	32.88	33.08
Public Safety	27,471,265	330.91	332.85
Environmental & Development	4,663,603	56.18	56.51
Finance & Planning	8,353,153	100.62	101.21
Human Services	3,753,838	45.22	45.48
General Services	7,728,866	93.10	93.65
Community Services	6,340,597	76.38	76.83
Capital Outlay & Fund Transfers	5,675,809	68.37	68.77
Non-Departmental	3,554,750	42.82	43.07
<b>Total Public Service Expenditures</b>	<b>\$72,239,607</b>	<b>\$870.17</b>	<b>\$875.29</b>
<b>Public Education Expenditures</b>	<b>Amount</b>	<b>Per Student</b>	
School Operations	\$44,736,097	\$3,509	
School Debt	8,200,000	643	
<b>Total Public Education</b>	<b>\$52,936,097</b>	<b>\$4,152</b>	

**Source:** York County FY 2010 Adopted Budget

**Note:** For this study, per capita and per employee expenditure amounts are based on real property values as a proportion of total real property values. School costs reflect funding from local sources only.

**Table A-5**  
**Generators for School Children Per HH in York County**

<b>Type of Residence</b>	<b>Child Per HH Generator</b>	<b>Source</b>
Townhomes	0.205	Riverwalk Towns The Quarters of York County

**Table A-6**  
**Assumptions Used in the Analysis**

<b>Construction – Cost Allocation</b>	<b>Assumed Value</b>	<b>Source</b>
Labor (percent total construction cost)	40%	Interviews with area builders
Materials	50%	
Overhead	10%	
Percent full time	50%	
Part time work % of full time	50%	
<b>Salaries FTE Employees</b>		
Construction	\$ 40,716	VEC average weekly wage York County 2008 *52 weeks
Retail	\$ 20,644	
Professional Office	\$ 55,796	
<b>Cost of Money</b>		
Discount Rate	5.00%	TWG Assumption

**Table A-7**  
**Locality Revenue Generators**

<b>Real Property Tax</b>	<b>Value</b>	<b>Source</b>
Real Estate Rate (per \$100 of Assessed Value)	\$ 0.6575	York County Adopted Budget FY 2010
Annual Appreciation Rate for Residential Property	1.0%	TWG Assumption
<b>Personal Property Tax</b>		
Personal Property Rate (per \$100 of Assessed Value)	4.0%	York County Adopted Budget FY 2010
Local Collections	\$12,686,500	
Percent residential	73.5%	Based on Residential Percent of Property Values
Residential (per Household)	\$376	(Total Personal Pty * % Residential)/No of Households
Commercial (per Employee)	\$154	(Total Personal Pty * % Commercial)/No of Employees
<b>Retail Sales Tax</b>		
Sales Tax Rate - Local Portion	1.0%	York County Adopted Budget FY 2010
Retail - Percent Residential	50%	TWG Assumption
% Construction Materials purchased Locally	20%	
<b>Meals Tax</b>		
Meals Tax Rate (per \$ of Gross Revenues)	4.0%	York County Adopted Budget FY 2010
Budget Amount	\$ 5,000,000	
Percent residential	50%	TWG Assumption
Meals Tax/HH	\$ 100.91	(Total Meals Tax* % Residential)/No. of Households
Percent of Employees who purchase meals	50%	TWG Assumption
Cost per meal	\$10	Virginia Travel Corporation
No of Working Days	200	TWG Assumption
<b>Business and Professional Licenses</b>		
Contractor (per \$100 Gross Revenues)	\$ 0.16	York County Adopted Budget FY 2010
Retail Sales (per \$100 Gross Revenues)	\$ 0.20	
<b>Building Fees</b>		
Plan Review	\$12,892	
Building Permit	\$21,715	
<b>Total Building Fees</b>	<b>\$34,608</b>	Information Supplied by Developer
Sewer Connection Fees	\$421,800	
Water Connection Fees	\$324,900	
<b>Total Utility Connection Fees</b>	<b>\$746,700</b>	
<b>Recordation Taxes</b>		
Recordation Tax Rate (per \$100 Sale Price)	0.00083	York County
Turnover of Residential Property every 5 years	5.0%	TWG Assumption
<b>Other Income</b>		
Budget Amount	\$ 11,330,082	York County Adopted Budget FY 2010 (Table A-3)
Percent Residential	73.5%	Based on Percent of Property Values
Percent Employment	26.5%	
Amount Per Capita	\$ 136.48	(Total Other Income* Percent Residential) / Population
Amount per Employee	\$ 137.28	(Total Other Income*Percent Commercial)/ Employment

## Methodology for Estimating Net Fiscal Impact

The construction and occupancy of this development and its supporting infrastructure will generate incremental City expenditures and revenues. Revenues for the study derive, in general, from spending by the developer of the property and by the employees or residents of the development. Estimates have been derived by examining each revenue category (real property, personal property, retail sales tax, meals tax, and recordation tax fees) and estimating the incremental revenues that are likely to be generated by the development. Government expenditures have been allocated on a per capita and per employee basis.

The analysis uses a "build-up" method by summing together the separate estimates for each source of revenue and expenditure. Care is exercised at each step in the process to insure that revenues are incremental to the existing revenue stream for the locality. For example, Real Property revenues are based on the projected valuations of the property as it is developed less the current values that the undeveloped property generates. To the extent possible, expenditures and revenues also are assessed in the year in which they occur.

## A Brief Explanation of Net Present Value

Adding together future annual net fiscal impacts to get a single measure of the overall cumulative impact over time provides a single measure of the net public or fiscal benefit or cost of a development. However, because a dollar received in a future time period is less valuable than the same dollar received today (since for that year the dollar could be invested and earn interest), a method known as discounting is used to sum up all of the future revenues and expenditures into a single number, described as the **net present value (NPV)**. The calculation of net present value discounts (reduces the future annual net impacts) by an amount the market would expect to get if the money were safely and conservatively invested for that year. In this case, an annual reduction (or discount rate) of 5% is applied to the value of each year's net revenues minus expenditures (net fiscal impact) beginning in the first year of construction and compounded over a 20 year period.

**Nelson's Grant**  
**Community Impact on York County, Virginia**  
**APPENDIX B**  
***"COUNTY"* ANALYSIS – ANALYTIC DETAIL**

All aspects of the “County” analysis are identical to that of the “Comparable Analysis,” except that the generators used to project the population and school aged children for the development are those provided by the York County Planning Division. Table B-1 shows the generators used for this analysis.

**Table B-1**  
**“County” Generators for School Children Per HH in York County**

Type of Residence	Child Per HH Generator	Source
Townhomes	0.45	Townhomes
Condominiums	0.30	Condominiums

**Table B-2**  
**Estimated Annual County Expenditures – Nelson’s Grant**  
**“County” Generator**

Public Service Expenditures	Comparable Generators				
	2011	2012	2013	2014	Build-out
General Administration	\$1,290	\$3,390	\$5,520	\$6,560	\$6,950
Judicial Services	1,790	4,710	7,660	9,100	9,640
Public Safety	18,020	47,370	77,080	91,600	97,020
Environ. & Dev.	3,060	8,040	13,090	15,550	16,470
Finance & Planning	5,480	14,400	23,440	27,850	29,500
Human Services	2,460	6,470	10,530	12,520	13,260
General Services	5,070	13,330	21,690	25,770	27,300
Community Services	4,160	10,930	17,790	21,140	22,390
Capital & Fund Transfers	3,720	9,790	15,930	18,930	20,040
Non-Departmental	2,330	6,130	9,970	11,850	12,550
<b>Total Public Service Exp.</b>	<b>\$47,390</b>	<b>\$124,570</b>	<b>\$202,700</b>	<b>\$240,880</b>	<b>\$255,120</b>
<b>Education Expenditures</b>					
School Operating	0	44,210	102,100	140,000	152,630
School Debt Service	0	8,100	18,720	25,660	27,980
<b>Total Education Exp.</b>	<b>\$0</b>	<b>\$52,310</b>	<b>\$120,820</b>	<b>\$165,660</b>	<b>\$180,610</b>
<b>Total Expenditures</b>	<b>\$47,390</b>	<b>\$176,880</b>	<b>\$323,520</b>	<b>\$406,530</b>	<b>\$435,730</b>

**Table B-3**  
**Estimated Annual County Revenues – Nelson’s Grant**  
**“County” Generator**

Cash Inflow and Outflow	2011	2012	2013	2014	Build-out
Real Estate Tax	\$46,710	\$125,430	\$180,740	\$198,920	\$200,880
Personal Property	0	11,290	28,260	40,140	44,800
Retail Sales Tax	7,170	16,900	31,540	40,860	43,100
Meals Tax	2,170	5,780	9,480	11,300	11,990
Building Permits	231,110	327,500	235,800	78,600	0
BPOL	12,900	17,960	17,580	14,630	12,100
Recordation Taxes	8,960	9,360	6,200	2,010	0
Other Local Revenues	7,430	19,540	31,790	37,780	40,010
<b>Total Revenues</b>	<b>\$316,440</b>	<b>\$533,770</b>	<b>\$541,380</b>	<b>\$424,240</b>	<b>\$352,880</b>

**Table B-4**  
**Net Fiscal Impact – Nelson's Grant**  
**Comparable Generator**

<b>Cash Inflow and Outflow</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Buildout 2015</b>
<b>Revenues</b>				\$424,24	
	\$316,440	\$533,770	\$541,380	0	\$352,880
<b>Expenditures</b>	47,390	176,880	323,520	406,530	435,730
<b>Net Fiscal Impact</b>	<b>\$269,040</b>	<b>\$356,880</b>	<b>\$217,860</b>	<b>\$17,700</b>	<b>-\$82,840</b>
<b>Net Present Value (2011 – 2030, 5%)</b>					<b>\$166,350</b>