Appendix E:

Rochester Midtown Plaza Fiscal and Economic Analysis

Rochester Midtown Plaza
Fiscal and Economic Analysis

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Limiting Conditions

EDAW has endeavored to ensure that the reported data and information contained in this report are complete, accurate, and relevant. All estimates, assumptions, and extrapolations are based on methodological techniques employed by EDAW and believed to be reliable. These assumptions are outlined throughout this report. EDAW assumes no responsibility for inaccuracies in reporting by the client, its agents, representatives, or any other third party data source used in the preparation of this report.

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Overview of the Fiscal and Economic Impacts Analysis

A fiscal impact analysis examines the linkage between local jurisdictions' revenue generated by new development and the development's resultant municipal service costs (e.g., police, fire, schools, sanitation, etc.). The overarching objective of a fiscal impact analysis is to determine whether a proposed development will, ultimately, be beneficial or detrimental to one or more jurisdictions' fiscal condition.

Fiscal impact studies seek to identify the direct recurring public revenues and service expenditures, based on current or reasonably foreseeable conditions. Total fiscal impacts include estimated annual cost impacts to local jurisdictions, estimated annual revenue impacts to local jurisdictions, and major capital costs associated with the project. Additionally, this analysis estimates the number of jobs created, and wages and salaries associated with those jobs, during the construction and post-construction (occupancy) phases of the project. Therefore general economic impacts as well as fiscal impacts are covered by this analysis.

Rochester Midtown Plaza Fiscal Impact Model Sources and Assumptions

The "service population" approach was employed in utilizing this fiscal and economic impact model. The service population approach starts by determining current public services cost on a per unit basis. Costs are estimated on a per unit basis for residents, local employees, and local public school students, and then public service costs are extrapolated based upon estimated growth in each of these service populations.

Public revenues are divided into the following categories: property tax revenues, non-property tax revenues associated with property value, non-property tax revenues associated with population, and intergovernmental transfers. A detailed description of the methodology used to break out these revenue types can be found in the Appendix. Growth in public revenues is then extrapolated based upon projected growth in property values and projected growth in population.

The key assumption underlying the service population approach is that both public sector revenues and costs are scalable. It is assumed that revenues grow either in proportion to the growth in population or in proportion to the growth in property values. Likewise, it is assumed that costs grow in proportion to either population, local employment, or student population. Also, it is assumed that serving any additional marginal service population unit will not require a major expansion of facilities or major service delivery reorganization. Revenues and costs could be either higher or lower than forecast by this approach. Detailed studies would be required to develop more precise forecasts for either revenues or costs.

EDAW refined an Excel-based fiscal impact model, the "Preview Model", developed by the Rutgers University's Center for Urban Policy Research (CUPR) and employed by many land-use professionals around the country. The model was calibrated with a variety of updated assumptions and multipliers, such as updated hourly wage estimates and updated estimates for the generation of school age children by housing unit type.

Capital needs were determined through a combination of the service population approach and site-specific analysis. General capital needs, such as water, sewer, and solid waste, were estimated using the service population approach based on the prevailing capital costs of existing infrastructure. Costs for parkland, streetscapes, and transportation improvements were developed using site-specific data gathered by the consultant team. However these capital needs estimates should *not* be considered engineering costs estimates, but merely order-of-magnitude cost estimates to be used solely for the purpose of estimating overall fiscal impacts.

Data inputs and associated information were obtained through a variety of sources, including interviews with local municipal and school officials, utility representatives and consultants, on-line municipal records, the U.S. Census, and public sector budgets and financial statements. The following are major assumptions used during the input of data for this model.

- Midtown Plaza's fiscal impacts are estimated at stabilized occupancy, i.e. when all buildings are fully leased or sold
- Costs will grow in proportion to the population (residents, employees, school children) served
- Revenues will grow in proportion to the source of revenue growth (property value, resident population)
- All costs and revenues are represented in 2008 dollars

The data inputs used within the Rochester Midtown Plaza fiscal impact model are displayed in Table 1 below. Data inputs and their underlying assumptions can be found in the Appendices 1 through 3 of this report.

Table 1: Fiscal Impact Model Inputs

Inputs

Land-Use Program and Market Analysis

Residential Program
- Type
- Bedroom Mix
- Number of Units
- Estimated Sales Price

Non-Residential Program
- Office Type, Sq. Ft. and PSF/Value
- Retail Type, Sq. Ft. and PSF/Value
- Lodging Type, Sq. Ft. and PSF/Value

Housing Market Analysis
- Current and Projected Population Trends
- Development Timing
- Current and Projected Retail Market Inventory
- Current and Projected Office Market Inventory
- Employment Projections by Jurisdiction

Utility and Infrastructure

Utilities Capacity (Water and Waste)
- Unused Water Capacity (gals/day)
- Unused Solid Waste Capacity (tons/day)
- Unused Sewer Capacity (gals/day)

General Infrastructure Costs
- Water Service Cost/Gallon
- Sewage Treatment Cost/Gallon
- Solid Waste Disposal Costs/Ton
- Parkland Development Cost/Acre
- School Facilities Costs/Pupil
- Streetscape Costs
- Street Construction Costs

Fiscal

Service Population
- Service Population in Area
- Employment in Area
- Total Public School Enrollment

Expenditures
- Total Municipal and County Expenditures
- Total Education Expenditures

Tax Revenues and Rates
- Property Tax Assessment-to-Sales Ratio
- Municipal Property Tax Levy (rate)
- School Property Tax Levy (rate)
- Municipal Property Tax Base
- Municipal non-Property Taxes Associated with Population
- Municipal non-Property Taxes Associated with Property Value
- School Non-Property Taxes Associated with Population
- School Non-Property Taxes Associated with Property Value
- Municipal Intergovernmental Revenues Associated with Property Values
- Municipal Intergovernmental Revenues Associated with Population
- School Intergovernmental Revenues Associated with Property Values
- School Intergovernmental Revenues Associated with Population

Rochester Midtown Plaza Background

As part of its charge, EDAW undertook a general fiscal impact analysis of the three land-use plan scenarios proposed for the Rochester Midtown Plaza. Pages 7-14 of this report delve into the "base" scenario in-depth followed by a comparison of this base scenario with high and low development scenarios. The final section discusses major findings related to all three scenarios and the overall potential for fiscal and economic impacts.

The entirety of the 8.8 acre site lies within the City of Rochester and is served by the Rochester City School District. The City of Rochester sits within Monroe County. The fiscal impacts were estimated for these three jurisdictions to offer the clearest understanding of the short- and longer-term impacts likely to result from the proposed build-out.

The Base Scenario development program that was analyzed for the Rochester Midtown site is as follows:

- A residential program including 35 townhouses, and 229 high rise units including 35 studios, 35 1-bedroom units, and 159 2-bedroom units
- A non-residential program of 715,800 square feet, including 580,000 square feet of office, 65,800 square feet of retail (including restaurants), and a 70,000 square foot hotel
- An estimated start of construction year of 2010 and a 8-year build-out for the development program
- An estimated property value of $184 million dollars upon completion (in 2008 dollars)
- The estimated densities for this development program are roughly 30 dwelling units per acre for the residential portion, and a 2.73 floor area ratio for the non-residential portion. The development program also includes 1.5-acre of urban park/plaza space.

Under this development program, it is estimated that commercial activity will generate a total of 2,461 employees while residential development is estimated to house 460 residents.

Economic Impacts (Base Scenario)

Economic impacts have been estimated for the 8-year construction phase as well as for the operations phase of the proposed development. During the construction phase, there will be an estimated 202 construction and construction-related jobs on average during the 8-year construction timeframe, with associated total wages and salaries of $7.04 million annually. The economic impact is projected to be much greater during the operations phase, during which there will be an estimated 2,461 jobs on site with associated total wages and salaries of $73.7 million annually. See further detail regarding the estimated economic impacts of the proposed Rochester Midtown development in Tables 2 and 3 below.

Table 2: Construction Phase Economic Impacts	
Value of Contract Construction	$ 129,260,000
Construction Period (years)	8
	Jobs (annual)
On-site	72
Off-site	12
Manufacturing	61
TTS(Trade/Trans./Service)	42
Others	16
Jobs Created (Total)	**202**
Total Associated Wages and Salaries	**$ 7,040,000**

Source: EDAW, 2008

Table 3: Operations Phase Economic Impacts		
Occupational Sector	**Jobs**	**Wages and Salaries**
Commercial	92	$ 2,280,000
Office	2,320	$ 70,260,000
Industrial	0	$ -
Hotel	49	$ 1,170,000
Totals (All Workers)	**2,461**	**$ 73,710,000**

Source: EDAW, 2008

Fiscal Impacts (Base Scenario)

The Base Scenario's fiscal impacts are analyzed for three jurisdictions: the City of Rochester, the Rochester City School District, and Monroe County. Fiscal impacts are analyzed with regard to annual operating costs and revenues, i.e. additional expenditures and revenues that are expected to occur on an ongoing annual basis as a result of the proposed development. One-time capital expenditures are not included in this part of the analysis, but are discussed later. Estimated annual costs are subtracted from estimated annual revenues to generate the estimated annual net fiscal impact of the proposed development for each jurisdiction.

Short Term Net Fiscal Impacts

The proposed Rochester Midtown Plaza development is located in an Empire Zone which affects its purported fiscal impacts. In addition to various tax incentives offered by the State of New York, developments in Rochester's Empire Zones qualify for property tax abatement over a ten-year period, including a complete abatement of any increase in property taxes due to higher assessments for seven years. In the City of Rochester this is known as a 485-e property tax abatement. As a result, the property will generate no net increase in property tax revenues during the seven-year period following any qualifying new development. The following short term fiscal impact analysis assumes that all

development in the program is completed and occupied, but that property taxes remain at their current levels for all Rochester Midtown Plaza properties.

The short term operating fiscal impacts for the City of Rochester are projected to be a slight net positive, at about $0.95 million annually. For Monroe County and for the Rochester City School District, the short term operating fiscal impacts are projected to be about break-even. Please see the summary estimated short term net fiscal impacts in Table 4A below.

It should be noted that the City's net positive operating fiscal impacts are not sufficient to cover the City's substantial capital costs in association with the development, so overall fiscal impacts would be negative in the short term for the City.

Table 4A: Estimated Short Term Net Fiscal Impacts During Operations Phase (Annual)[1]

	Net Fiscal Impacts	
City of Rochester	$	950,000
Monroe County	$	(110,000)
Rochester City School District	$	220,000
Net Fiscal Impact (All Local Jurisdictions)	**$**	**1,060,000**

Source: EDAW, 2008
[1]Assuming 485-e property tax abatement under Empire Zone status.

Long Term Net Fiscal Impacts

Long term net fiscal impacts are calculated under the assumption that once the property tax abatement ends, property tax revenues will be collected on the full assessed value of the new development. The collection of property taxes at the full rate substantially increases the fiscal benefit of the proposed development to all of the jurisdictions involved. The model forecasts positive net fiscal impacts related to the proposed Rochester Midtown Plaza development for all three jurisdictions: the City of Rochester, the Rochester City School District, and Monroe County.

At the end of the 485-e property tax abatement, full property tax rates will apply to the property. At this time and going forward, the largest positive fiscal impacts would be to the City of Rochester, with an estimated annual net positive fiscal impact of $6.9 million. This projection is based upon the assumption that the Rochester City School District will continue to receive a fixed amount in property tax revenues from the City even as these revenues grow. The net fiscal surplus for Monroe County is estimated at $1.5 million annually. All of these figures are applicable for the operations phase of the development, once the development is fully occupied. Note that these net fiscal impacts take into account projected increases in annual operating expenses for local jurisdictions as well as projected increases in annual revenues. Please see the summary estimated long term net fiscal impacts in Table 4B below.

Table 4B: Estimated Long Term Net Fiscal Impacts During Operations Phase (Annual)[1]		
		Net Fiscal Impacts
City of Rochester	$	6,890,000
Monroe County	$	1,520,000
Rochester City School District	$	90,000
Net Fiscal Impact (All Local Jurisdictions)	**$**	**8,500,000**

Source: EDAW, 2008

[1]Assuming property taxes are collected at full assessed values.

These positive fiscal impacts are largely a function of the substantial increase in property taxes and in sales taxes that would be caused by the proposed development. The proposed redevelopment would increase the City of Rochester's total assessed property value by $170 million, which is an increase of 5.6-percent over the current property tax base. As the forecast for increase in sales tax revenues is higher than might be expected for a development program with a small retail component, the size of the estimated positive net fiscal impact for the City of Rochester should be considered with caution.

Impacts to Annual Operating Costs

Development-generated costs related to public services are estimated based upon the projected number of new residents and the projected number of new employees in the proposed development. Also the number of school children is estimated to ascertain impacts to the school system. The model projects a total of 460 new residents, 2,461 new employees, and 48 school children as a result of the proposed development. Therefore it is not surprising that the bulk of anticipated public service costs are expected to be driven by the non-residential portion of the development, i.e. the growth in employment in the City of Rochester.

Among jurisdictions, total estimated annual costs for the City of Rochester are expected to increase the greatest, at $4.5 million; followed by total annual costs for Monroe County, which are expected to increase $2.6 million. The Rochester City School District is expected to be least affected, with a projected cost increase of just $0.9 million annually. The small cost impact to the School District is a result of the relatively few school-aged children that would be generated by the proposed development. Generally multifamily housing units generate fewer school children than a similar number of single family housing units. A summary of projected impacts by jurisdiction on operating costs is provided in Table 5 below.

Table 5: Estimated Development-Generated Annual Operating Costs			
	Costs		
	City of Rochester	Monroe County	Rochester City School District
Residential Associated Costs	$ 970,000	$ 700,000	$ -
Non-Residential Associated Costs	$ 3,490,000	$ 1,860,000	$ -
School Children Associated Costs	$ -	$ -	$ 880,000
Total Development-Generated Costs	**$ 4,460,000**	**$ 2,560,000**	**$ 880,000**

Source: EDAW, 2008

It should be noted that these are projected or estimated annual costs in line with a particular methodology, i.e. the service population approach discussed in the overview. In reality, service costs do not necessarily increase with an increase in population or an increase in employment in a particular jurisdiction. What is more relevant is usually the additional number of public sector employees and other operating costs, i.e. for maintenance, landscaping, vehicles, etc. that are needed to serve a particular development or developed area. Actual marginal operating costs could be considerably less, particularly for a development in a location that is already well served by public services. Information from local government departments can be integrated into this analysis to provide more accurate or updated marginal operating costs estimates. Some of the potential marginal operating costs that might be associated with the proposed Rochester Midtown development would be road maintenance, sidewalk and landscaping maintenance, utility operations, traffic management, waste management, and public safety costs. In particular some additional marginal costs would be expected with respect to maintaining the new streets, streetscapes, and parks proposed in the master plan.

Impacts to Annual Revenues

Development-generated revenues are forecast to be significant for the Rochester Midtown project. The increase in revenues for the City of Rochester is forecast at $11.3 million annually, with the largest piece of those revenues coming from property taxes, but with a large portion also coming from non-property taxes and fees (note that the largest non-property tax revenue source for the City is sales taxes). Monroe County is expected to see an increase in revenues of $4.1 million annually, led by non-property taxes and fees. The Rochester City School District is forecast to see an annual revenue increase of about $1.0 million, with the bulk of that coming in the form of intergovernmental revenue. Significant expected increases in property and non-property tax revenues for the City of Rochester and for Monroe County account for the overall net positive fiscal impacts realized.

Based on projected assessed values, the project would generate approximately $6.0 million in property tax revenue annually for the City of Rochester. Increased property tax revenue would also be significant for Monroe County at $1.7 million annually. The increases in property tax revenues result from the significant increase in the property tax base driven by the proposed development.

Additionally, non-property tax revenues, which make up nearly half of the anticipated revenue impacts for the City and the County, are due in large part to projected growth in the sales tax expected to be captured from the expenditures of local businesses, local employees, shoppers, and residents. There is

reason to believe that these projections for non-property tax revenues may be higher than can be realistically expected given the proposed program; sales taxes are usually most closely associated with increased retail square footage, which is a small component of the program. Other sources of non-property revenues are also expected to increase. These revenues may include other taxes as well as fees for services collected by local jurisdictions. Based upon these forecast revenue increases, it is expected that the City will receive incremental non-property tax revenues and fees of $5.1 million while the County is expected to receive an incremental $2.2 million annually. Please see the summary of estimated development-generated revenues in Table 6 below.

Table 6: Estimated Development-Generated Annual Revenues[1]

	Revenues		
	City of Rochester	Monroe County	Rochester City School District
Real Property Tax Revenue	$ 6,000,000	$ 1,680,000	$ -
Non-Property Tax Revenue & Fees	$ 5,140,000	$ 2,190,000	$ 310,000
Intergovernmental Revenue	$ 210,000	$ 210,000	$ 660,000
Total Development-Generated Jurisdictional Revenue	**$ 11,350,000**	**$ 4,080,000**	**$ 970,000**

Source: EDAW, 2008

[1]Assuming property taxes are collected at full assessed values.

The above chart has been developed based upon historic revenue generation ratios within the three jurisdictions, which were derived from jurisdictional budgets or financial statements. These projections assume stabilized occupancy within the proposed development. A detailed sourcing of the figures used to generate the revenue estimates can be found in Appendices 3 and 4.

Development-Generated Capital Costs

Development-generated capital costs for the Base Scenario were estimated for water, sewerage, solid waste, parkland, transportation improvements, streetscapes, school improvements, and government office space. Water, sewerage, solid waste, school improvements, and government office space costs were estimated on a service population basis. Since none of these infrastructure systems are expected to need actual capital improvements, the associated capital costs are fair-share capital costs based on typical demand placed upon infrastructure, rather than actual capital costs associated with necessary projects. On the other hand, costs for parkland, streetscapes, and transportation improvements were based on site-specific needs, i.e. the planned 1.5 acre park/plaza in the Rochester Midtown site. It should be noted, however, that none of the costs contained herein are formal cost estimates developed by qualified engineers or designers, but rather represent generic order-of-magnitude costs for similar projects in similar urban conditions. For the purposes of this analysis, these development-generated capital costs are considered separately from the analysis of annual operating costs and revenues above.

Total development-generated capital costs are estimated to be quite high at nearly $27.6 million. By far the highest capital costs are associated with specific projects on the immediate development site – including an estimated $14.6 million for streetscapes and an estimated $9.25 million for the 1.5 acre

park/plaza. Excepting these site-specific capital costs, the anticipated capital costs are relatively marginal, especially in light of the anticipated net positive fiscal impact of the proposed development. This summary of development-generated capital costs are itemized by category in Table 7 below.

Table 7: Estimated Development-Generated Capital Costs

		City of Rochester	Rochester City School District	Monroe County
Water		$ 376,000		
Sewerage				$ 1,080,000
Solid Waste				$ 7,000
Parks	[1]	$ 9,250,000		
Transportation Improvements		$ 3,130,000		
Street Scape	[1]	$ 14,590,000		
School Improvements			$ 810,000	
Government Office Space Costs		$ 220,000		
Total Capital Costs		**$ 27,566,000**	**$ 810,000**	**$ 1,087,000**

Source: EDAW, 2008

[1] Construction costs include all construction and design contingencies and assume a 2015 construction date

Utility Costs

In order to assess the cost of the additional infrastructure demand generated by development, EDAW consulted Labella Associates to conduct an infrastructure analysis. The analysis involved the development of an informed estimate of the capacity of existing sewerage and waste water facilities as well as their associated capital improvement costs per service unit. Information on solid waste capacity and associated capital improvement cost was obtained from the Monroe County website. To estimate infrastructure usage, the model applied several demand factors to the projected increase in the number of people working and living on the site. The development-generated demand for water and sewerage has a fair-share capital cost of approximately $300,000 for water, $1.1 million for sewerage, and less than $10,000 for solid waste. It should also be noted that all of these infrastructure systems have adequate major capital capacity (i.e. water treatment or sewage treatment plants) to accommodate the proposed development. Please note that these capital costs estimates are not based upon detailed or specific engineering needs of the site, but on per service population estimates.

Parks, Roadway, and Streetscapes

According to EDAW's preliminary site plan, there will be four roads built on the site which will amount to roughly 38,000 square feet of roadway construction. Using a roadway construction cost estimate Transportation Costing Tool (Atlanta Regional Commission, 2006), EDAW employed a $60 per-square-foot construction cost, resulting in a total estimated $2.3 million cost for street construction on the site. As is standard in this type of exercise, an assumed contingency for increased construction costs was included to offer a more realistic estimate of future cost. This contingency could add as much as $830,000 to the cost of construction if construction takes place as expected in 2010. Note that maintenance costs are not included in this estimate.

Under the Base Scenario, EDAW has planned a roughly 66,000 square-foot (roughly an acre and a half) park that includes a 31,000 square-foot plaza and a 35,300 square-foot green space in the latest version of the master plan. To assess the estimated capital cost of the construction of this parkland, EDAW generated a cost estimate based on a cost model that has been developed for similar park construction in New York City. Based on the design assumptions outlined in Appendix 5, EDAW calculated a location-adjusted capital cost estimate of between $4.5 million to $5.5 million if built under current price conditions. Construction and design contingencies could add as much as $4.1 million to the cost of construction if construction takes place as expected in 2014. Costs for the open space could be significantly lower or higher based upon the final design specifications. Note that maintenance costs are not included in this estimate. The details of this cost estimate are included in the Appendix 5.

Under the base plan, EDAW estimates that there will be roughly 6,600 square feet of streetscape constructed on the site. To generate the cost of the planned streetscape improvements for this fiscal impact analysis, EDAW accessed its portfolio of streetscapes to find comparables subject to a similar set of development conditions. Based on standard design specifications established by the New York State Department of Transportation, the cost of streetscape construction was estimated based upon a comparable streetscape in Brooklyn, New York. This cost was then adjusted (discounted) to reflect Rochester's lower construction costs. Total estimated streetscape improvement costs are between $8 million and $9 million if built under current price conditions. As is standard in this type of exercise, a series of assumed contingencies for unforeseen construction complications and increased construction costs were included to offer a more realistic estimate of future cost. These contingencies could add as much as $6 million to the cost of construction if construction takes place as expected in 2014. Note that maintenance costs are not included in this estimate. The details of this estimate are included in the Appendix 6.

Please note that all three of these cost estimates are based on general concepts which do not include adequate detail to develop precise costs; therefore, they should not be used to develop budgets for actual park, roadway, or streetscape construction.

School Costs

Based on the number and type of housing units planned at the Rochester Midtown Plaza development, there will be an estimated 460 people living at the site upon full occupancy. Of these 460 residents, it is estimated that 48 (forty-eight) will be school-age children. Most of these children (42) are expected to be elementary students within grades K through 6.

Interviews with local school officials reveal stable student enrollment trends and significant excess seating capacity available. The school district facilities administrator reported the ability to handle an additional 2,500 to 2,900 students at the present time. Based on the school district's available capacity, it is very likely that no new school facilities would be required to accommodate school-age children resultant from the Midtown Plaza development.

Government Office Space

The additional municipal services supplied to the people living, working, and shopping on this site will necessitate an increase in government personnel. It is estimated that this increase in government service would entail a fair-share capital cost of an additional 831 square feet of office space. Based on the cost estimation service provided by RS Means, office space in the City of Rochester would currently cost roughly $265 per square foot to develop (inclusive of hard and soft construction costs). Therefore the fair-share cost attributable to the proposed development for government office space is approximately $220,000.

Comparison of Alternative Development Scenarios

EDAW produced High, Base, and Low development scenarios for the Rochester Midtown Plaza site. To assist in the assessment of these three alternatives, this section of the analysis employs the fiscal impact model to evaluate and compare each of these scenarios. The following is a comparison of the economic and fiscal impacts forecast for each of these development programs.

Low Scenario

The development program that was analyzed for the Low Scenario is as follows:

- A residential program including 32 townhouses, and 206 high rise units, including 32 studios, 32 one-bedroom units, and 142 two-bedroom units
- A non-residential program of 131,600 square feet, including 61,600 square feet of retail (including restaurants), and a 70,000 square-foot hotel
- An estimated start of construction year of 2010 and a 8-year build-out for the development program
- The estimated densities for this development program are roughly 27 dwelling units per acre for the residential portion, and a 1.11 floor area ratio for the non-residential portion. The development program also includes 2.3 acres of urban park.

Under this development program, it is estimated that commercial activity would generate a total of 141 employees while residential development is estimated to house 414 residents.

High Scenario

The development program that was analyzed for the High Scenario is as follows:

- A residential program including 39 townhouses, and 255 high rise units, including 39 studios, 39 one-bedroom units, and 177 two-bedroom units
- A non-residential program of 862,600 square feet, including 725,000 of commercial office space, 67,600 square feet of retail (including restaurants), and a 70,000 square-foot hotel

- An estimated start of construction year of 2010 and a 8-year build-out for the development program
- The estimated densities for this development program are roughly 33 dwelling units per acre for the residential portion, and a 3.17 floor area ratio for the non-residential portion. The development program also includes 1.5 acres of urban park.

Under this development program, it is estimated that commercial activity would generate a total of 3,041 employees while residential development is estimated to house 512 residents.

Comparison of Economic Impacts

During the 8-year construction timeframe, there will be, on average, an estimated 93 construction and construction-related jobs in the Low Scenario. By comparison, the Base and High Scenarios are estimated to generate 202 and 238 construction-related jobs, respectively. The absence of the commercial office building in the Low Scenario is responsible for this significant difference in construction-related employment. Reflecting this difference, the Low Scenario would generate associated wages and salaries of $3.2 million annually as compared to $7.0 million and $8.3 million for the Base and High Scenario, respectively.

The economic impact is projected to be greater during the operations phase for all scenarios. This impact is expected to be smallest in the Low Scenario which would only create 141 jobs that would spin off total annual wages and salaries of roughly $3.5 million. All of the jobs created in this scenario would come from the retail businesses and hotel. The High Scenario, which contains the largest commercial program, would create the greatest employment and economic impact with an estimated 3,041 jobs on site and associated total wages and salaries of roughly $91.3 million annually. See further detail regarding the estimated economic impacts of all three development scenarios for the proposed Rochester Midtown development in Table 8 below.

Table 8: Construction and Operations Phase Economic Impacts - Development Scenario Comparison

Occupational Sector	Jobs	Wages and Salaries	Jobs	Wages and Salaries	Jobs	Wages and Salaries
	Low		Base		High	
Construction Phase						
Construction	**93**	**$ 3,210,000**	**202**	**$ 7,040,000**	**238**	**$ 8,290,000**
Operations Phase						
Commercial	92	$ 2,280,000	92	$ 2,280,000	92	$ 2,280,000
Office	0	$ -	2,320	$ 70,260,000	2,900	$ 87,830,000
Industrial	0	$ -	0	$ -	0	$ -
Hotel	49	$ 1,170,000	49	$ 1,170,000	49	$ 1,170,000
Totals (All Workers)	**141**	$ 3,450,000	**2,461**	$ 73,710,000	**3,041**	$ 91,280,000

Source: EDAW, 2008

Comparison of Fiscal Impacts

To compare the fiscal impact of all three scenarios, the long term fiscal impacts were analyzed, i.e. it was assumed that the property tax would be collected for the full assessed value of the redeveloped

properties. Under this assumption, the model forecasts positive net fiscal impacts for all development scenarios and for all three jurisdictions involved.

For every jurisdiction, fiscal impacts in the Base Scenario are better than in the Low Scenario, and fiscal impacts in the High Scenario are better than in the Base Scenario. In other words, all jurisdictions benefit from the more intense development programs.

In particular, the City of Rochester garners significantly more positive fiscal impact from the Base and High Scenarios. These scenarios generate a positive fiscal impact to the City of Rochester of roughly $6.9 million and $8.0 million, respectively. The positive net fiscal impact to the City in the Low Scenario is roughly $4.2 million.

For Monroe County, the difference in net fiscal impacts of the three development scenarios is relatively minor. The net fiscal impacts on the County range from $1.2-1.7 million between the three scenarios. Given the potential variability in revenues and costs due to any of these proposed scenarios, these ranges of potential net fiscal impacts should be considered approximately equivalent for the City and the County.

All net fiscal impacts are estimated for the operations phase of the development, once the development is fully occupied, and all assume that property taxes will be collected at full assessed values. Also, all fiscal impacts are calculated based upon annual revenues and costs. Please see the summary of estimated net fiscal impacts for all three scenarios and all three jurisdictions in Table 9 below.

Table 9: Estimated Net Fiscal Impacts During Operations Phase (Annual) - Development Scenario Comparison[1]

Jurisdiction	Net Fiscal Impacts		
	Low	Base	High
City of Rochester	$ 4,190,000	$ 6,890,000	$ 7,950,000
Monroe County	$ 1,220,000	$ 1,520,000	$ 1,710,000
Rochester City School District	$ 80,000	$ 90,000	$ 100,000
Net Fiscal Impact (All Local Jurisdictions)	**$ 5,490,000**	**$ 8,500,000**	**$ 9,760,000**

Source: EDAW, 2008
[1]Assuming property taxes are collected at full assessed values.

The bulk of anticipated public service costs are expected to be driven by the non-residential portion of the development in both the Base and High Scenarios. In the High Scenario the non-residential associated costs are $4.3 million and $2.3 million for the City and the County, respectively. Conversely in the Low Scenario the non-residential associated costs are only $200,000 and $110,000 for the City and the County, respectively. This difference is due to the absence of the office buildings within the Low Scenario.

Cost impacts to the Rochester City School District are approximately equivalent for the three scenarios, because the number of housing units does not differ substantially between the scenarios.

A summary of impacts on operating costs is provided in Table 10 below.

Table 10: Estimated Development-Generated Annual Operating Costs - Development Scenario Comparison						
	Costs					
	City of Rochester		Monroe County		Rochester City School District	
	Low					
Residential Associated Costs	$	880,000	$	630,000	$	-
Non-Residential Associated Costs	$	200,000	$	110,000	$	-
School Children Associated Costs	$	-	$	-	$	790,000
Total Development-Generated Costs	**$**	**1,080,000**	**$**	**740,000**	**$**	**790,000**
	Base					
Residential Associated Costs	$	970,000	$	700,000	$	-
Non-Residential Associated Costs	$	3,490,000	$	1,860,000	$	-
School Children Associated Costs	$	-	$	-	$	880,000
Total Development-Generated Costs	**$**	**4,460,000**	**$**	**2,560,000**	**$**	**880,000**
	High					
Residential Associated Costs	$	1,080,000	$	780,000	$	-
Non-Residential Associated Costs	$	4,310,000	$	2,300,000	$	-
School Children Associated Costs	$	-	$	-	$	980,000
Total Development-Generated Costs	**$**	**5,390,000**	**$**	**3,080,000**	**$**	**980,000**

Source: EDAW, 2008

Development-generated revenues for all scenarios under consideration are forecast to be significant. The increase in revenues for the City of Rochester is forecast at $11.3 million and $13.3 million annually, within the Base and High Scenarios, respectively. The Low Scenario is estimated to generate only $5.2 million for the City, and represents the least revenue-generating (but also the lowest cost) development scenario. Monroe County is expected to see an increase in revenues of roughly $2.0 million, 4.1 million and $4.8 million annually within the Low, Base and High Scenarios, respectively. Revenue generation for the City and the County are split primarily between property tax revenues and non-property tax and fee revenues for all scenarios. The Rochester City School District is forecast to see an annual revenue increase of around $1 million annually under each of the development scenarios, with the bulk of the increase coming in the form of intergovernmental transfers. The significant forecasted increase in property and non-property tax revenues accounts for the overall net-positive fiscal impacts realized. Please see the summary of estimated development-generated revenues in Table 11 below.

Table 11: Estimated Development-Generated Annual Revenues - Development Scenario Comparison[1]			
	Revenues		
	City of Rochester	Monroe County	Rochester City School District
		Low	
Real Property Tax Revenue	$ 2,700,000	$ 760,000	$ -
Non-Property Tax Revenue & Fees	$ 2,390,000	$ 1,010,000	$ 280,000
Intergovernmental Revenue	$ 180,000	$ 190,000	$ 590,000
Total Development-Generated Jurisdictional Revenue	**$ 5,270,000**	**$ 1,960,000**	**$ 870,000**
		Base	
Real Property Tax Revenue	$ 6,000,000	$ 1,680,000	$ -
Non-Property Tax Revenue & Fees	$ 5,140,000	$ 2,190,000	$ 310,000
Intergovernmental Revenue	$ 210,000	$ 210,000	$ 660,000
Total Development-Generated Jurisdictional Revenue	**$ 11,350,000**	**$ 4,080,000**	**$ 970,000**
		High	
Real Property Tax Revenue	$ 7,060,000	$ 1,980,000	$ -
Non-Property Tax Revenue & Fees	$ 6,050,000	$ 2,580,000	$ 350,000
Intergovernmental Revenue	$ 230,000	$ 230,000	$ 730,000
Total Development-Generated Jurisdictional Revenue	**$ 13,340,000**	**$ 4,790,000**	**$ 1,080,000**

Source: EDAW, 2008

[1]Assuming property taxes are collected at full assessed values.

Total development-generated capital costs are estimated to be highest in the Low Scenario at $28.5 million, but are comparable in the Base and High scenarios at $27.6 million and $27.4 million, respectively. This higher capital costs in the Low Scenario is entirely due to the greater amount of open space planned in this scenario and the associated cost of open space construction. Within the Low Scenario, open space amounts to 2.3 acres and is estimated to cost $12.6 million. In comparison, within the High and Medium scenarios open space amounts to approximately 1.5 acres and is estimated to cost $9-10 million. For capital costs other than open space, the Base and High Scenarios have higher capital costs than the Low Scenario. This summary of development-generated capital costs are itemized by category in Table 12 below.

Table 12: Estimated Development-Generated Capital Costs				
		City of Rochester	Rochester City School District	Monroe County
			Low	
Water		$ 204,000		
Sewerage				$ 587,000
Solid Waste				$ 2,000
Parks	[1]	$ 12,600,000		
Transportation Improvements		$ 2,300,000		
Streetscape	[1]	$ 13,190,000		
School Improvements			$ 728,000	
Government Office Space Costs		$ 171,000		
Total Capital Costs		**$ 28,465,000**	**$ 728,000**	**$ 589,000**
			Base	
Water		$ 376,000		
Sewerage				$ 1,080,000
Solid Waste				$ 7,000
Parks	[1]	$ 9,250,000		
Transportation Improvements		$ 3,130,000		
Streetscape	[1]	$ 14,590,000		
School Improvements			$ 810,000	
Government Office Space Costs		$ 220,000		
Total Capital Costs		**$ 27,566,000**	**$ 810,000**	**$ 1,087,000**
			High	
Water		$ 428,000		
Sewerage				$ 1,230,000
Solid Waste				$ 8,000
Parks	[1]	$ 9,970,000		
Transportation Improvements		$ 3,130,000		
Streetscape	[1]	$ 13,640,000		
School Improvements			$ 901,000	
Government Office Space Costs		$ 249,000		
Total Capital Costs		**$ 27,417,000**	**$ 901,000**	**$ 1,238,000**

Source: EDAW, 2008

[1] Construction costs include all construction and design contingencies and assume a 2015 construction date

Off-Site Fiscal and Economic Impacts

Current planning literature suggests that the best revitalization strategies for downtowns seek to preserve the distinctive characteristics of traditional downtowns. Revitalization strategies should focus on generating street-level activity and fostering a wide range of diverse uses in the downtown area. Diverse uses are important because these tend to cross-fertilize in the downtown area and support each other's success. Downtown uses should go beyond just employment, to include a variety of shopping, housing, culture, entertainment, government, and recreation[1]. The key urban design characteristics of revitalized downtowns include a pedestrian focus, the preservation of pre-World War II urban fabric, the preservation of historic structures, and the restoration or creation of quality public spaces. Strategies that have sought to make downtowns more like the suburbs, such as providing ample parking or creating indoor malls, have generally failed to improve downtowns. Downtowns compete most effectively with suburban commercial districts by preserving the qualities that make downtowns unique.

[1] Robertson, Kent A. (1995)'Downtown Redevelopment Strategies in the United States: An End-of-the-Century Assessment', Journal of the American Planning Association, 61:4, 429-437.

These qualities include a focus on the pedestrian, a broad mix of activities, density and compactness, the presence of diverse people, and an embodied sense of history[2]. The development or enhancement of entertainment and/or tourist districts has also been one of the more successful downtown revitalization strategies in recent years.

Small city downtowns – those who cities are under 500,000 in population – have been particularly challenged in the post-war period. Small city downtowns have generally been less successful in keeping major corporate employers and are less likely to have heavy-weight tourist destinations that are common in major city downtowns[3]. For small city downtowns, the most success revitalization strategies have focused on niche markets and the distinctive features that downtowns have to offer. As mentioned above, this includes the preservation of the traditional built environment with street-oriented, pedestrian-friendly urban design[4]. The revitalization strategies that have been effective have focused on the themes of: "people, places, pedestrian connectivity, variety of land uses, and generally, quality of life within downtown areas.[5]"

Economic growth in the United States has shifted away from industrial recruitment and towards the dominance of a service economy. Knowledge workers capable of analyzing, manipulating, and interpreting information are the most vital resource in this new economy. As knowledge workers and their related industries are highly mobile, improving quality of life has become a key economic development strategy for cities and regions seeking to attract or retain high growth industries. Some of the key amenities that knowledge workers find desirable include a sense of place, natural beauty, diverse communities, a 24-hour lifestyle, and outdoor recreational amenities[6]. Quality downtown redevelopment can help to create the activity and foster the quality of life that is desired by many modern knowledge workers and their employers.

Urban parks and plazas have often served as the primary catalyst for widespread redevelopment, dating back to Olmstead's Central Park in New York City, which was followed by substantial new development around its periphery[7]. Recent examples of major urban revitalization centered on urban parks include examples in the cities of Chattanooga, Atlanta, and Portland. While it has long been known that parks can have positive impacts to property values that immediately adjoin the park, in recent years there is accumulated evidence that well-planned park and greenway systems can spark broad community

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[2] Robertson, Kent A. (1995)'Downtown Redevelopment Strategies in the United States: An End-of-the-Century Assessment', Journal of the American Planning Association, 61:4,429-437.
[3] Filion, Pierre, Hoernig, Heidi, Bunting, Trudi and Sands, Gary (2004)'The Successful Few: Healthy Downtowns of Small Metropolitan Regions', Journal of the American Planning Association, 70:3, 328-343.
[4] Ibid.
[5] Ibid.
[6] "How Cities Use Parks for Economics Development," City Parks Forum Briefing Paper, American Planning Association, 2002.
[7] "How Cities Use Parks for Economics Development," City Parks Forum Briefing Paper, American Planning Association, 2002.

revitalization in both commercial and residential areas. Parks, plazas, and park systems enhance property values, attract economically beneficial downtown residents, and increase the desirability of an area for knowledge economy enterprises[8].

The Rochester Midtown Plaza redevelopment scenarios are consistent with the best practices and successful models in downtown revitalization nation-wide. The Rochester Midtown Plaza redevelopment plans recreate a traditional, connected urban grid of streets and include high quality streetscapes to encourage pedestrian circulation between activities and bring life back to the street. The plan includes a mix of uses, including residential, and downtown Rochester in particular needs to diversify its uses beyond its current over-dependence on corporate employment. Quality public spaces are an integral part of the plan, and should improve property values and attract new development around the periphery of the redevelopment area.

While the Rochester Midtown Plaza redevelopment proposal should certainly bolster downtown Rochester as a step in the right direction, a broader redevelopment plan is recommended in order to achieve long term success. Such a redevelopment plan would include a number of proven strategies for downtown revitalization such as attracting more residents downtown, establishing a comprehensive network of parks, plazas, and trails, creating a focused entertainment district, and developing an ongoing management strategy for the area to ensure cleanliness, safety, and beautification.

Findings

Operating long term fiscal impacts on an annual basis are forecast to be positive for every jurisdiction and for every scenario. Long term operating fiscal impacts are very strong for the City of Rochester due to a substantially increased property tax base. Short term fiscal impacts are forecast to be either positive or break-even.

Although fiscal impacts for the City are strongly positive in the long run, estimated capital costs are also high. The long term fiscal impacts are clearly sufficient to recoup the cost of any of the proposed capital improvements, which are currently estimated to cost between $26-28 million. Nevertheless, the City should seek developer participation or state and/or federal funding for associated capital costs in order to improve the overall fiscal impact for the project.

All of the above rests upon the assumption that the City collects property taxes at their full assessed value and that the development and its occupancy proceed on schedule. Given that the area is currently eligible for property tax abatements, the City potentially stands to bear significant short term debt until the property tax abatement ends after ten years. There is also a risk if the development falls behind schedule, because any positive impacts to municipal revenues would be delayed. The recommended method for mitigating any short term negative fiscal impact is for the City to seek state or federal funding to assist with the capital improvement costs. Alternatively, the City can decide that these

[8] Ibid.

capital costs are an acceptable price for the expected economic development and revitalization benefits that are likely to result from the proposed development.

On the other hand, impacts to Monroe County are likely to be unambiguously positive under any of these development scenarios. Costs and revenues to the School District are small under all scenarios and probably should not be a major consideration in relation to the proposed project.

City and County revenues are likely to see a large and sustained boost from increases to underlying property values. On the other hand, City and County revenues are also partially dependent upon growth in sales taxes, which are less certain to result from the proposed development program. Therefore the City and the County are under some degree of risk related to the size of the forecast positive fiscal impacts.

From the City's point of view, the Base and High Scenarios are clearly more favorable from a fiscal impact point of view. In fact, according to the analysis contained herein, the High Scenario is the most favorable for both the City and the County, both in terms of higher positive operating fiscal impacts and in terms of lower capital costs.

However, the differences between the Base and High scenarios are slight enough that considerations other than fiscal ones should determine which scenario is favored. For example, the urban design configuration that is most likely to create a positive impact on adjacent properties could be favored because off-site impacts are likely to outweigh any on-site differences between the two scenarios. Urban design, tenant desires, and quality of life considerations should take precedence over fiscal considerations in selecting between the Base and High proposed development scenarios.

Appendices

Alternative Fiscal Impact Methodologies

Case Study

The case study approach is dependent on intensive site-specific interviews of public officials, who are educated, on local service conditions and capacities as the main means of discovering the effect of population growth on public services and costs. The interviews recognize the anticipated marginal costs of growth given conditions of excess or deficient service capacity. In looking at an example of excess capacity (capacity beyond that needed to accommodate the existing population at current service levels) growth will add to costs at lower-than-average per service person/student/employee levels. While, deficient capacity (capacity below that needed to accommodate the existing population at current service levels), growth will add to cost at higher-than–average per capita/student/employee levels.

Econometric Method

Both service population and case study methods translate service costs in terms of a given set of service conditions and cost parameters determined either arithmetically or through site study, respectively. The econometric method goes further than the "one- snapshot- in-time" analysis to a "moving picture" of the community and its development profiles and profiles' changing effects and interactions over time. It utilizes a fundamental equation that draws a comparison between a jurisdiction's public service expenditure and its revenue parameters (i.e. tax base, tax rate, etc).

The cost and revenue parameters found within the equation usually start at existing average levels (i.e. average cost per service person, average assessed value per unit, etc). Historical and current data matrices are joined to the equation, which permits past steady-state and current development conditions (including the target development under study and other concurrent development) to influence future projections. Data matrices can include local expenditure and revenue levels per service person; the development's expected pro forma schedule; estimates of annual expenditures, revenue and real property valuation change under steady-state conditions; and estimates of annual expenditure, revenue and real property valuation change under target and other development conditions.

Appendix 1: Proposed Land-Use Program and Market Analysis Section Inputs, Sources and Assumptions

Input	Source	Assumptions
Residential Program		
Type Bedroom Mix Number of Units Estimated Sales Price	EDAW development program; Cushman Wakefield's market study. 2008	
Non-Residential Program		
Office Type, Sq. Ft. and PSF/Value Lodging Type, Sq. Ft. and PSF/Value	Cushman Wakefield's market study. 2008	
Housing Market Analysis		
Current and Projected Population Trends	Genesee/Finger Lakes Regional Planning Council, 2008	2018 population projection is based on the application of an annualized projected growth rate from 2010 to 2020 to current population
Development Timing	City of Rochester	
Current and Projected Retail Market Inventory Current and Projected Office Market Inventory	Cushman Wakefield's market study. 2008	
Employment Projections by Jurisdiction	US DOL, 2008; New York State Department of Labor, 2008; ScanUS, 2008,	2018 employment projections for the US, state of New York and Monroe County are based on an annual growth rate as determined by the USDOL, the NYS DOL and ScanUS, respectively

Source: EDAW 2008

Appendix 2: Utility Section Inputs, Sources, and Assumptions

Input	Source	Assumptions
Utilities Capacity (Water and Sewer)		
Unused Water Capacity (gals/day)	Labella Associates PC, 2008	
Unused Solid Waste Capacity (tons/day)	Monroe County Department of Environmental Services, 2008	
Unused Sewer Capacity (gals/day)	Labella Associates PC, 2008	
General Infrastructure Costs		
Water Service Cost/Gallon	Labella Associates PC, 2008	
Sewage Treatment Cost/Gallon	Labella Associates PC, 2008	
Solid Waste Disposal Cost/Ton	Monroe County Department of Environmental Services, 2008	$35 million construction cost of existing facility / (1,945 tons per day x 365 days per year x 9 year expected life span)
Parkland Development Cost/Acre	EDAW, 2008	See Appendix 5
School Facilities Cost/Pupil	EDAW, 2008, Rochester Central School District Financials, 2007	
Streetscape Costs	EDAW, 2008	See Appendix 6
Street Construction Costs	EDAW, 2008, ARC Transportation Cost Estimating Tool, 2006	$60 per square foot

Source: EDAW 2008

Appendix 3: Fiscal Analysis Section Inputs, Sources, and Assumptions

Input	Source	Assumptions
Fiscal Data		
Total Municipal and County Expenditures	City of Rochester Financials, 2007; Monroe County Financials, 2006	
Total Education Expenditures	Rochester Central School District Financials, 2007	
Total School Enrollment	Rochester Central School District Financials, 2007	
Property Tax Assessment-to-Sales Ratio	City of Rochester Tax Assessor; EDAW, 2008	
Municipal Property Tax Levy (rate)	City of Rochester Tax Assessor; EDAW, 2008	
County Property Tax Levy (rate)	Monroe County Financials, 2006	
School Property Tax Levy (rate)	City of Rochester Tax Assessor; EDAW, 2008	
Municipal Property Tax Base	City of Rochester Tax Assessor; EDAW, 2008	
Municipal and County non-Property Taxes Associated with Population	City of Rochester Financials, 2007; Monroe County Financials, 2006	Includes: General Revenues: Other, Charges for Services, Repayments & Refunds, Tobacco Settlement, Miscellaneous
Municipal and County non-Property Taxes Associated with Property Value	City of Rochester Financials, 2007; Monroe County Financials, 2006	Includes: Sales tax, Payment in lieu of taxes, Use of property and money
School Non-Property Taxes Associated with Population	Rochester Central School District Financials, 2007	Includes: Appropriated Fund Balance, Food Service Revenue
Municipal and County Intergovernmental Revenues Associated with Property Values	City of Rochester Financials, 2007; Monroe County Financials, 2006	None
Municipal and County Intergovernmental Revenues Associated with Population	City of Rochester Financials, 2007; Monroe County Financials, 2006	Federal Aid, State Aid. Non-major governmental funds
School Intergovernmental Revenues Associated with Property Values	Rochester Central School District Financials, 2007	
School Intergovernmental Revenues Associated with Population	Rochester Central School District Financials, 2007	Includes: State aid, State grants, Federal Sources

Source: EDAW 2008

Appendix 4 - Revenue Estimation for Property and Non-Property Taxes and Fees

Property Tax Revenue Inputs

The estimated market values for the various property types within the development program were provided to EDAW by Cushman Wakefield. These values were applied to the respective assessment-to-sales ratio (from the Rochester City Tax Assessor and the 2006 Monroe County financial statements, respectively) to yield the total assessed value of the proposed development within the given jurisdiction. This assessed value was then multiplied by the respective property tax rates to yield the property tax revenue estimates used in this analysis.

Appendix 4: Property Tax Revenues Inputs

	Revenues		
	City of Rochester (2008)	Monroe County (2006)	Rochester City School District (2008)
Tax Base Assessed Value (in 000's of dollars)	$5,094,593	$34,501,605	$5,151,480
Assessment to Sales Ratio	0.92	1.00	0.92
Property Tax Rate[1]	1.10%	0.91%	2.42%
Property Tax Levy in (000's of dollars)	$48,698	$313,605	$108,061

Source: EDAW 2008

Notes:

[1]Property tax rate is calculated as a weighted average of homestead and non-homestead property tax rates for the City of Rochester and the Rochester City School District.

Non-Property Tax Revenue Inputs

Non-property tax revenues were pulled from most recent financial statements covering each of the jurisdictions, and broken into revenues associated with property value (i.e. sales tax) and revenues associated with population (i.e. charges for services). A per property value ratio was developed by dividing non-property tax revenues associated with property value with the total assessed value. This ratio was applied to the assessed value created by the development program to estimate the amount of this revenue type generated as a result of the proposed Midtown Plaza development. Additionally, a per person estimate of non-property tax revenue associated with population was developed by dividing non-property tax revenues associated with population by the total service population. This ratio was applied to the number of people that would be generated by the development program (460 people) to estimate the amount of this revenue type. These two revenues were summed together to produce the estimate of non-property tax revenue generated.

Appendix 5: EDAW Statement of Estimated Park Construction Costs

Items	Square Feet	Item Cost [1]	Subtotal
Total Open Space Size	**66,300**		
Total Plaza Size	**31,000**		
Total Green Space Size	**35,300**		
Hardscape			
Hardscape (Precast or Asphalt Pavers & Stone Accents)	32,290	$86.25	**$2,785,013**
Trees in Planters	32,290	$3.75	**$121,088**
Softscape			
Softscape over Structure (Shrubs Bed, Trees and berming)	34,010	$48.75	**$1,657,988**
Site Utilities (water, electric, communications, security)	66,300	$5.78	**$382,883**
Lighting	66,300	$3.75	**$248,625**
Estimated Construction Cost Subtotal			**$5,195,595**
Estimated Construction Contingencies [2]			
Design Contingency		20%	$1,039,119
Construction Contingency		10%	$519,560
Escalation to Mid-Point of Construction (2014)		48%	$2,493,886
Estimated Construction Subtotal with Contingencies			**$9,248,159**

Source: EDAW, 2008; RS Means Site Work and Landscape Cost Data, 2008; New York State Department of Transportation

Notes:

[1] Costs of parkland items based on the cost of these items in New York City adjusted for a .75 cost factor for the City of Rochester

[2] Contingencies often included within parkland cost estimates include soft cost contingencies (20%), construction contingencies (CM Fees, NYSESDC management fees)(12%), construction cost escalation to midpoint of construction (.75% per month) and contractor overhead and profit (15%). Contractor overhead and profit (15%) was omitted from this cost estimate. The monthly construction cost escalation is based on monthly price esclations since 1993.

Qualifications - Open Space Items Excluded from NYDOT Design Specifications:

a. Demolition of on-site structures, garage modifications and roof deck improvements, waterproofing, and structural reinforcement is not included.
b. Hazmat abatement is not included in the estimate.
c. Estimate does not include phasing premium.
d. Overland area improvements assume four foot minimum clear depth for new construction
e. Roadway work is not included in the estimate.
f. Tenant fit-out for concession buildings/kiosks is not included in the estimate.

Appendix 6: Estimated Streetscape Construction Costs

Description	Price / LF	LF	AMOUNT
Streetscape Construction Cost [1]	$1,309	6,635	$8,685,215
Streetscape Construction Cost			**$8,685,215**
Estimated Construction Contingencies [2]			
Design Contingency (10%)		10%	$868,522
Construction Contingency (10%)		10%	$868,522
Escalation to Mid-Point of Construction (2014)		48%	$4,168,903
Estimated Streetscape Construction Cost with Contingencies			**$14,591,161**

Source: EDAW, 2008; RS Means Site Work and Landscape Cost Data, 2008; New York State Department of Transportation

Notes:

[1] Costs of parkland items based on the cost of these items in Brooklyn, NY adjusted for a .77 cost factor for the city of Rochester

[2] Contingencies often included within parkland cost estimates include soft cost contingencies (20%), construction contingencies (CM Fees, NYSESDC management fees)(12%), construction cost escalation to midpoint of construction (.75% per month) and contractor overhead and profit (15%). Contractor overhead and profit (15%) was omitted from this cost estimate. The monthly construction cost escalation is based on monthly price esclations since 1993.

Qualifications - Street space items excluded from NYDOT design specifications:

a. The garage modification, demolition, new garage roof construction, waterproofing, roof protection, etc. will all need to be estimated by the engineers and architects on the project. Demolition costs, since the underground garage will be saved below the existing structure, should be calculated as a premium cost by the engineers.
b. All utility costs, modifications and new services will need to be estimated by an engineer.
c. Streetscape costs assume a 5' clear depth for construction without below grade obstructions. All street trees are assumed
d. No special pavement is included; all pavement is standard DOT concrete.
e. No "pedestrian streets" are included.
f. No roadway costs are included.