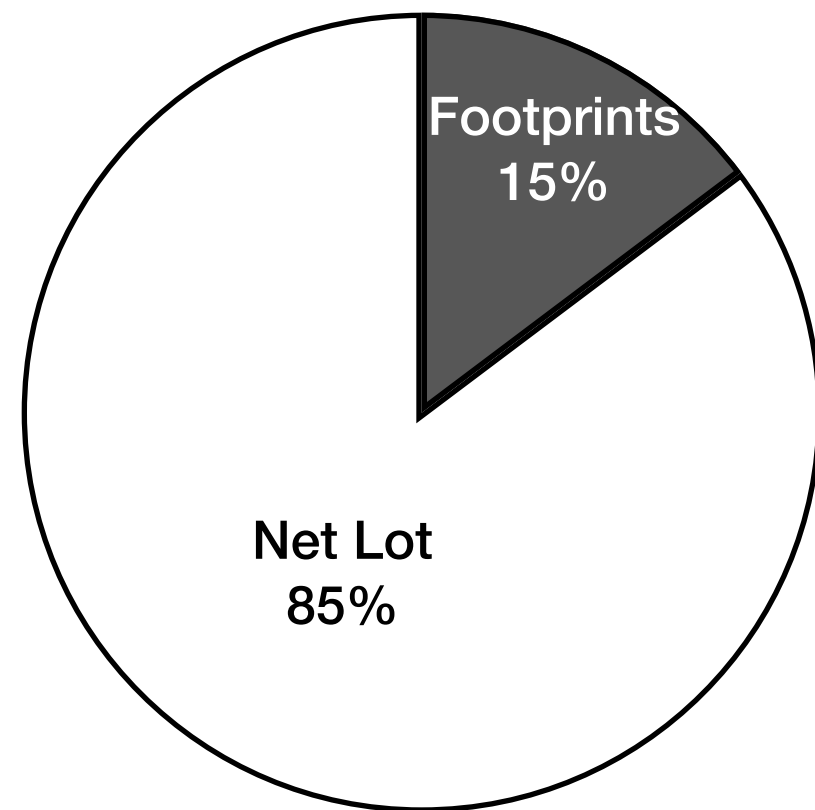# Town of — — — — —- — — — — — —- Blvd Potential Development Analysis
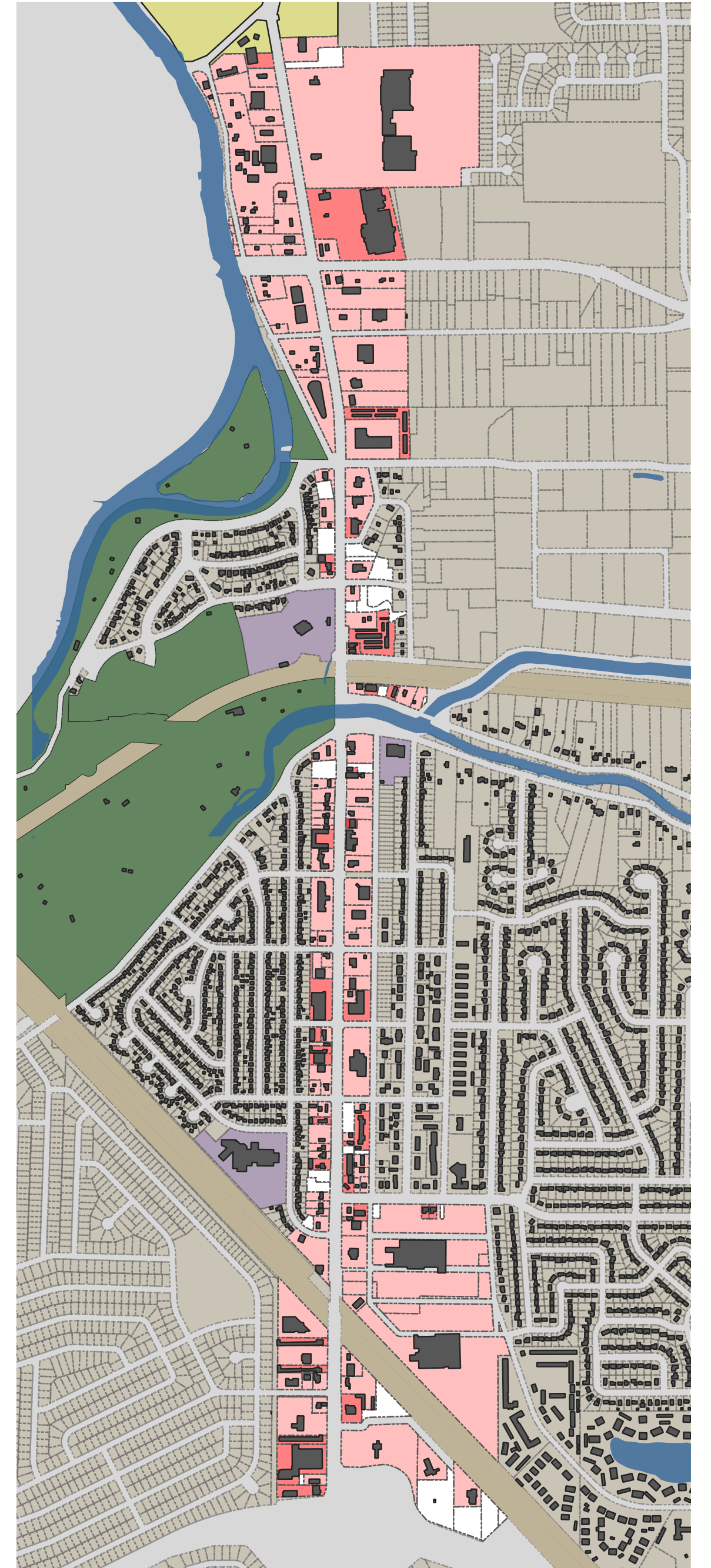
May 2022

G. KELLOGG & CO.
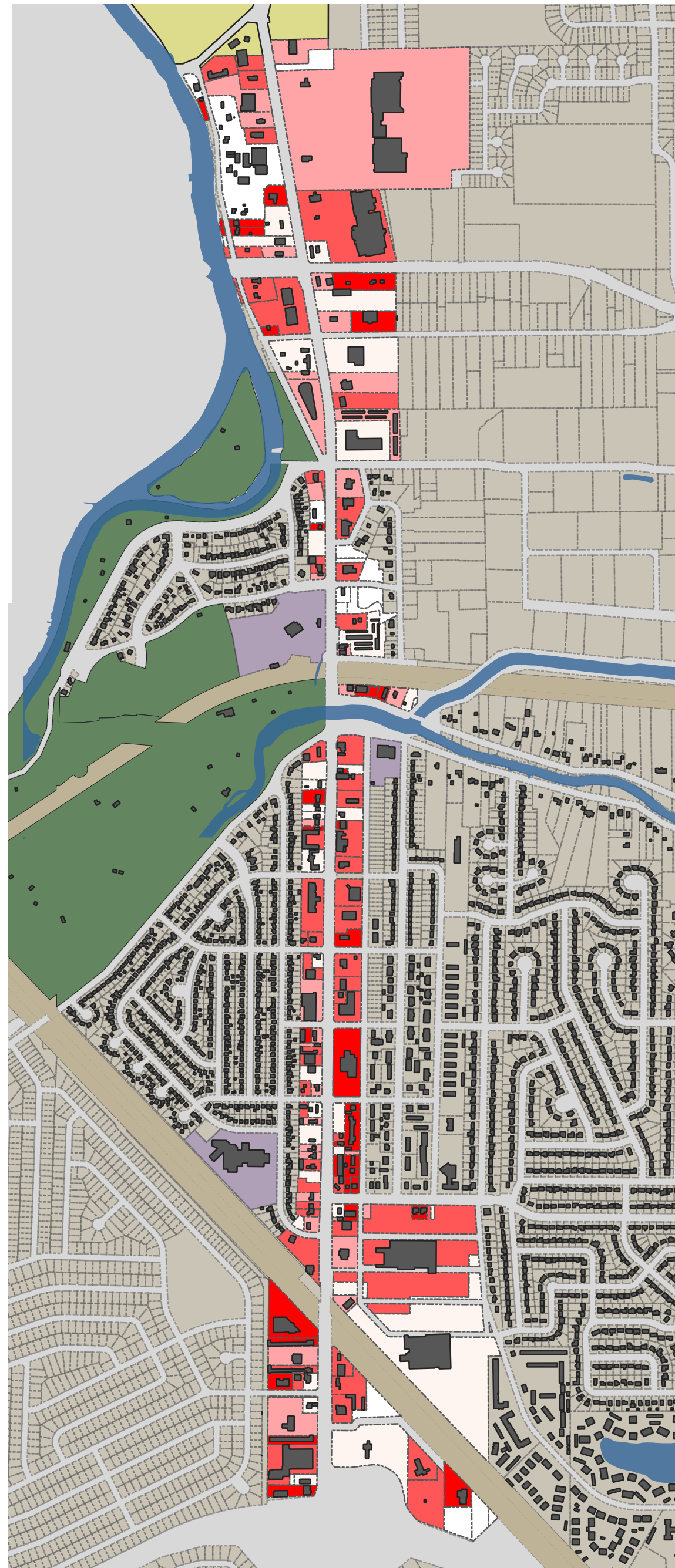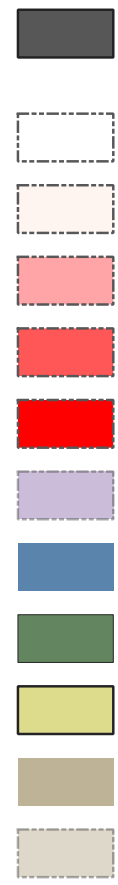
**Building Footprint
Percent of Study Area**

Footprints
15%

Net Lot
85%

**Lot Coverage
Percent of Study Area**

Vacant
7%

25%-50%
13%

0-25%
80%
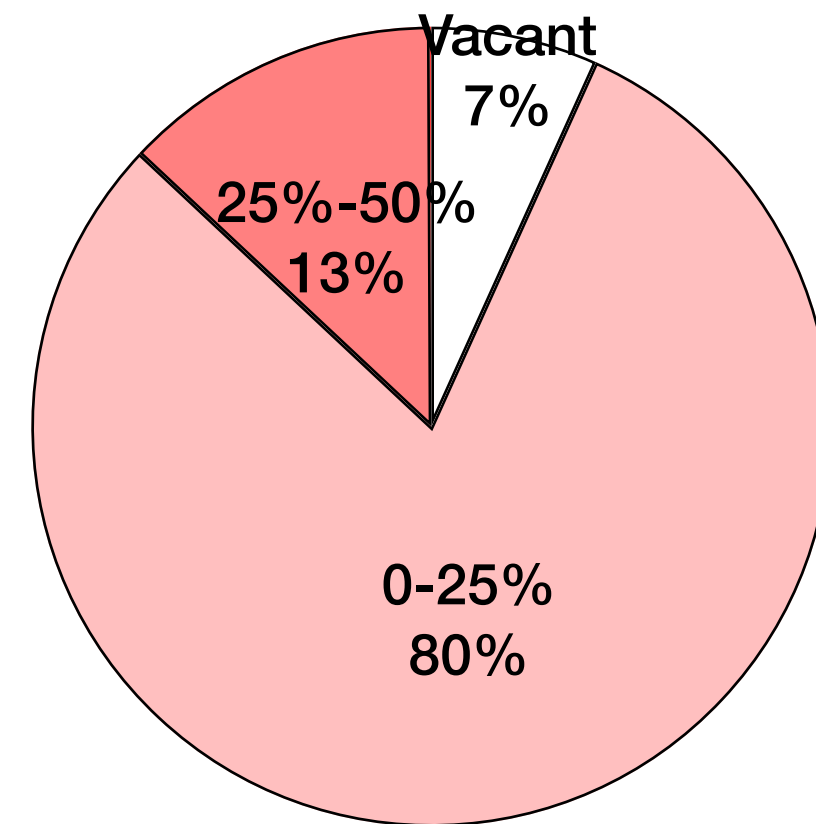
Footprints & Lot Coverage

- Only 15% of lot area is covered by buildings. This area does not appear to be highly landscaped and most of that Net 85% seems to be parking. That would be a parking ratio of about 12 per thousand square feet of use at single story construction.

- Only 13% of the area has a lot coverage over 25%.

- And 7% of land is in lots that have no building footprint at all. That totals 18 acres of vacant lots, not including vacant buildings.

- 80% of the land in the area has lot coverage of less than 25%.

- For comparison, our earlier analysis found it feasible to sufficiently park a 3 story building with 32% lot coverage, 41% parking and 27% landscaping.

	Building to Land Value	Area (acres)	Footprints (square feet)	Net Lot (acres)	Lot Coverage	Parking (est.)	Est. Tax	Tax/Acre
	0	22	75,881	20	9%	82.7%	$32,665	$1,518
	0 - .33	62	308,905	55	13%	79.7%	$168,751	$2,733
	.33 - 1	81	435,502	71	14%	78.9%	$227,235	$2,799
	1 - 3	83	712,968	67	25%	72.2%	$440,240	$5,308
	3 +	26	223,329	21	24%	72.5%	$180,806	$6,872
	TOTAL	274	1,756,585	233	19%	70.2%	$1,049,695	$3,835

Building to Land Value Percent of Study Area

■ Footprints   □ Net Lot

Est. Tax / Acre
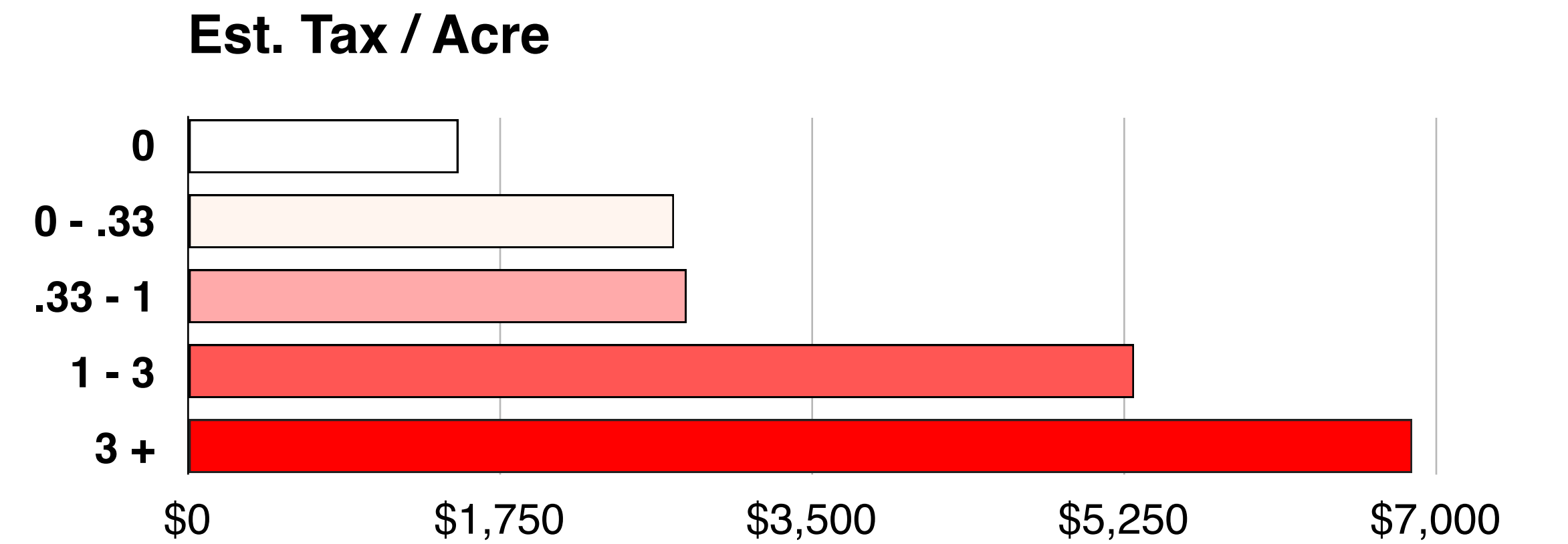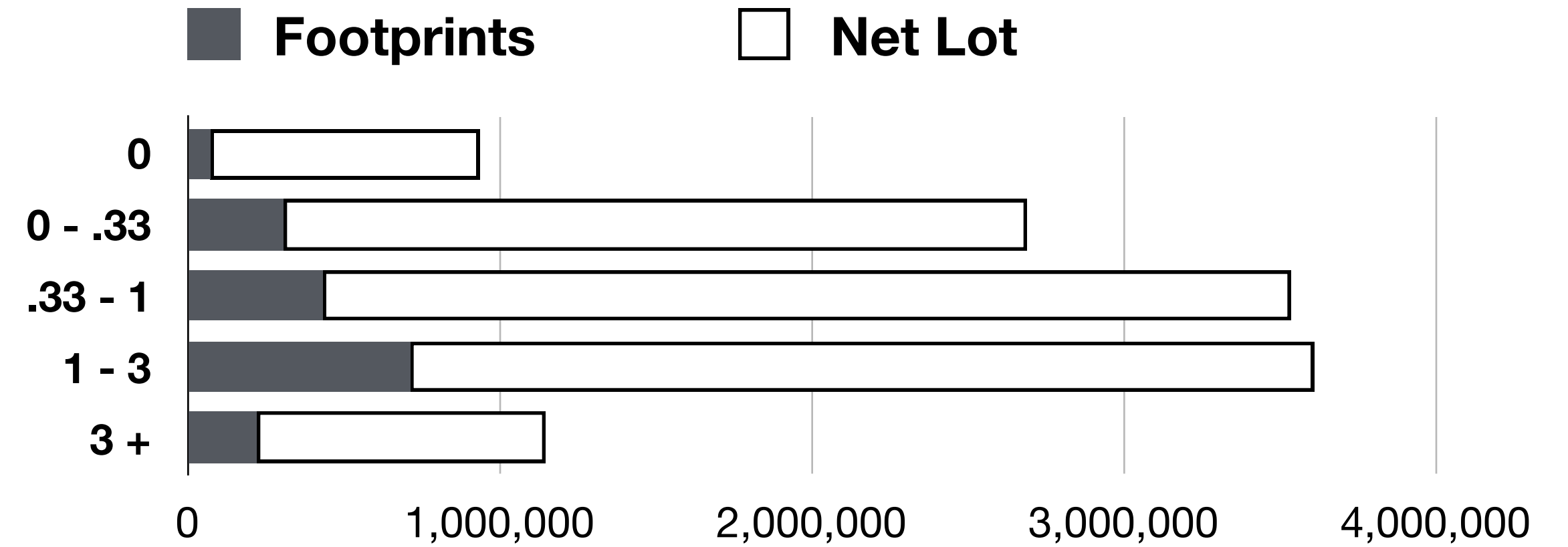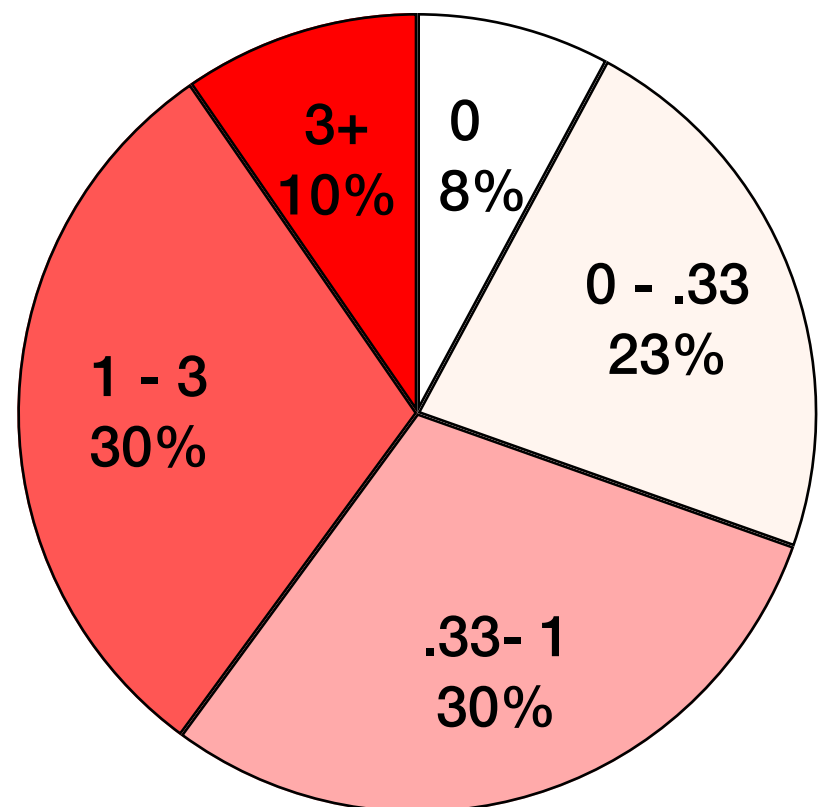
Building to Land Value

- This analysis compares the assessed value of property to the assessed value of the land.

- A high ratio means the building is worth more; a value below 1 means the land is worth more than the building and a value of 0 means the lot is vacant or the building is of no value.

- 51% of the study area has a building to land ratio of less than 1; the land is assessed more than the structure.
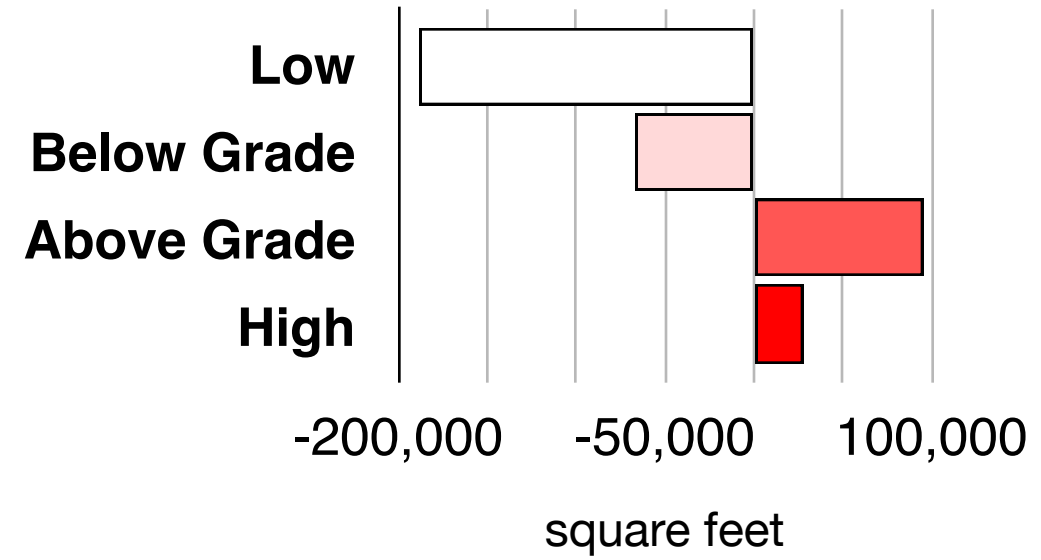
- Fully 8% of land is valued as vacant.

- Building to land value roughly correlates to lot coverage, as more building footprint usually means more building value.

- Increased building to land values also correlate with higher collected taxes per acre for the Town.

- Under-developed land is not only an eye-sore to the community and a missed opportunity for the owner. It is also lost tax revenue to the Town.

- The 40% of land with building values that exceed land values are estimated to pay 60% of taxes in the Study Area.
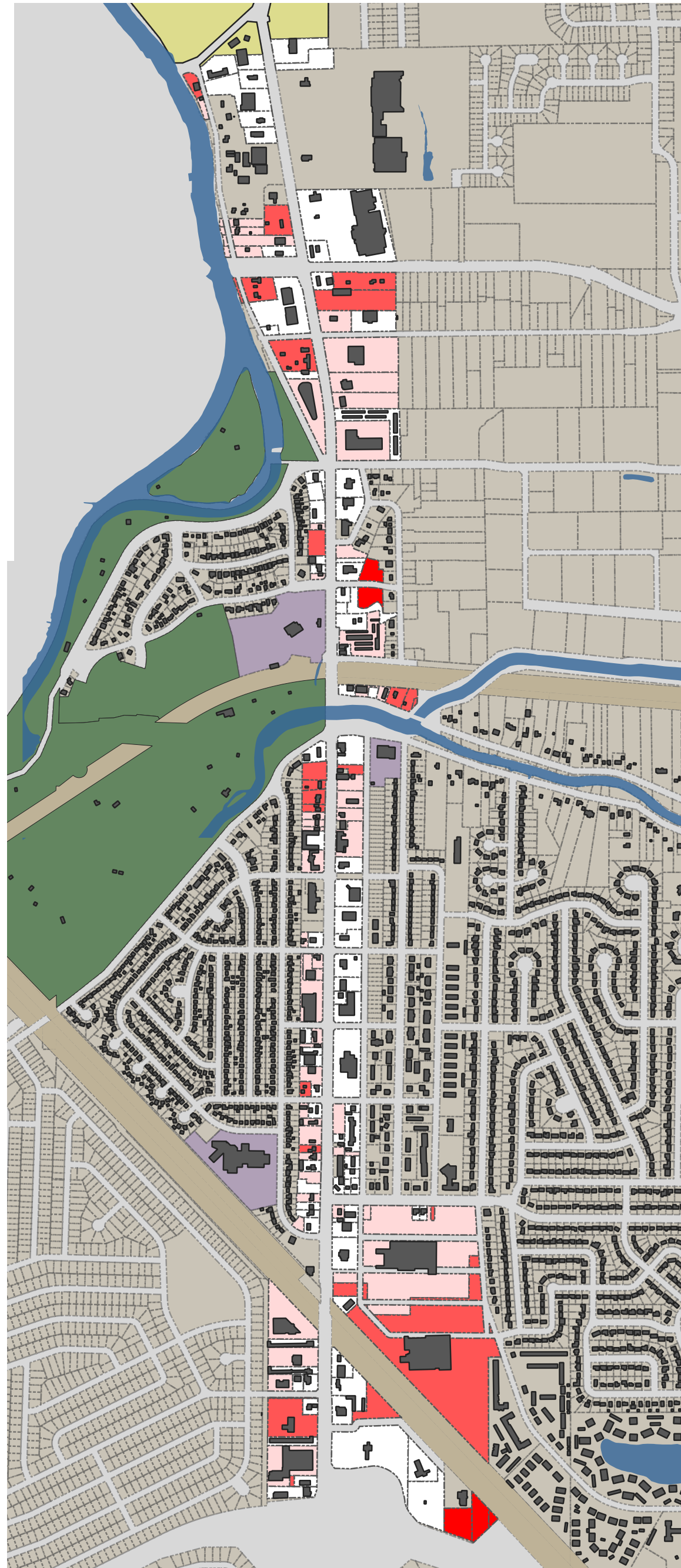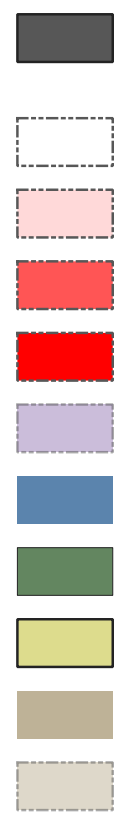
Net Building Footprints

Low
Below Grade
Above Grade
High

-200,000   -50,000   100,000

square feet

GB/C Projected ROI
Percent of Study Area

High 2%
Above Grade 21%
Low 45%
Below Grade 32%

Net Building Footprints

Low
Below Grade
Above Grade
High

0   300,000   600,000

square feet

DC5 Projected ROI
Percent of Study Area

Low 10%
High 7%
Above Grade 46%
Below Grade 37%
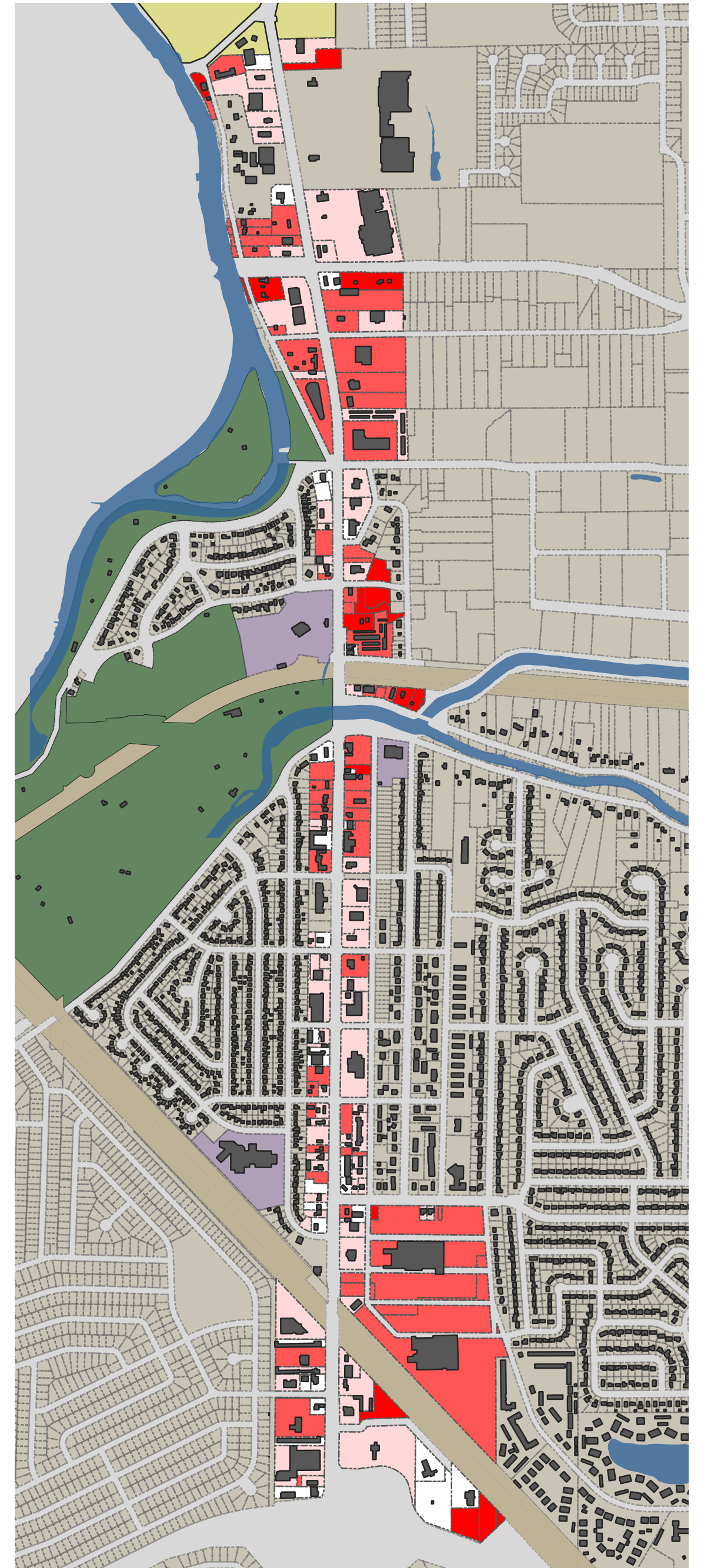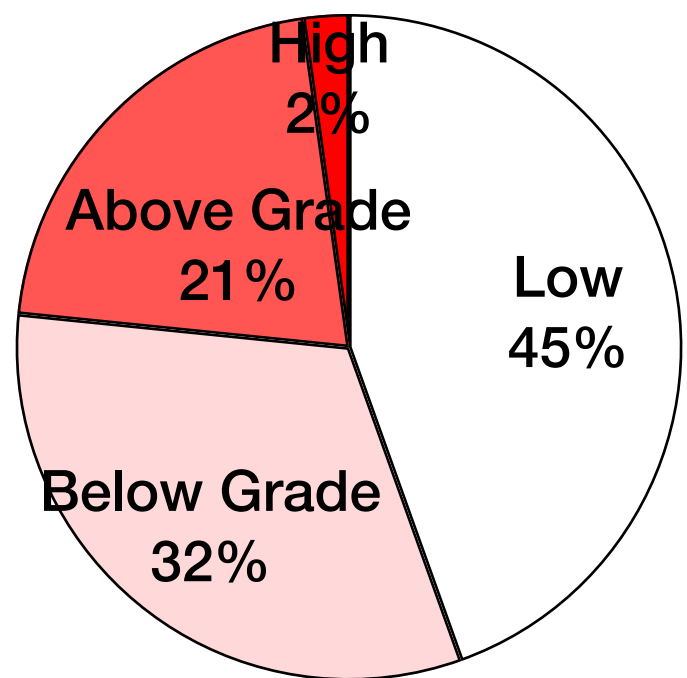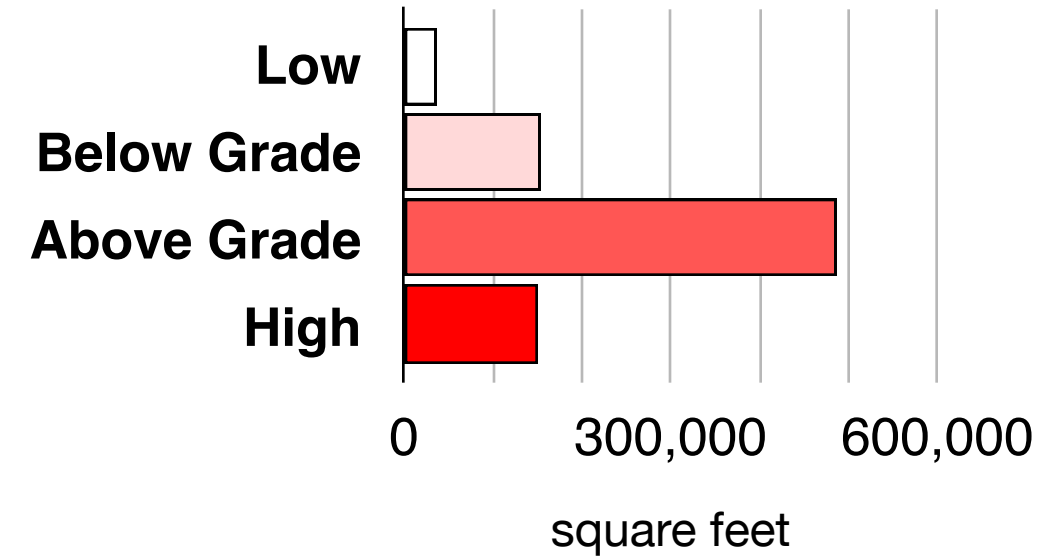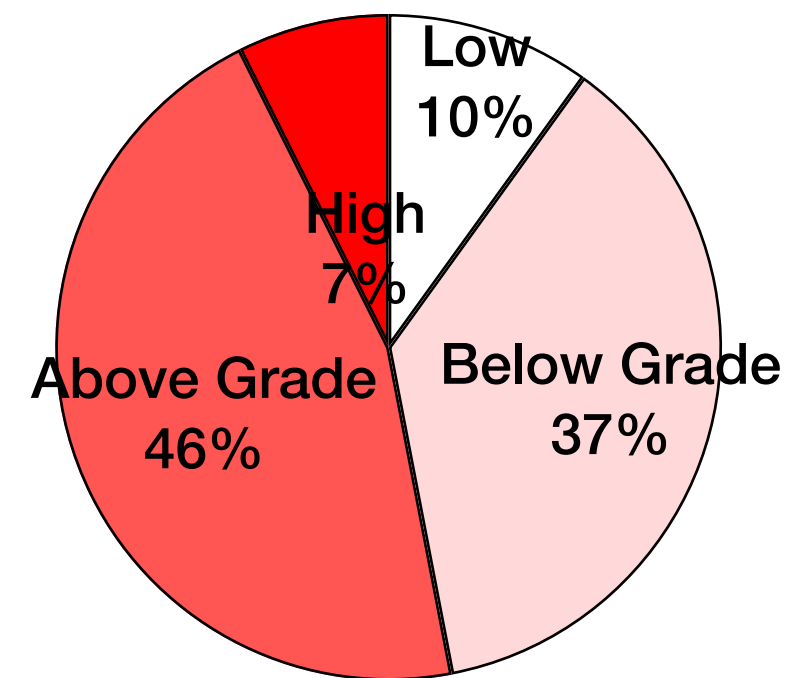
Projected Return on Investment

- This analysis simulated development on all parcels under existing zoning and under DC5 zoning to understand the feasibility and impact of development.

- Analysis assumed development of 1 floor of commercial / retail with two floors of small apartments above.

- Variables included parking ratios, setbacks, construction costs and the assessed full market value of properties.

- Under existing zoning, 45% of land produces a "low" return and another 32% produces a "below grade" return, indicating that 77% of land is infeasible for redevelopment.

- Under the existing GB/C zoning 21% is projected to be "above grade" while only 2% is "highly" developable.

- Interestingly, the net footprint in many cases was actually lower than the existing footprint. That means even the existing buildings might not be permitted under the current code, and new development may be impossible.

- Under the rules of the DC5 code, 46% of land is projected "above grade" for investment and 7% is "high". Using these rules shifts 30% of land from below investment grade to potentially feasible development.

- This could unlock 63 acres of land with 1.5 million square feet of development.

GB/C New Residential Units
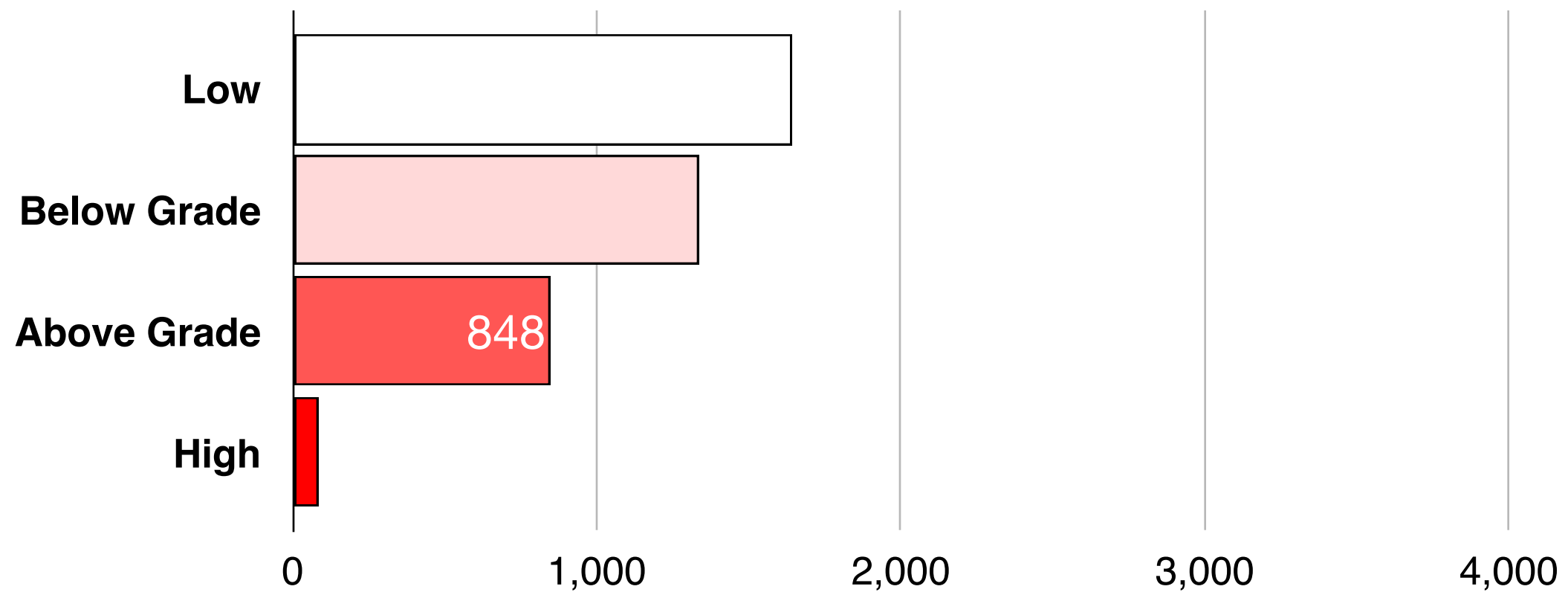
Category	Value
Low	
Below Grade	
Above Grade	848
High	

DC5 New Residential Units

Category	Value
Low	
Below Grade	
Above Grade	3,101
High	501

GB/C Net New Town Tax Revenue

Category	Value
Low	
Below Grade	
Above Grade	$893,031
High	

DC5 Net New Town Tax Revenue

Category	Value
Low	
Below Grade	
Above Grade	$3,381,841
High	$585,32
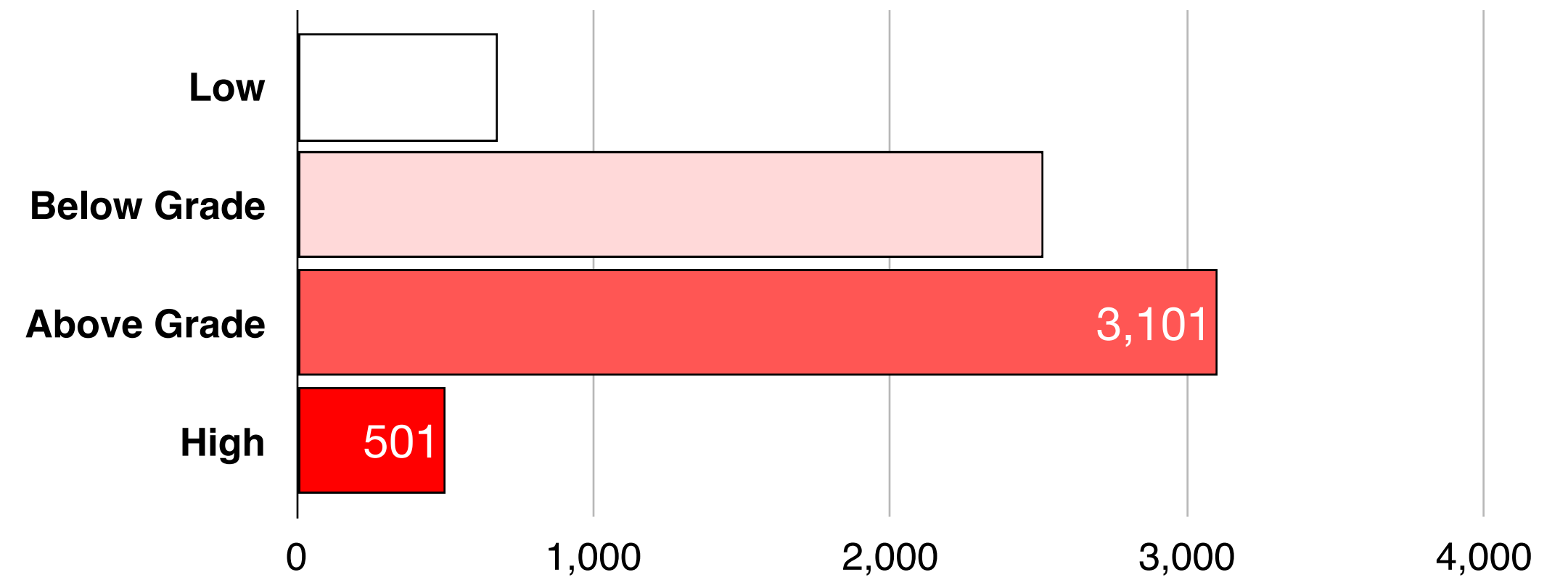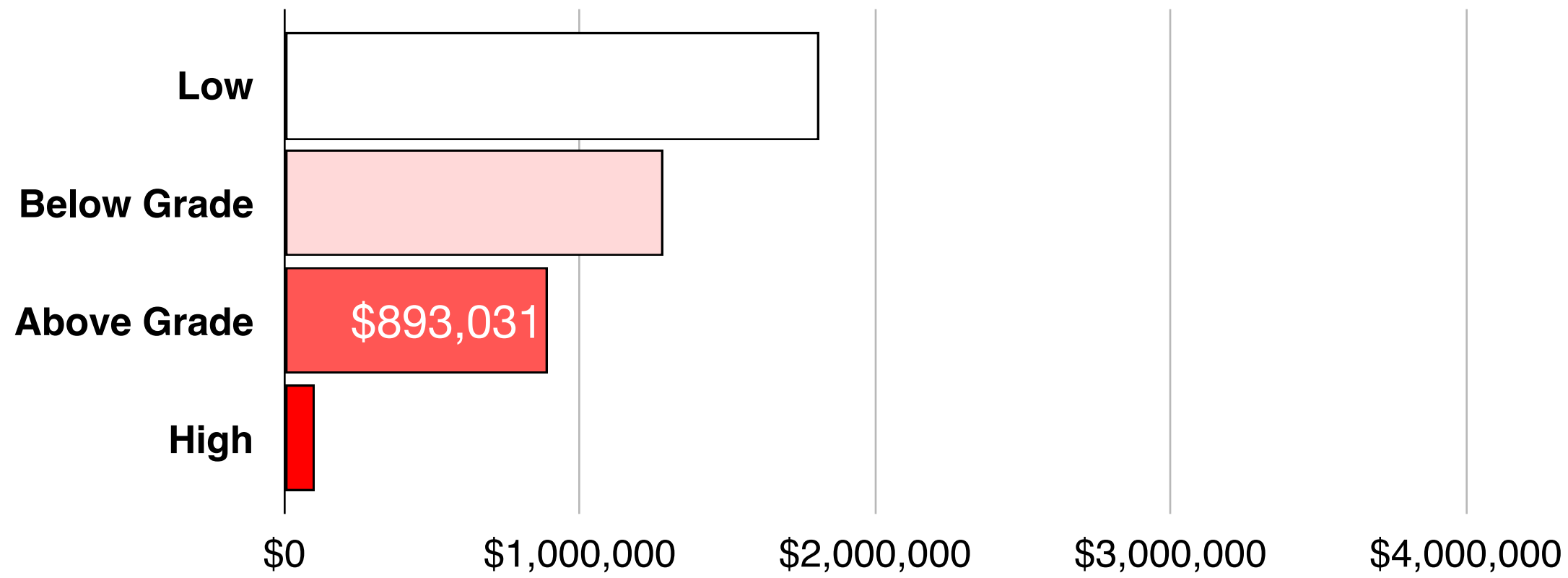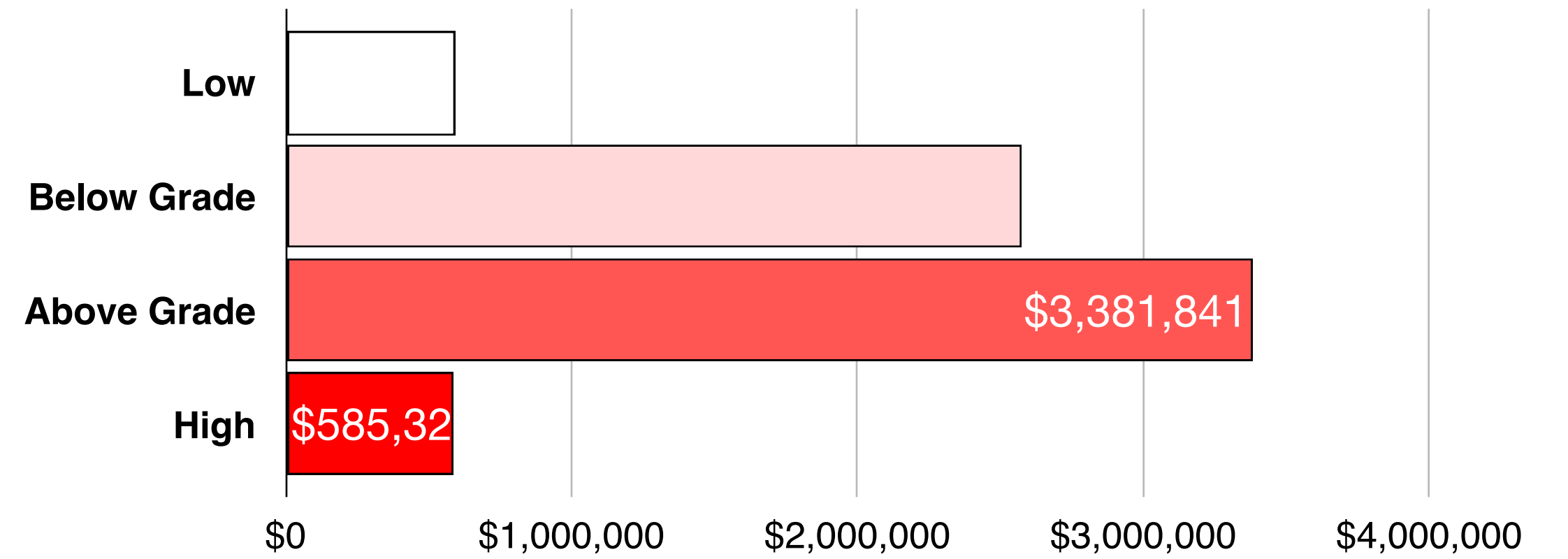
Impact of Feasible Development

- Under the existing by-right zoning, 85 units and 84,000 square feet of development should be highly feasible; an additional 840 units and 280,000 square feet should be possible.

- Under DC5 zoning an additional (net) 400 units and 360,000 square feet of development should be highly feasible and a net 2,200 units and 1.2 million square feet should be possible.

- The impact of tax revenue would be $480,000 annually for the highly feasible properties up to $2.4 million for properties above investment grade.

Estimated and Projected Tax / Acre

Category	Value
Existing	$4,033
GB/C	$23,831
DC5	$38,277
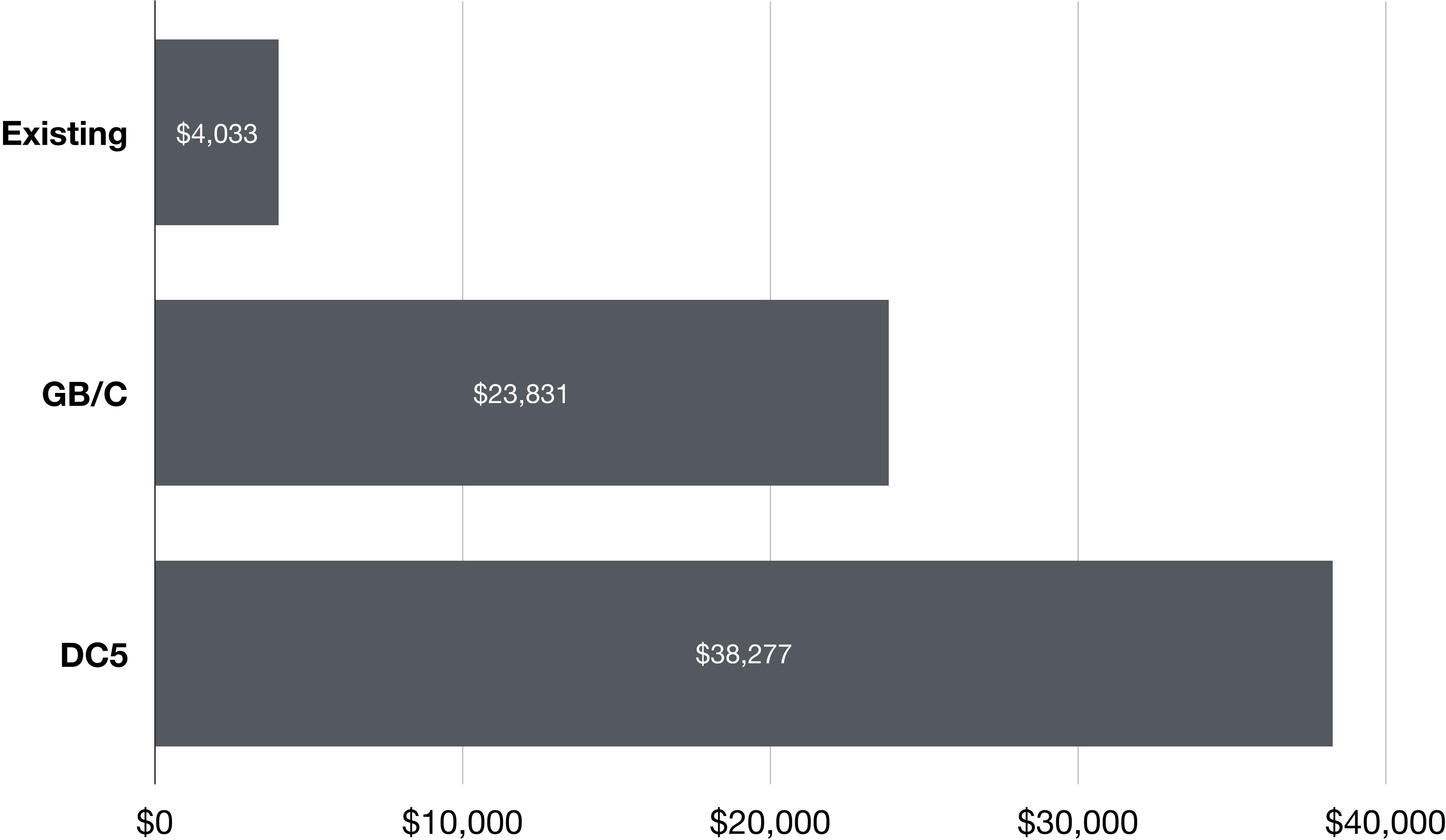
Projected Tax/Acre

- The current, under-utilized Study Area is estimated to produce $4,000 per acre in tax revenues.

- Development under existing zoning is projected to produce $24,000 per acre.

- Development under the proposed scenario is projected to produce $38,000 per acre, a 58% increase from existing zoning.

Projected Return (Feasibility of Development)	Area (acres)	Net Buildable Footprint (sf)	Net Buildable Total (sf)	Parking (acres)	Landscaping (acres)	Residential Units	Tax	Tax/Ac	Net Tax	Net Tax / Acre
Potential Development Under GB/C Zoning										
Low	94	-188,787	0	64	17	1,641	$2,467,883	$26,256	$1,811,439	$19,272
Below Grade	68	-66,964	0	50	8	1,333	$1,501,991	$22,180	$1,281,809	$18,929
Above Grade	45	95,251	285,753	33	5	848	$960,914	$21,482	$893,031	$19,964
High	5	28,027	84,081	3	1	85	$100,129	$21,474	$99,197	$21,275
TOTAL	211	123,278	369,834	151	30	3,907	$5,030,917	$23,831	$4,085,476	$19,353
Total >14%	**49**	**123,278**	**369,834**	**37**	**6**	**933**	**$1,061,043**	**$21,481**	**$992,228**	$20,088
Excluded	63	70,504	211,512	47	6	1,166	$1,428,941	$22,834	$1,324,687	$21,168
Potential Development Under DC5 Zoning										
Low	21	36,096	108,288	12	4	676	$791,016	$37,643	$590,172	$28,085
Below Grade	78	153,134	459,402	43	16	2,513	$3,040,033	$38,913	$2,577,589	$32,993
Above Grade	96	486,733	1,460,199	53	19	3,101	$3,652,112	$37,889	$3,381,841	$35,085
High	16	149,255	447,765	9	3	501	$597,205	$38,341	$585,323	$37,578
TOTAL	211	825,218	2,475,654	117	42	6,791	$8,080,366	$38,277	$7,134,925	$33,798
Total >14%	**112**	**635,988**	**1,907,964**	**62**	**22**	**3,602**	**$4,249,317**	**$37,952**	**$3,967,164**	$35,432
Excluded	63	352,761	1,058,283	35	13	2,013	$2,371,514	$37,896	$2,267,260	$36,230
NET CHANGE										
Above Grade	52	391,482	1,174,446	20	14	2,253	$2,691,198	$16,407	$2,488,811	$48,178
High	11	121,228	363,684	5	3	416	$497,076	$16,867	$486,126	$44,544
Total >14%	**63**	**512,710**	**1,538,130**	**25**	**17**	**2,669**	**$3,188,274**	**$33,274**	**$2,974,936**	**$47,544**
% Change	127%	416%	416%	69%	303%	286%	223%	146%	300%	237%

Conclusions

- Land in the Study Area is under-utilized.

- Under-utilized land both under-performs for owners and is disadvantageous for tax revenues.

- Implementing DC5 zoning and the proposed development scenario could "unlock" significant value for owners by allowing more efficient use of land, making more property feasible to develop.

- Potential development would generate net new taxes and increase the tax collected per acre.