

ECONOMIC AND FISCAL IMPACT ANALYSIS

Project

Financial Feasibility Review and Fiscal Impact Analysis of The Village Center Plan at the Former Naval Air Station South Weymouth Weymouth, Massachusetts

Description

This 1,400-acre site was formerly used as a Naval Air Station. The base was closed as part of the 1995 Base Realignment and Closure Act. Located just 14 miles south of Boston, the property enjoys an excellent location. However, the community's plans for redevelopment have been changed several times. The initial focus for the property was a major destination retail center, but traffic and infrastructure concerns forced the property towards a more traditional mixed-use business park plan. A Master Developer was selected for the property, and that developer determined that the development costs could not be supported given the planned mix of approximately 3 million square feet of office space and 700 units of age-restricted housing.

The Developer proposed a revised Master Plan for the property which refocused the development effort on bio-technology uses, a transit village and additional housing, as well as expanded recreational uses and amenities.



Solutions

Jeffrey Donohoe Associates LLC was retained to provide impact analysis services, to evaluate the developer's proposal to create a self-contained community with up to 7,000 residents and 6,200 potential jobs.

The developer's critical assumptions were reviewed, and validated against conditions in the South Shore marketplace. Specific issues regarding the number of school-aged children were reviewed, in light of the associated costs due to the increase in the number of residential units from the 700 in the original plan to more than 2,800 units proposed by the developer.

In addition, the biotechnology market was reviewed to determine whether there was sufficient depth in the marketplace to support the level of development proposed at the former Naval Air Station, particularly given increasing development of suburban biotech properties outside of the Boston/Cambridge core.

A fiscal impact analysis was also created which evaluated the potential revenues and costs associated with the project not only at build-out, as is typical in fiscal impact analysis, but on a year-by-year basis. The annual forecast revealed that although the net fiscal impact was positive at build-out, the impacts would be negative in the short term as public services had to be increased before sufficient new tax base was in place.

Contact

Mr. Kevin Donovan, Executive Director
South Shore Tri-Town Development Corporation
Weymouth, Massachusetts
(781) 682-2187