



Meriden TOD Market Study and Financial Feasibility Analysis: Phase III Fiscal and Economic Impact Analysis

Prepared for: the City of Meriden, Connecticut



ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

Executive Summary

Phase III of the Meriden TOD Market Study and Financial Feasibility Analysis identified fiscal and economic impacts based on a conceptual development scenario identified by the project team in concert with the City. This conceptual development scenario includes 96 owner-occupied two- and three-bedroom housing units; 863 renter-occupied one-, two- and three-bedroom housing units (959 total); and 32,000 square feet of retail.

4ward Planning evaluated projected full build-out fiscal impacts, using the “per capita” method, based on the conceptual development scenario and utilizing most-recent cost and revenue metrics. The analysis found an overall estimated annual net fiscal gain at project stabilization (normal occupancy levels for all land-uses) of nearly \$800,000 and new annual school expenditures estimated at about \$666,000 (representing 185 new students). A variety of project factors (e.g., actual numbers of school age children generated and real property values achieved) will all influence the likely range of the net fiscal impacts realized. Based on the findings, the conceptual development scenario yields an annual positive return for the City of Meriden.

A model of economic impacts associated with the conceptual redevelopment plan in the TOD study area was conducted utilizing IMPLAN 3.0 software and New Haven County socio-economic data sets. The projected investment of \$110.4 million is estimated to result in more than 1,100 jobs, \$160 million in economic output, and \$7.5 million in taxes during construction (a 2 year period). Following construction, normal operations of retail, restaurant and office uses are expected to create 163 jobs, \$14 million in total economic output, and \$1.1 million in state and local taxes, annually starting in 2018. Over the next ten years (2018-2027), the total economic impact will exceed \$140 million (2013 dollars) and generate nearly \$11 million in state and local taxes.

Executive Summary (continued)

In addition to the aforementioned impacts from the conceptual development, 4ward Planning conducted a revenue generation analysis for the proposed Meriden Green, a 14 acre green space and flood control area proposed for the center of the TOD study area. This included a best case practices examination of revenue generating activities in similarly sized green spaces/parks, noting applicable lessons learned for the City. This analysis also identified opportunities not presently included in the proposed park/open space design scheme, which if included, would likely provide net revenue opportunities for the project.

In complement to existing City programming and proposed features for Meriden Green, additional revenue generating activities include events and festivals (vendor fees, ticket sales, sponsorship, concession fees), space rental, and membership/sponsorship opportunities. Under the likely case scenario, the analysis shows that revenue generating activities at Meriden Green could generate nearly \$150,000 in annual revenue. While community programming and cultural events don't bring in much revenue, they provide great community building opportunities and draw patrons to the area, a significant opportunity for marketing downtown Meriden.

Case study research suggests a public-private partnership is the most effective way to manage activities at Meriden Green. Separate and distinct management, specifically a non-profit entity, is most effective for successful programming and events management. The non-profit manager provides the time and dedicated focus while the City provides resources (financial or otherwise).

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FISCAL IMPACT ANALYSIS OF BUILD OUT SCENARIO

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Introduction

In support of the Meriden Transit-Oriented Development (TOD) Market Study, 4ward Planning evaluated projected full build-out fiscal impacts (utilizing most-recent cost and revenue metrics) based on the projected development scenarios developed by the consultant team.

A community or fiscal impact analysis examines the linkage between local government revenue generated by new development and its resultant municipal service costs (e.g., police, fire, schools, sanitation, etc.). The outcome of such an analysis is to produce a project related estimate of community service costs to projected revenues, a “cost-revenue ratio”, which will be positive (a revenue surplus), negative (a revenue shortfall) or neutral (break-even).

The impacts were estimated over a phased, three-year time period (2015 to 2017), under an assumed development build-out program. 4ward Planning assumed that up-front capital costs would be financed according to a 30-year amortization schedule (30-year bonds). The net present value of the overall fiscal impact takes into account the time value of money and therefore discounts the cumulative financial impacts back to 2013 dollars.

Further, the fiscal impact analyses findings that are identified in this memorandum are annual projections, based on full build-out and stabilized occupancy. In other words, the fiscal projections are not to be interpreted as happening in the early years of build-out.

Methodology

The objective of this fiscal impact analysis was to estimate the following development-generated metrics:

- City service costs/revenues
- School district costs/revenues
- Public school age children
- Employment

4ward Planning used a combination of qualitative and quantitative methods to conduct this fiscal impact analyses, based on the most widely used “per capita” fiscal impact method. The per capita approach starts by determining current public services cost on a per unit basis (i.e. per student for the school district). With non-educational services, however, merely to divide incurred outlays by the local population is incorrect; such services benefit both residential and non-residential land uses. Services costs must consequently be allocated between these two types of development. To achieve this, 4ward Planning assigned a service cost factor of 0.20 to non-resident workers. This factor approximates what is within an acceptable range of an average service cost ratio for non- resident workers in many communities, nationally.

Methodology (continued)

Residential demographic multipliers were used to estimate the occupants of new housing, including persons per unit and public school-age children. These multipliers were developed in 2006 by the Center for Urban Policy Research at Rutgers University. The multipliers used are specific to the State of Connecticut and are differentiated by housing type, housing size, housing price, and housing tenure—four variables that have been found by Rutgers University to be associated with statistically significant differences in household size, school-age children, and public school-age children.

To determine the per-pupil public school expenditures, current school district expenses were divided by current enrollment to estimate the total per-student cost. However, this value was then adjusted as follows. Since it is expected that existing school facilities can accommodate the anticipated increase in enrollment stemming from the development scenario, the total per-student cost was reduced to reflect that the school district would incur overhead expenses for each student but would not need to hire additional instructional staff. Consequently, the per-pupil public school expenditures for new students was estimated to be one-third of the district-wide total per-student cost, based on the assumption that overhead expenses represent approximately one-third of total per-student costs.

Description of Data

4ward Planning utilized a variety of data sources and conventional fiscal impact methodologies:

- The conceptual development programs were developed by 4ward Planning Inc.
- Current municipal services expenditures and assessment data were obtained from the City of Meriden.
- Average square feet per unit and monthly market rent per square foot were obtained from www.trulia.com.
- Construction costs per square foot were estimated based on industry standards.
- Employees and annual sales per square foot were estimated using industry standard metrics.
- Median hourly wages were obtained from the Bureau of Labor Statistics (www.bls.gov).
- Estimated expenditures per student were obtained from the Meriden School District.

Scenario Comparison

4ward Planning estimated the overall net fiscal impact of a single scenario representing a conceptual build-out in the vicinity of the Meriden Transit Center. The aggregated development totals are summarized by land use in Table A-1.

Table A-1: Proposed Development by Use (full build-out)

	Total Housing Units	Retail Square Footage
Owner-Occupied	96	32,000
<i>1BR Units</i>	0	
<i>2BR Units</i>	77	
<i>3BR Units</i>	19	
Renter-Occupied	863	
<i>1BR Units</i>	302	
<i>2BR Units</i>	475	
<i>3BR Units</i>	86	

Source: 4ward Planning Inc.

Scenario Comparison – Fiscal Impacts

The results from the fiscal analysis are summarized in Table A-2.

Table A-2: Fiscal Impacts (Annual)

	Scenario
Net Annual Fiscal Impacts	\$797,118
Projected Annual Service Costs	\$2,495,259
<i>Public Schools</i>	\$666,591
<i>City Services</i>	\$1,653,667
<i>City Employees</i>	\$175,000
Projected Annual Net New Revenues	\$3,292,377
<i>Motor Vehicle Tax (Residential)</i>	\$452,676
<i>Personal Property Tax (Commercial)</i>	\$408,896
<i>Real Estate Property Tax Revenues</i>	\$2,430,806

Source: 4ward Planning Inc.

Scenario Comparison – School District

The school expenditure and new student estimates from the fiscal analysis of the concept scenario is summarized in Table A-3.

Table A-3: Impacts – School District

	Scenario
New Annual School Expenditures	\$666,591
Total New School Age Children (10-year build-out)	185
<i>Elementary School</i>	<i>119</i>
<i>Junior High School</i>	<i>37</i>
<i>High School</i>	<i>29</i>

Source: 4ward Planning Inc.

Scenario Comparison – Key Metrics

Table A-4 provides a summary of key metrics used in the analysis.

Table A-4: Key Fiscal Analysis Input Metrics

Local Government and School District Metrics

Population (2010)	60,868
Estimated Municipal Obligations (Expenditures)	\$86,004,218
Estimated Per Resident Municipal Service Cost (2012)	\$1,128
Estimated Per Non-Resident Municipal Service Cost (2012)	\$285
Estimated Number of Total Workers (2010)	21,003
Estimated Number of Non-Resident Workers (2010)	15,380
Estimated Per Pupil Public School Expenditure (2012)	\$3,612
Estimated Cost of Municipal Employees Needed	\$175,000

Tax Metrics

	Tax	Rate		Jurisdiction
	Residential Real Estate Tax	36.80	mills	City
	Commercial Real Estate Tax	36.80	mills	City
	Motor Vehicle Tax (Residential)	3.47%		
	Personal Property Tax (Commercial)	3.47%		

Source: Esri; US Census; City of Meriden; Meriden School District; 4ward Planning Inc.

Takeaway: Fiscal Impact Analysis

As shown, the conceptual development scenario results in an overall estimated annual net fiscal gain at project stabilization (normal occupancy levels for all land-uses) of nearly \$800,000. It should be noted that a variety of project factors (e.g., actual numbers of school age children generated and real property values achieved) will all influence the likely range of the net fiscal impacts realized.

The anticipated new public school-age children generated over the ten-year period for the scenarios analyzed is estimated at a total of 185, with new annual school expenditures estimated at about \$666,000. These estimates strictly represent the net gain anticipated from the new development and do not take into account other factors which may influence the overall school district student population.

Based on the findings, the conceptual development scenario yields an annual positive return for the City of Meriden.

ECONOMIC IMPACT ANALYSIS

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Background

In support of the Meriden TOD Study, 4ward Planning completed its model of economic impacts associated with the conceptual redevelopment plan in the TOD study area. 4ward Planning utilized IMPLAN 3.0 software and New Haven County socio-economic data sets to develop projected economic impacts associated with proposed redevelopment activity within the Meriden TOD district. The following inputs underpin the economic impact modeling exercise:

- \$110.4 million in construction/renovation costs.
- 156 total direct full-time equivalent jobs created by annual operations of retail shops and office space.

Methodology

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

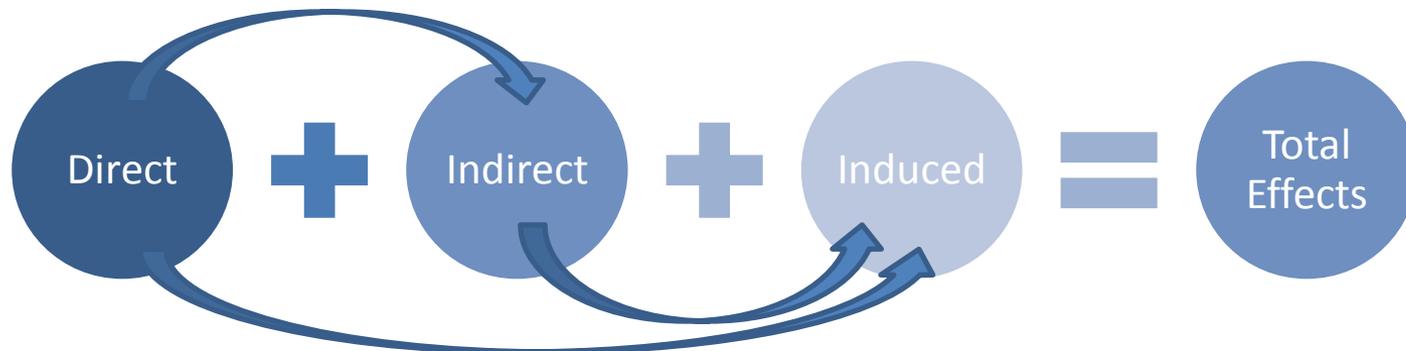


General Input-Output Impact Modeling

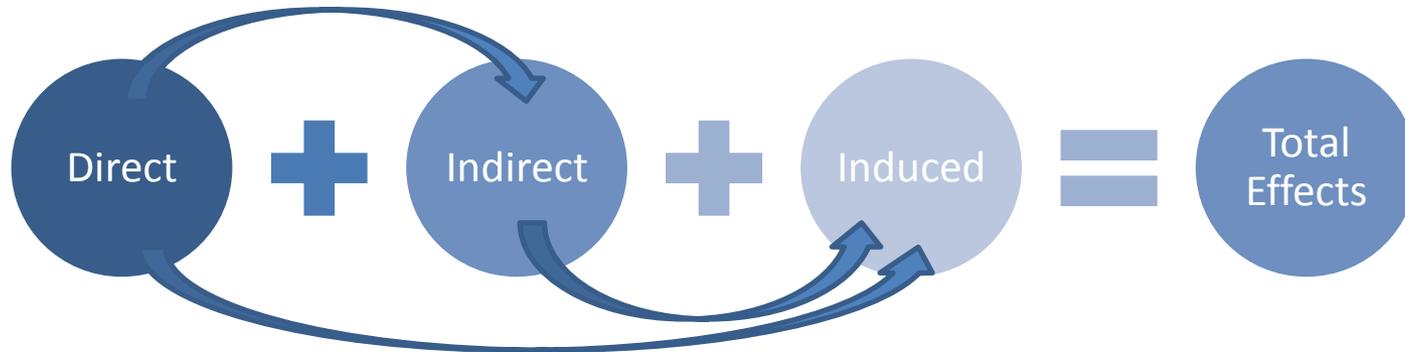
Economic impact analysis involves applying a final demand change to a predictive economic input-output model, and then analyzing the resulting changes in the economy under study.

More concisely, an impact analysis is an assessment of change in overall economic activity as a result of change in one or several specific economic activities.

Economic impacts, whether for employment or output, are typically referenced as **direct**, **indirect**, and **induced**. 4ward Planning has expressed the estimated direct, indirect, and induced impacts for each year in this analysis.



General Input-Output Impact Modeling-Example



Direct impacts are the result of a change in final demand.

For example, if \$10 million is invested in building construction, increasing demand for buildings by \$10 million...

Indirect effects result from changes in demand for factors of production.

...the \$10 million increase in the construction industry sector revenue causes a \$4 million increase in purchase orders to related industries, like lumber and heavy machinery.

Induced effects result from changes in household spending.

Building construction, lumber production, and heavy machinery manufacturing pay their workers wages to deliver various products, enabling workers to spend an additional \$100,000 within the regional economy.

Total effects are the combination of direct, indirect, and induced effects.

The total effect of a \$10 million increase in building construction demand, then, is equal to \$14.1 million (\$10 million + \$4 million + \$100,000).

Methodology

4ward Planning utilized IMPLAN Professional 3.0, a widely used economic impact assessment software system. IMPLAN is designed to simplify and expedite input-output accounting process (e.g., commodity flows from producers to intermediaries to final consumers and all related multipliers associated with output and employment for a given geography).

In order to adequately evaluate the prospective economic impacts of construction, operations, and sales in the TOD study area, 4ward Planning purchased the most recent economic and demographic data files (2011) for New Haven County, Connecticut. This data file, once combined with the IMPLAN Professional 3.0 software system, permits the creation of a detailed Social Accounting Matrix (SAM) and location-specific multipliers for the area.

Direct, indirect, and induced economic impacts were analyzed for all projects related to the conceptual redevelopment plan in the TOD study area. 4ward Planning modeled the temporary construction-related impacts as occurring in the years 2015 to 2017. Economic impacts related to permanent employment and economic output from new retail, restaurant and office development were estimated for the year 2018 (4ward Planning recognizes that it is unlikely that full build-out and operation will occur by 2018, but for the sake of this exercise, a single year was used for analysis purposes). Finally, all dollar figures are presented in 2013 dollars.

4ward Planning estimated construction costs based on local industry standards. Estimates reflect the use of prevailing wage (where applicable). Employment estimates are based on the proposed site uses and industry standard employment metrics. Job titles and estimated wages were obtained from the Bureau of Labor Statistics.

Build-Out and Employment

4ward Planning modeled economic impacts based on a conceptual development program created as part of the market analysis of the Meriden TOD Study Area (half-mile radius from the Meriden Transit Center). The land uses, along with the number of dwelling units and the projected total floor area by use, are specified in the table below. Additionally, total employment stemming from the commercial uses is summarized by category.

Proposed Development by Use (proposed full build-out)

Land Use	Total Housing Units	Floor Area (sq. ft.)	Employment per 1,000 sq. ft.	Total Employment (Full-Time Equivalent)
Residential (Multifamily)	959	815,150	-	-
Office	-	4,000	3	12
Retail	-	12,000	4	48
Restaurant	-	16,000	6	96
<i>Total</i>	959	847,150	-	156

Source: 4ward Planning Inc.

Key Findings

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Takeaway: Economic Impact Analysis

Projected investment of \$110.4 million in mixed-use redevelopment is estimated to result in temporary construction-related employment during the 2015-17 timeframe. Specifically, a total of 1,107 direct, indirect, and induced full- and part-time jobs are anticipated, during the two-year time period. Additionally, the mixed-use redevelopment activity is anticipated to generate \$159.7 million in total direct, indirect and induced economic output, and \$7.5 million in state and local taxes, within the same period.

Following construction, normal operations of retail, restaurant and office uses created by the redevelopment activity are estimated to result in approximately 163 total full- and part-time jobs, \$14 million in total economic output, and \$1.1 million in state and local taxes each year, beginning in 2018.

Over the ten-year period from 2018 to 2027, normal operations of retail, restaurant and office uses created by the project are estimated to produce a minimum of \$140.9 million in total economic output (2013 dollars). Total state and local tax impacts from operations and events over the ten-year period are estimated to be over \$10.9 million (2013 dollars).

It should be noted that a portion of the above activity will come as a result of lost business from other local establishments. However, and based on the forthcoming expanded commuter rail service in Meriden, the above identified new land uses will mostly benefit from persons currently not patronizing local business establishments.

Summary Tables – Redevelopment Impacts, 2015-17

Figure B-1: Employment Impacts of Meriden TOD Redevelopment, New Haven County, CT

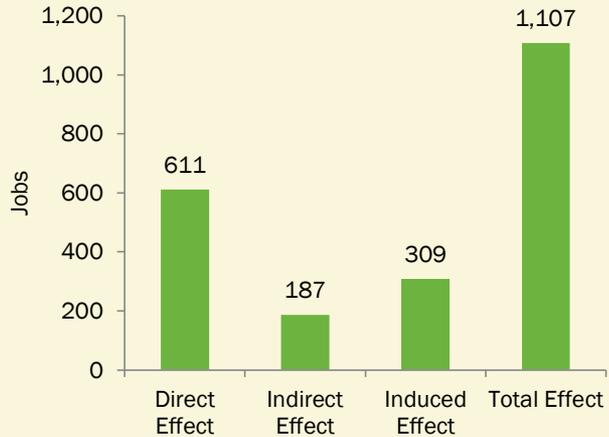


Figure B-2: Output Impacts of Meriden TOD Redevelopment, New Haven County, CT

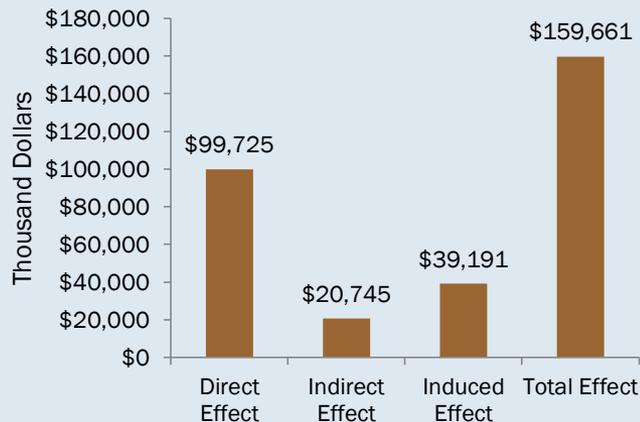


Table B-1: Economic Impacts of Meriden TOD Redevelopment, New Haven County, CT

	Employment	Output
Direct Effect	611	\$99,724,729
Indirect Effect	187	\$20,744,559
Induced Effect	309	\$39,191,216
Total Effect	1,107	\$159,660,503

Table B-2: Top Industries by Indirect and Induced Employment, Meriden TOD Redevelopment, New Haven County, CT

	Indirect and Induced Employment
Food services and drinking places	36
Retail Stores - Food and beverage	30
Retail Stores - General merchandise	24
Real estate establishments	21
Architectural, engineering, and related services	21

Table B-3: Top Industries by Indirect and Induced Output, Meriden TOD Redevelopment, New Haven County, CT

	Indirect and Induced Output
Wholesale trade businesses	\$3,134,079
Monetary authorities and depository credit intermediation	\$3,012,312
Private hospitals	\$2,960,977
Real estate establishments	\$2,728,747
Offices of physicians, dentists, and other health practitioners	\$2,386,444

Summary Tables – Redevelopment Impacts, 2015-17

Table B-4: Tax Impacts of Meriden TOD Redevelopment, New Haven County, CT

	<u>90% of Estimate</u>	<u>Estimate</u>	<u>110% of Estimate</u>
Dividends	\$7,702	\$8,558	\$9,414
Social Ins Tax- Employee Contribution	\$12,353	\$13,726	\$15,099
Social Ins Tax- Employer Contribution	\$21,899	\$24,332	\$26,765
Indirect Bus Tax: Sales Tax	\$1,800,204	\$2,000,227	\$2,200,250
Indirect Bus Tax: Property Tax	\$2,653,979	\$2,948,865	\$3,243,752
Indirect Bus Tax: Motor Vehicle Lic	\$29,082	\$32,313	\$35,544
Indirect Bus Tax: Severance Tax	\$0	\$0	\$0
Indirect Bus Tax: Other Taxes	\$146,706	\$163,007	\$179,308
Indirect Bus Tax: S/L NonTaxes	\$60,707	\$67,452	\$74,197
Corporate Profits Tax	\$138,279	\$153,643	\$169,007
Personal Tax: Income Tax	\$1,560,590	\$1,733,989	\$1,907,388
Personal Tax: NonTaxes (Fines- Fees)	\$184,225	\$204,694	\$225,163
Personal Tax: Motor Vehicle License	\$50,896	\$56,551	\$62,206
Personal Tax: Property Taxes	\$39,475	\$43,861	\$48,247
Personal Tax: Other Tax (Fish/Hunt)	\$8,684	\$9,649	\$10,614
Total State and Local Tax	\$6,714,779	\$7,460,865	\$8,206,952

As the estimation of state and local tax revenues is an inexact science, fraught with challenges related to tax policy changes, revenue exclusions, and the precision of revenue projections, we have developed the above tax impact tables to show a range of tax revenue impacts (an estimate based modeled direct, indirect and induced economic output and wages, and low (90 percent of the estimate) and high (110 percent of the estimate) parameters. The above metrics are simply to provide order of magnitude and not precision.

Summary Tables – Employment & Economic Output, 2018

Figure C-1: Employment Impacts of Meriden TOD Employment, New Haven County, CT

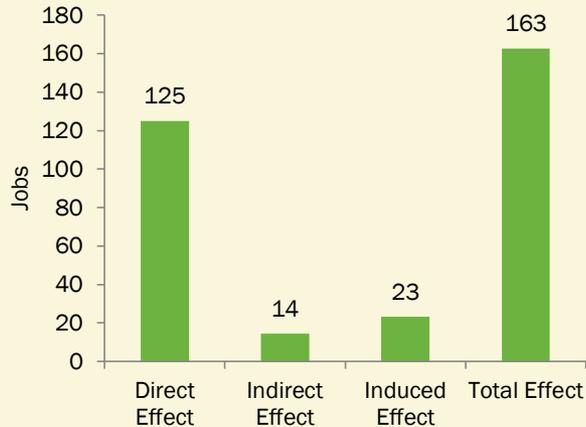


Figure C-2: Output Impacts of Meriden TOD Employment, New Haven County, CT

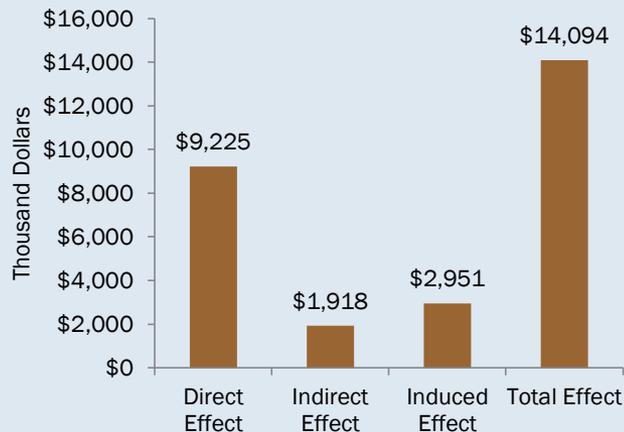


Table C-1: Economic Impacts of Meriden TOD Employment, New Haven County, CT

	Employment	Output
Direct Effect	125	\$9,225,235
Indirect Effect	14	\$1,917,904
Induced Effect	23	\$2,950,869
Total Effect	163	\$14,094,008

Table C-2: Top Industries by Indirect and Induced Employment, Meriden TOD Employment, New Haven County, CT

	Indirect and Induced Employment
Real estate establishments	3
Food services and drinking places	3
Employment services	2
Private hospitals	2
Offices of physicians, dentists, and other health practitioners	1

Table C-3: Top Industries by Indirect and Induced Output, Meriden TOD Employment, New Haven County, CT

	Indirect and Induced Output
Real estate establishments	\$436,327
Wholesale trade businesses	\$242,954
Monetary authorities and depository credit intermediation	\$225,099
Private hospitals	\$222,962
Food services and drinking places	\$211,305

Summary Tables – Employment & Economic Output, 2018

Table C-4: Tax Impacts of Meriden TOD Employment, New Haven County, CT

	<u>90% of Estimate</u>	<u>Estimate</u>	<u>110% of Estimate</u>
Dividends	\$1,118	\$1,242	\$1,366
Social Ins Tax- Employee Contribution	\$1,435	\$1,594	\$1,753
Social Ins Tax- Employer Contribution	\$2,543	\$2,825	\$3,108
Indirect Bus Tax: Sales Tax	\$316,122	\$351,247	\$386,372
Indirect Bus Tax: Property Tax	\$466,049	\$517,832	\$569,615
Indirect Bus Tax: Motor Vehicle Lic	\$5,107	\$5,674	\$6,241
Indirect Bus Tax: Severance Tax	\$0	\$0	\$0
Indirect Bus Tax: Other Taxes	\$25,763	\$28,625	\$31,488
Indirect Bus Tax: S/L NonTaxes	\$10,661	\$11,845	\$13,030
Corporate Profits Tax	\$20,067	\$22,297	\$24,527
Personal Tax: Income Tax	\$114,772	\$127,524	\$140,276
Personal Tax: NonTaxes (Fines- Fees	\$13,549	\$15,054	\$16,559
Personal Tax: Motor Vehicle License	\$3,743	\$4,159	\$4,575
Personal Tax: Property Taxes	\$2,903	\$3,226	\$3,549
Personal Tax: Other Tax (Fish/Hunt)	\$639	\$710	\$781
Total State and Local Tax	\$984,468	\$1,093,853	\$1,203,238

As the estimation of state and local tax revenues is an inexact science, fraught with challenges related to tax policy changes, revenue exclusions, and the precision of revenue projections, we have developed the above tax impact tables to show a range of tax revenue impacts (an estimate based modeled direct, indirect and induced economic output and wages, and low (90 percent of the estimate) and high (110 percent of the estimate) parameters. The above metrics are simply to provide order of magnitude and not precision.

Summary Tables – Employment & Economic Output, 2018-27

Figure D-1: Employment Impacts of Meriden TOD Employment, 2018-27, New Haven County, CT

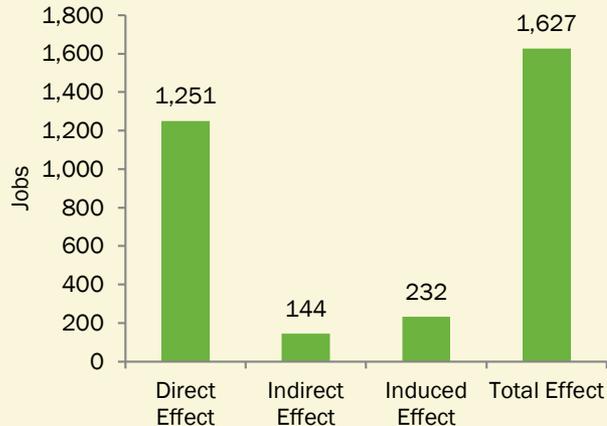


Table D-1: Economic Impacts of Meriden TOD Employment, 2018-27, New Haven County, CT

	Employment	Output
Direct Effect	1,251	\$92,252,346
Indirect Effect	144	\$19,179,042
Induced Effect	232	\$29,508,695
Total Effect	1,627	\$140,940,083

Table D-2: Top Industries by Indirect and Induced Employment, Meriden TOD Employment, 2018-27, New Haven County, CT

	Indirect and Induced Employment
Real estate establishments	34
Food services and drinking places	34
Employment services	18
Private hospitals	15
Offices of physicians, dentists, and other health practitioners	13

Figure D-2: Output Impacts of Meriden TOD Employment, 2018-27, New Haven County, CT

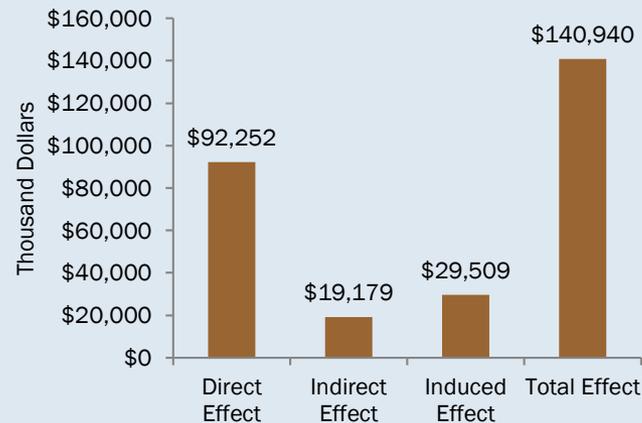


Table D-3: Top Industries by Indirect and Induced Output, Meriden TOD Employment, 2018-27, New Haven County, CT

	Indirect and Induced Output
Real estate establishments	\$4,363,273
Wholesale trade businesses	\$2,429,545
Monetary authorities and depository credit intermediation	\$2,250,988
Private hospitals	\$2,229,615
Food services and drinking places	\$2,113,046

Summary Tables – Employment & Economic Output, 2018-27

Table D-4: Tax Impacts of Meriden TOD Employment, New Haven County, CT

	<u>90% of Estimate</u>	<u>Estimate</u>	<u>110% of Estimate</u>
Dividends	\$11,177	\$12,419	\$13,661
Social Ins Tax- Employee Contribution	\$14,343	\$15,937	\$17,531
Social Ins Tax- Employer Contribution	\$25,428	\$28,253	\$31,078
Indirect Bus Tax: Sales Tax	\$3,161,226	\$3,512,473	\$3,863,720
Indirect Bus Tax: Property Tax	\$4,660,484	\$5,178,316	\$5,696,148
Indirect Bus Tax: Motor Vehicle Lic	\$51,069	\$56,743	\$62,417
Indirect Bus Tax: Severance Tax	\$0	\$0	\$0
Indirect Bus Tax: Other Taxes	\$257,622	\$286,247	\$314,872
Indirect Bus Tax: S/L NonTaxes	\$106,603	\$118,448	\$130,293
Corporate Profits Tax	\$200,673	\$222,970	\$245,267
Personal Tax: Income Tax	\$1,147,716	\$1,275,240	\$1,402,764
Personal Tax: NonTaxes (Fines- Fees	\$135,486	\$150,540	\$165,594
Personal Tax: Motor Vehicle License	\$37,431	\$41,590	\$45,749
Personal Tax: Property Taxes	\$29,031	\$32,257	\$35,483
Personal Tax: Other Tax (Fish/Hunt)	\$6,386	\$7,096	\$7,806
Total State and Local Tax	\$9,844,676	\$10,938,529	\$12,032,382

As the estimation of state and local tax revenues is an inexact science, fraught with challenges related to tax policy changes, revenue exclusions, and the precision of revenue projections, we have developed the above tax impact tables to show a range of tax revenue impacts (an estimate based modeled direct, indirect and induced economic output and wages, and low (90 percent of the estimate) and high (110 percent of the estimate) parameters. The above metrics are simply to provide order of magnitude and not precision.

EXAMINATION OF GREEN SPACE REVENUE GENERATING ACTIVITIES

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Key Findings

40 Percent

The estimated share of total revenues to the City of Meriden is likely to generate from vendor fees, ticket sales, and sponsorship fees from events and festivals on an annual basis.

Under \$150,000 Annually

Based on a likely case scenario, annual revenue accruing to the City of Meriden will likely amount to approximately \$140,000

Approximately \$12 of Every \$100

The estimated share of revenue attributed to space rental (from small parties, weddings, and corporate events) at Meriden Green.

Weather and Strong Marketing

The prospective range in fees and sponsorships secured by Meriden Green will be contingent in large part on seasonal weather conditions (influencing the number of event cancellations and level of concession patronage) and the marketing campaign's sponsorship targets.

Methodology

4ward Planning conducted a best case practices examination of revenue generating activities in similarly sized green spaces/parks, nationally. Based on this research, we reported out on best revenue generating practices for green spaces, noting applicable lessons learned for the City of Meriden.

We also identified alternative venue concepts, programming or concession amenities not presently included in the Meriden Green design scheme, which if included, would likely provide net revenue opportunities for the project.



Project Background

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Project Context: Background & Study Objective

Meriden has been identified as a station scheduled for improvements on the New Haven/Hartford/Springfield commuter/high speed rail line. Plans include construction of a new intermodal transportation center and parking areas to replace the existing MTC.



Source: City of Meriden, <http://meridentod.com>

Project Context: Meriden Green Concept Master Plan



Source: Milone and MacBroom, courtesy of City of Meriden

Project Context: Meriden Green

City efforts are underway to redevelop the HUB brownfields site into a public park and flood control area while accommodating a development footprint of over 150,000 square feet on the 14-acre site.

Key features of the proposed Concept Plan that accommodate potential revenue generating activities:

- Temporary community spaces with the ability to host a variety of activities (i.e. craft/art fairs, farmers' markets, and seasonal ice skating)
- "Great lawn" with areas for passive recreation for picnicking and relaxing, and dimensions suitable to accommodate temporary events such as the recently popular "Big Top Circus" venue.
- Outdoor Performing Arts Center & Amphitheater
- Potential development area that can accommodate temporary uses

The purpose of this analysis is to identify concession and event revenue opportunities appropriate for the proposed Meriden Green in order to pursue market feasible and fiscally responsible activities that support surrounding TOD efforts. Our analysis will include identification of prospective revenues by concession or event, as well as best case examples of similar concessions and events hosted within similarly sized green spaces/parks, nationally.

Best Case Study Analysis

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Santa Fe Railyards (Santa Fe, NM)

In 1995, the City purchased 50 acres of the Railyard with financing support from the Trust for Public Lands (TPL). In 2000, the TPL and the City approved a 13-acre conservation easement agreement for a plaza, alameda, and a 10-acre park that is complete with a performance green, playground, and bike and pedestrian trails. Today, the Railyard supports local business, provides commuting (rail) options for residents, and hosts events including a farmers market, arts & crafts fairs, flower shows, walkathons, community dances, music and movies.



Source: <http://www.railyardsantafe.com>

Bruner Foundation, <http://www.brunerfoundation.org/rba/pdfs/2011/Ch.%205%20Santa%20Fe%20Rail.pdf>

Santa Fe Railyards (Santa Fe, NM)

Santa Fe Railyard Community Corporation (SFRCC) is a non-profit organization responsible for the implementation of the Railyard Master Plan. SFRCC has an operating budget of approximately \$1.4 million, all of which is generated through the City of Santa Fe for the Railyard. Almost all of their income is generated from tenant leases, including fees for maintenance of common areas; about \$60,000 is generated in event license fees.



The Flea at El Museo

Saturdays 8am-3pm and Sundays
9am-3pm beginning January 5th



Santa Fe Farmer's Market

Weekly, Saturdays



Santa Fe Artist Market

Saturday, 8am to 2pm Features
local artists from Northern New
Mexico

Source: <http://www.railyardsantafe.com>
Bruner Foundation, <http://www.brunerfoundation.org/rba/pdfs/2011/Ch.%205%20Santa%20Fe%20Rail.pdf>

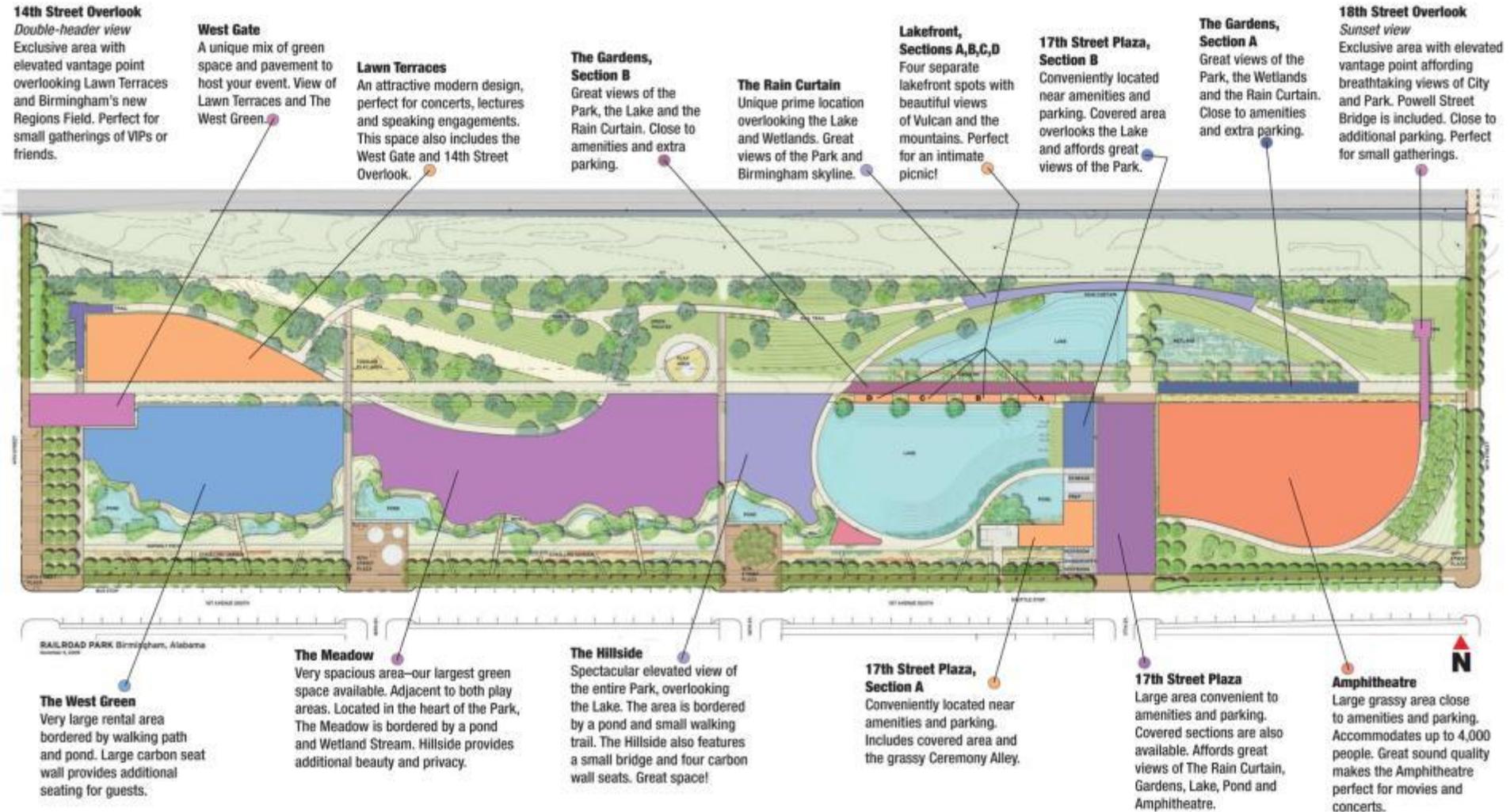
Railroad Park (Birmingham, AL)

- 19-acre green space in the city's downtown integrates the train experience with open space activity.
- Railroad Park occupies the historical seam created by a rail viaduct that bisects downtown.
- Owned by the City of Birmingham and managed by the nonprofit Railroad Park Foundation.
- Hailed as "Birmingham's Living Room," the park provides a venue for local recreation, family activities, concerts, and cultural events, while connecting the downtown area with Southside and UAB's campus.
- Amenities include park office, restrooms and dining car, free WiFi, 2 play areas, skate park, outdoor gym equipment, and Birmingham History Wall with timeline and images
- 2012 winner of the Urban Land Institute (ULI) Urban Open Space Award



Source: <http://www.railroadpark.org>

Railroad Park (Birmingham, AL)



Source: <http://www.railroadpark.org>

Railroad Park (Birmingham, AL)



Trucks by the Tracks

Food trucks and live entertainment
 Sunday, September 16, 11am - 5 p.m.



Break'n Bread

A food and wine festival with live entertainment and fun activities for the children.
 Sunday, October 14 When: 1-5 pm



Symphony in the Summer

Three free concerts presented by the Alabama Symphony Orchestra.



Free concerts

Featuring local musicians.



Happy Holidays

Tree lighting, holiday music, and special holiday guests.



Get Healthy on the Railroad

8-month exercise program with free exercise classes
 Every weekday
 Sponsor: Blue Shield of Alabama, \$35,000



Sunset Cinema

2-month fall film series
 Sponsor: American Lung Association: \$30,000.00, AT&T: \$7,000.00

Source: <http://www.railroadpark.org>

Railroad Park (Birmingham, AL)

In 2011 Railroad Park secured \$80,953 in reservations, hosting well over 100 events. Railroad Park also brought in \$13,425 from contracts with its approved caterers and vendors, which provide services to Railroad Park and its clients. In addition to the sponsorships, reservations and in-kind service donations, Railroad Park sold merchandise totaling \$1,168 and earned vending income in the amount of \$2,060.

Table 1: Railroad Park Foundation Budget, City of Birmingham Fiscal Year 2012-2013

EXPENSES		INCOME	
Personnel		Earned Revenue	
Employees Salary, Wages, Payroll	\$135,000	Concessions (George's Boxcar Cafe)	\$2,000
Health Insurance	\$9,000	Catering/Vendor Fees	\$13,000
Total	\$144,000	Facility Usage Fees	\$90,000
General & Administrative		Merchandise & Misc sales	\$2,000
Accounting, HR, Legal	\$7,000	Vending Sales	\$2,000
Bank Service Fees	\$550	Total	\$109,000
Loan Interest Expense & renegotiation fee	\$188,000	Contributions	
Dues & Subscriptions	\$500	Annual Giving: Foundations, Corps., etc.	\$325,000
Insurance	\$10,000	City of Birmingham**	\$700,000
Janitorial	\$60,000	Memberships	\$22,100
Maintenance Landscape	\$189,850	Annual Fundraisers	\$20,000
Maintenance General	\$20,000	Sponsorships	\$65,000
Maintenance Aquatic	\$10,000	Total	\$1,132,100
Marketing & PR	\$50,000	Earned + Contributed	\$1,241,100
Meals & Entertainment	\$500	Total Revenues	\$1,241,100
Miscellaneous & Contingency	\$18,000	Total Expenses	\$1,241,000
Office Supplies	\$3,000		
Rangers	\$375,000		
Security- CAP	\$5,000		
Security- off site camera monitoring*	\$42,000		
Special Events & Programming	\$40,000		
Taxes, Licenses, Permits, Fees	\$1,000		
Utilities	\$69,700		
Website	\$8,000		
Total	\$1,097,100		
Grand Total	\$1,241,100		

*City to provide operating funds (amount to be negotiated) for first 3 years, per contract.

**Includes free WiFi for park patrons.

Source: Railroad Park Foundation Budget, City of Birmingham Fiscal Year 2012-2013

***Includes free WiFi for park patrons.

Discovery Green (Houston, TX)

- 11.78-acre public park located in downtown Houston
- Park includes a lake, bandstands and venues for public performances, two dog runs, a children's area and multiple recreational areas.
- Discovery Green Conservancy, the partnership between local businesses, the City of Houston and several foundations, is responsible for managing and programming the park.
- Gold rating from the LEED Green Building Rating System Program (Activities & Uses):
 - 11 different gardens
 - 4 water features
 - 2 hills, 2 restaurants
 - 2 outdoor catered-event areas
 - 2 outdoor market areas
 - 1 stage
 - 2 dog runs, 2 dog fountains
 - 2 bocce ball courts
 - 2 outdoor library reading rooms with library services and wi-fi
 - 1 putting green
 - 1 playground
 - 1 jogging trail
 - 1 shuffleboard court.
 - 1 620-stall parking garage

Source: <http://www.discoverygreen.com>
<http://www.pps.org>



Discovery Green (Houston, TX)



Flea by Night

Monthly flea market



ICE at Discovery Green

Winter skating



Screen on the Green

Family-friendly Halloween event



DockDogs

Dog jumping competition



FUNomenal Family Festival

Free family festival with rides, rides, and activities



The Changing Faces of Houston

Live performances and testimonies from iconic local residents



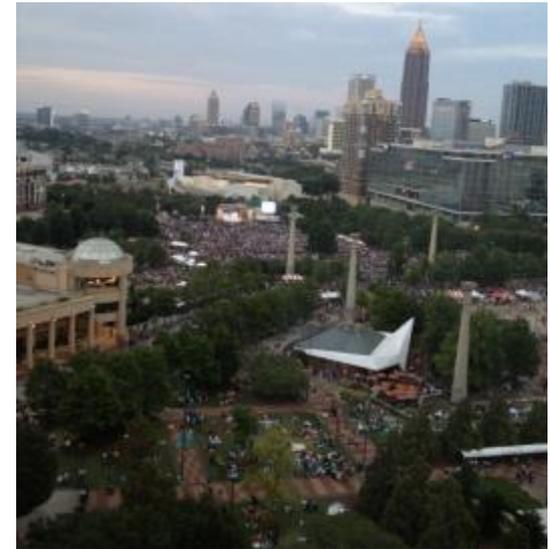
Magnificent 7 Ice Carving Competition

Annual ice carving competition with beer sponsor

Source: <http://www.discoverygreen.com>

Centennial Olympic Park (Atlanta, GA)

- Park provides 21 acres of green space in the downtown Atlanta within convenient walking distance of three MARTA stations.
- Park's Fountain of Rings plaza, 1,200-seat amphitheater or Great Lawn provide a setting for promotions, concerts and galas with the backdrop of the downtown skyline.
- Georgia World Congress Center Authority operates the park, as well two other state-owned facilities—the largest combined sports, entertainment and convention center facilities in the world.
- \$75 million in development costs entirely from private-sector donations.
- Beautification projects educate the public about landscaping and green initiatives.
- Park sponsors community-wide free events, festivals, fundraisers and private events. An estimated 1.5 million visitors each year, attending 175 public events.
- Park's exclusive food service provider provide both food and alcoholic beverage service.
- After Centennial Olympic Park was built, adjacent condominium prices rose from \$115 to \$250 a square foot.



Source: <http://www.centennialpark.com/>
<http://www.planning.org/cityparks/briefingpapers/economicdevelopment.htm>

Centennial Olympic Park (Atlanta, GA)



Wednesday WindDown

Wed
April – Sept
5:30-8pm



Music @ Noon

Tues & Thur
April – Oct
Noon-1pm



Family Fun Days

4th Sat
May – Sept
Noon – 4pm



Party in the Park

Sat in May
3-11pm
\$25-\$30



4th of July Celebration

4th of July
Evening



Holiday in Lights

Nov - Jan



Ice Skating Rink

Nov – Jan
\$10 for 90 minutes

Source: <http://www.centennialpark.com/index.php/plan-your-visit/event-calendar>

Centennial Olympic Park (Atlanta, GA)

In Fiscal Year 2011, food services accounted for 45 percent of the Park's operating revenue. Sponsorship accounted for 26 percent, rent 24 percent and utility services and miscellaneous accounted for the remaining five percent.

Table 2: Park Revenue & Expense Report, 2011

Operating Revenue		Operating Expenses	
Rent	\$242,353	Personal Services	\$1,425,030
Utility Services	\$34,235	Regular Operating	\$781,257
Food Services	\$457,635	Equipment/Other	\$51,500
Sponsorship	\$270,038	Per Diem/Fees/Contracts	\$408,097
Miscellaneous	\$20,829		
Subtotal	\$1,025,090	Subtotal	\$2,665,884
		Net Operating Loss	-\$1,640,794
Non-Operating Revenue		Non-Operating Expenses	
Transfer from Prior Year Reserves	\$31,430	Capital/Renovation Projects	\$599,806
Transfer from GWCC	\$1,386,942	Contributed Equipment	\$34,480
Contributed Equipment	\$34,480		
Transfer from Other Agencies	\$567,697		
Subtotal	\$2,020,549	Subtotal	\$634,286
		Total Expenses	-\$3,300,170
		Net Loss Before Depreciation	\$254,532

Source: Georgia World Congress Center Authority, 2011 Annual Report.

Takeaway: Best Case Analysis

Management:

- Partnerships between public agencies and private organizations to create and operate recreation and cultural areas have yielded magnificent results in numerous areas.
- These relationships are complex and need extraordinary levels of care and attention. Leadership capacity, experience, and commitment, in both the private and public sectors, likely affect local choices.
- Our research shows that separate and distinct management, specifically a non-profit entity, is most effective for successful programming and events management. The non-profit manager provides the time and dedicated focus while the City provides resources (financial or otherwise).

Potential Revenue Generation:

- Community programming and cultural events provide great community building opportunities but bring in little revenue. Instead, the goal of these events is draw patrons to the area.

Identification Of Prospective Revenue Generation Opportunities

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



Existing Meriden Park Events

Currently, the City of Meriden hosts a variety of programs at city parks and facilities. Meriden's Hubbard Park is home to the Meriden Daffodil Festival, flea market and craft fair in April and the Summer Sounds Concert Series from June to August. As shown on the table on the following page, since 2009 the HUB site has been available to host several events such as the Cole Brothers Circus in June, the Playful City USA - National Day of Play in July, the Jeff Boucher Auto Bike & Truck Show in August, the Nick Macri Frisbee Challenge in September, the Halloween Happenings in October, and the Ice Skating Rink in December. In recent years, the HUB site has also hosted the Meriden Farmer's Market (Saturdays from 9:00 am - 1:00 pm, from July through October), the Meiden Town Fair (running 12 weeks from late August through September), and the Back to School Expo in August.

Additionally, the City owns the Augusta Curtis Cultural Center, located across from City Hall, which is available for business and social event rentals and managed by a non-profit entity.



Source: City of Meriden, <http://www.cityofmeriden.org/Content/Recreation>

Existing Meriden Park Events

Month	Events	Location
January	Tradition Run	Hubbard Park
	Martin Luther King Breakfast	
February	Castle Craig Playhouse Dinner Theatre	Senior Center
	Walk for Warmth	
March	Mayor's Marketing Round-Table - Playful City USA Application	
	Leprechaun Hunt	TBD
	Elks Sports Night	Activity Line
	St. Patrick's Day Parade	
	Opening of Hunter Golf Course	East -West Main Streets Hunter Golf Course
April	Meriden Rotary Club 5K Road Race & Kids' Fun Run	Hubbard Park
	Meriden Little League Opening Day	City Parks
	Easter Egg Hunt	Hubbard Park
	Daffodil Festival	Hubbard Park
	Meriden Arts Council Theme Show	
	Chamber of Commerce Annual Dinner	
May	Lions Club Palm Sunday Brunch	Platt High School
	Mayor's Spring Clean-Up	City-wide
	Memorial Day Parade	East-West Main Streets
	Miss Puerto Rico Pageant	Hubbard Park
	Quinnipiac River Clean-Up	Quinnipiac River
	Week to Remember-Senior Expo	
June	Probus Annual Education Awards Night	
	Cole Brothers Circus	Meriden HUB Fairgrounds
	Italian Night	Hubbard Park Bandshell
	American Cancer Society "Relay For Life"	Platt High School
	Flag Day Ceremony	City Hall
	Watch Fire	American Legion
	Special Day for Special People	Hubbard Park
	Black Unity Expo	Hubbard Park
	St. Stan's June Fest	St. Stan's Church
	Lion's Club Duck Race	
	Summer Sounds Concert Series	Hubbard Park

Month	Events	Location
July	4th of July Fireworks & BBQ	Hubbard Park
	Puerto Rican Cultural Festival	Hubbard Park
	Playful City USA - National Day of Play	Meriden HUB Fairgrounds
August	Castle Craig Night Viewing	Castle Craig
	Rotary Golf Tournament	Hunter Golf Club
	Jeff Boucher Auto Bike & Truck Show	Meriden HUB Fairgrounds
	National Night Out	City Park
September	Hoopin' It Up & Festival On Main & Meriden Arts Council Art Festival	Colony Street
	United Way Day of Caring	Hubbard Park
	Meriden Boys Club Golf Tournament	Hunter Golf Club
	Nick Macri Frisbee Challenge	Meriden HUB Fairgrounds
	Halloween Happenings	Meriden HUB Fairgrounds
October	Autumn Fest	Hubbard Park
	Halloween House Decorating Contest	
	Halloween at City Hall	City Hall
	Lion's Club Golf Tournament	
	Make A Difference Day	
	Meriden Hall of Fame Induction Ceremony	
	November	Turkey Hunt
Veterans Day Ceremony		Broad St. Monuments
Silver Lights Lighting Ceremony		Hubbard Park
Kiwanis Kapers		Maloney High School
Maloney/Platt Stoddard Bowl		Ceppa Field
December	YMCA Community Dinner	
	Christmas in the Park	Hubbard Park
	Ice Skating Rink	Meriden HUB Fairgrounds
	Holiday House Decorating Contest	Senior Center
	Silver Lights Bus Tour	Dept. office
	Santa Letters	
	Meriden Arts Council Holiday Fair	
	Franciscan Christmas Fair	Hubbard Park
	Silver Lights Festival	
	Christmas in the Village	South Meriden
	Holiday House Decorating Contest	
	YMCA Community Dinner	
Downtown Community Carol Sing & Tree Lighting		

Source: City of Meriden, <http://www.cityofmeriden.org/Content/Recreation>

Prospective Revenue Generation Opportunities

Based on an analysis of case studies and existing events found within the City of Meriden area, we identified several revenue generation opportunities, within broad categories (e.g., special events, food and beverage, space rental, and naming rights/branding) suitable for Meriden Green, based on meeting one or more of the following criterion:

- Faces little direct market competition
- Has general appeal to families of all ages
- Has general appeal to single persons and couples
- Requires a modest up front capital expense by the City of Meriden
- Management and/or operation of the revenue generating amenity can be outsourced
- Provides strong opportunity for food and beverage sales

Prospective Revenue Generation Opportunities

SEASONAL & ANNUAL EVENTS

	Outdoor Bootcamp	Sunset Cinema	Farmer's Market	Dog Days of Summer	Food & Wine Festival	Hub Annual Gala & Auction	Kite Flying Festival	First Night Festival
Faces Little Direct Market Competition	✓	✓	✓	✓	✓	✓	✓	✓
Appeals to Families of All Ages		✓	✓	✓	✓		✓	✓
Appeals to Single Persons and Couples	✓	✓	✓	✓	✓	✓	✓	✓
Modest Up Front Capital Expense by City	✓	✓	✓	✓	✓	✓	✓	✓
Management/ Operations Easily Outsources	✓	✓	✓		✓		✓	✓
Opportunity for Food & Beverage Sales		✓	✓	✓	✓		✓	✓

Prospective Revenue Generation Opportunities

Outdoor Bootcamp

Description

An effective workout program for adults guided by a certified trainer.

Occurrence

Weekly

Likely Patronage Profile

Young adults 21 to 40 with above average disposable incomes.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 20-minute drive time



Prospective Revenue Generation Opportunities

Kite Flying Festival

Description

Annual kite flying festival with giant show kites, demonstrations by national competitors, and a place for public kite flying. An entry fee would be charged to entrants into the contests.

Occurrence

May

Likely Patronage Profile

Families with children, couples and singles representing a broad socio-economic swath.

Annual Revenue Potential

Low

Likely Primary Market Area Draw

Up to a 45-minute drive time



Prospective Revenue Generation Opportunities

Dog Days of Summer

Description

The community and their canine friends come together for contests, games, silent auction, vendors, and live music.

Occurrence

Summer

Likely Patronage Profile

Families with children, couples and singles representing a broad socio-economic swath.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 40-minute drive time



Prospective Revenue Generation Opportunities

Sunset Cinema

Description

Two month fall film series.

Occurrence

Fall

Likely Patronage Profile

Families with children, couples and singles representing a broad socio-economic swath.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 30-minute drive time



Prospective Revenue Generation Opportunities

Food & Wine Festival

Description

Annual food and wine festival with live entertainment and fun activities for the children. Vendors would be required to pay a fee. Admission to the event would be free.

Occurrence

Fall

Likely Patronage Profile

Adults 25 to 65 with above average incomes and educational attainment levels

Annual Revenue Potential

Low-to-Moderate

Likely Primary Market Area Draw

Up to a 60-minute drive time



Prospective Revenue Generation Opportunities

Farmer's Market

Description

Outdoor farmer's market open to small vendors and residents wishing to sell local produce within a six by eight foot space. A limited number of spaces spread throughout the Hub (likely, not more than 40 vendors). Each vendor space would be let for a set fee. No admission fee.

Occurrence

One Saturday each Month, May through October

Likely Patronage Profile

Adults ranging in age from 21 to 65, and representing low- and moderate income households.

Annual Revenue Potential

Low-to-Moderate

Likely Primary Market Area Draw

Up to a 30 minute drive time



Prospective Revenue Generation Opportunities

Annual Gala & Auction

Description

Annual fundraising Gala and auction in support of Meriden Green. High end event featuring open bar, passed hors d'oeuvres and live music.

Occurrence

First Saturday evening in October.

Likely Patronage Profile

Affluent couples and individuals from the Meriden area.

Annual Revenue Potential

Moderate-to-High

Likely Primary Market Area Draw

Up to a 60-minute drive time



Prospective Revenue Generation Opportunities

“First Night” Festival

Description

A new year's eve celebration for families, featuring music, non-alcoholic beverages and food for purchase, story telling, ice skating and fireworks. Presented as a gated event.

Occurrence

New Years Eve

Likely Patronage Profile

Families with children eight and older, older couples and single adults

Annual Revenue Potential

Low-to-Moderate

Likely Primary Market Area Draw

Up to a 45-minute drive time



Prospective Revenue Generation Opportunities

CONCESSIONS

	Skating Rink and Skate Rental	Vending Machine	Mobile Carts & Kiosks	Food Carts	Light Fare Kiosk	Lawn Bar and Grille
Faces Little Direct Market Competition	✓	✓	✓	✓	✓	✓
Appeals to Families of All Ages	✓	✓	✓	✓	✓	✓
Appeals to Single Persons and Couples	✓	✓	✓	✓	✓	✓
Modest Up Front Capital Expense by City	✓	✓	✓	✓	✓	✓
Management/ Operations Easily Outsources	✓	✓	✓	✓	✓	✓
Opportunity for Food & Beverage Sales	✓	✓	✓	✓	✓	✓

Prospective Revenue Generation Opportunities

Ice/Roller Skating Concession

Description

During the winter months, offering day and night ice skating with roller skating available in the spring/summer. A temporary rental pavilion would provide an area to rent skates.

Occurrence

November to February

Likely Patronage Profile

Families with children, couples and singles representing a broad socio-economic swath.

Annual Revenue Potential

Low-to-Moderate

Likely Primary Market Area Draw

Up to a 45-minute drive time



Prospective Revenue Generation Opportunities

Vending Machines

Description

Vending machines selling snacks in areas with a minimum of 150 passersby per day.

Occurrence

Year-Round

Likely Patronage Profile

Patrons coming for ice skating, special events and a small number of lunch-time workers.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 10-minute drive time (associated with area lunch-time workers)



Prospective Revenue Generation Opportunities

Mobile Carts & Kiosks

Description

Mobile carts and kiosks located in high pedestrian traffic areas (3,000 passersby per day) selling convenience food (snacks, coffee, etc.) and retail goods (newspapers, flowers, etc.). No seating is provided.

Occurrence

Year-Round

Likely Patronage Profile

Patrons coming for ice skating, special events and a small number of lunch-time workers.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 10-minute drive time (associated with area lunch-time workers)



Prospective Revenue Generation Opportunities

Food Carts

Description

Mobile food carts located in, or adjacent to, the park and serving modest menu of takeout food and beverages. Seating is optional.

Occurrence

Year-Round

Likely Patronage Profile

Patrons coming for ice skating, special events and a small number of lunch-time workers.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 10-minute drive time (associated with area lunch-time workers)



Prospective Revenue Generation Opportunities

Light Fare Concession (Long Term)

Description

A food concession located in the park and serving modest menu of prepared and pre-prepared food and beverages. Seating and takeout service would be offered. The food stand could be part of a potential future development or a stand-alone concession.

Occurrence

Year-Round

Likely Patronage Profile

Patrons coming for ice skating, special events and a small number of lunch-time workers.

Annual Revenue Potential

Moderate

Likely Primary Market Area Draw

Up to a 10-minute drive time (associated with area lunch-time workers)



Prospective Revenue Generation Opportunities

Lawn Bar and Grille Concession (Long Term)

Description

An upscale bar and café offering happy hour and light dinner service on a limited weekly schedule. The restaurant could be part of a potential future development or a stand-alone concession.

Occurrence

Year-Round, Wednesday through Saturday

Likely Patronage Profile

Area professional workers, some patrons of other park amenities, and tourists.

Annual Revenue Potential

Moderate - to - High

Likely Primary Market Area Draw

Up to a 20-minute drive time.



Prospective Revenue Generation Opportunities

OUTSIDE SPACE RENTALS

	Small Parties	Wedding Receptions	Corporate Functions
Faces Little Direct Market Competition		✓	✓
Appeals to Families of All Ages	✓	✓	
Appeals to Single Persons and Couples	✓	✓	✓
Modest Up Front Capital Expense by City	✓	✓	✓
Management/ Operations Easily Outsources	✓	✓	✓
Opportunity for Food & Beverage Sales	✓	✓	✓

Fees to host business or social events at both the August Curtis Cultural Center and the gazebo at Hubbard Park are very modest (\$100-\$150/4hr, plus refundable deposit and insurance if necessary). Currently, the City does not allow rental of open areas at Hubbard Park. The current proposal includes no structured facilities for rental at Meriden Green. This analysis assumes that, given the significant investment into the park, the City will consider renting open space occasionally at Meriden Green and at a slightly higher premium. It also assumes a dual rate structure for residents and not-for-profits and non-residents and for profits.

Prospective Revenue Generation Opportunities

Small Parties

Description

A variety of small parties, including birthdays, graduation parties, and wedding anniversaries could be held in dedicated outdoor areas or in a tented area after normal business hours.

Occurrence

Year-Round (assumes heating lamps provided in colder months for tented functions)

Likely Patronage Profile

Broad

Annual Revenue Potential

Low

Likely Primary Market Area Draw

Up to 60 minutes



Prospective Revenue Generation Opportunities

Wedding Receptions

Description

Small to moderate sized tented wedding receptions offering area for dinner seating and a small dance floor. Function would require all needs to be provided, including tent, food and kitchen service, bathrooms, and generators, etc.

Occurrence

Year-Round (assumes heating lamps provided in colder months for tented functions)

Likely Patronage Profile

Small to large size wedding parties.

Annual Revenue Potential

Low to Moderate

Likely Primary Market Area Draw

Up to 60 minutes



Prospective Revenue Generation Opportunities

Corporate Functions

Description

Small to moderate sized corporate functions (cocktail receptions, dinner, holiday party, etc.) held in an open area or under a tent. Function would require all needs to be provided, including tent, food and kitchen service, bathrooms, and generators, etc.

Occurrence

Year-Round (assumes heating lamps provided in colder months for tented functions)

Likely Patronage Profile

Moderate to large size companies.

Annual Revenue Potential

Low to Moderate

Likely Primary Market Area Draw

Up to 45 minutes



Meriden Green Revenue Generation Analysis

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™



ESTIMATED ANNUAL REVENUES GENERATED

	Best Case ¹	Likely Case ²	Worst Case ³
Event & Festival Vendor Fees	\$8,100	\$6,075	\$4,050
Event & Festival Ticket Sales	\$61,400	\$46,050	\$30,700
Event & Festival Sponsorship	\$39,475	\$29,606	\$19,738
Concession Fees (10%)	\$31,595	\$23,696	\$15,798
Space Rental Fees	\$22,575	\$16,931	\$11,288
Membership Sales	\$30,000	\$22,500	\$15,000
Subtotal	\$193,145	\$144,859	\$96,573

¹ Assumes no event rain dates and a highly successful sponsorship campaign

² Assumes in-climate weather related event cancellations and less than optimal sponsorship campaign; total is 75% of best case scenario

³ Assumes in-climate weather related event cancellations and challenged sponsorship campaign; total is 50% of best case scenario

ESTIMATED ANNUAL EVENT SPONSORSHIP REVENUES

	Best Case ¹	Likely Case ²	Worst Case ³
Outdoor Bootcamp	\$14,400	\$10,800	\$7,200
Sunset Cinema	\$5,300	\$3,975	\$2,650
Farmer's Market	\$1,975	\$1,481	\$988
Dog Days of Summer	\$1,750	\$1,313	\$875
Food & Wine Festival	\$42,250	\$31,688	\$21,125
Annual Gala & Auction	\$23,500	\$17,625	\$11,750
Kite Flying Festival	\$5,750	\$4,313	\$2,875
First Night Festival	\$14,050	\$10,538	\$7,025
Subtotal	\$108,975	\$81,731	\$54,488

¹ Assumes no event rain dates and a highly successful sponsorship campaign

² Assumes in-climate weather related event cancellations and less than optimal sponsorship campaign; total is 75% of best case scenario

³ Assumes in-climate weather related event cancellations and challenged sponsorship campaign; total is 50% of best case scenario

EVENT & FESTIVAL ASSUMPTIONS

<u>Events & Festivals</u>	<u>When</u>	<u>Duration</u>	<u>Operating Days</u>	<u>Attendance per Event</u>	<u>Vendors per Event</u>	<u>Vendor Fees</u>	<u>Ticket Price</u>	<u>Sponsorship Fees</u>	<u>Estimated Total Annual Revenue</u>
Outdoor Bootcamp	Tue & Fri	8 months	64	15	0	\$0	\$15	\$0 ¹	\$14,400
Sunset Cinema	Thur	2 months	8	75	2	\$150	\$0	\$5,000 ²	\$5,300
Farmer's Market	Sat, July-Oct	4 months	16	500	10	\$150	\$0	\$475 ³	\$1,975
Dog Days of Summer	Summer	1 day	1	200	5	\$150	\$0	\$1,000	\$1,750
Food & Wine Festival	Fall	2 days	2	1,000	15	\$150	\$15	\$10,000	\$42,250
Annual Gala & Auction	Fall	1 night	1	800	10	\$150	\$15	\$10,000	\$23,500
Kite Flying Festival	May	1 day	1	200	5	\$150	\$0	\$5,000	\$5,750
First Night Festival	New Years Eve	1 night	1	500	7	\$150	\$10	\$8,000	\$14,050
							\$61,40		
					Annual Sub-Total:	\$8,100	0	\$39,475	\$108,975

1. Assumes sponsorship includes personal trainer services and that participants would sign up for 8 week class.
2. Logical sponsors would be electronics and audio/video stores which sell large screen television and home theatre systems.
3. Based on 2012 sponsorships.

ESTIMATED ANNUAL CONCESSION GENERATED SALES

	Best Case ¹	Likely Case ²	Worst Case ³
Skating Rink and Skate Rental	\$109,200	\$81,900	\$54,600
Vending Machine	\$54,750	\$41,063	\$27,375
Mobile Carts & Kiosks	\$40,000	\$30,000	\$20,000
Food Carts	\$112,000	\$84,000	\$56,000
Light Fare Kiosk	\$720,000	\$540,000	\$360,000
Lawn Bar and Grille	\$560,000	\$420,000	\$280,000
Subtotal	\$315,950	\$236,963	\$157,975
Subtotal (Long Term)	\$1,595,950	\$1,196,963	\$797,975

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ESTIMATED ANNUAL CONCESSION GENERATED FEES @ 10%

	Best Case ¹	Likely Case ²	Worst Case ³
Skating Rink and Skate Rental	\$10,920	\$8,190	\$5,460
Vending Machine	\$5,475	\$4,106	\$2,738
Mobile Carts & Kiosks	\$4,000	\$3,000	\$2,000
Food Carts	\$11,200	\$8,400	\$5,600
Light Fare Kiosk	\$72,000	\$54,000	\$36,000
Lawn Bar and Grille	\$56,000	\$42,000	\$28,000
Subtotal	\$31,595	\$23,696	\$15,798
Subtotal (Long Term)	\$159,595	\$119,696	\$79,798

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³ Assumes in-climate weather related event cancellations and challenged sponsorship campaign; total is 50% of best case scenario

CONCESSION REVENUE ASSUMPTIONS

<u>Concessions</u>	<u>When</u>	<u>Annual Operating Days¹</u>	<u>Variables</u>	<u>Annual Sales per S.F.</u>	<u>Est. Average Sales per Day/Event²</u>	<u>Estimated Total Annual Revenue</u>
Skating Rink and Skate Rental	Thu-Sun	104	150 patrons	NA	\$1,050 ³	\$109,200
Vending Machine	Mon-Sun	365	3 machines	NA	\$50	\$54,750
Mobile Carts & Kiosks	Sat-Sun, May-Sept	40	2kiosks/ carts	NA	\$500	\$40,000
Food Carts	Sat-Sun, May-Sept	40	4 carts	NA	\$700	\$112,000
Light Fare Kiosk	Mon-Sun	200	800 sqft	\$600	\$2,400 ⁴	\$480,000
Lawn Bar and Grille	Mon-Sun	200	1,200 sqft	\$700	\$4,200	\$840,000
Annual Sales Sub-Total:						\$315,950
Annual Sales Sub-Total:						\$1,635,950

1. Operating season based on weather conditions.
2. Sales estimates based on benchmarks for similar types of concessions.
3. Assumes an average fee of \$7.00 for entrance and skate rental.
4. High sales per square foot, given the exclusive nature of the location and that a large percentage of sales would be alcohol based.

ESTIMATED ANNUAL SPACE RENTAL GENERATED REVENUES

	Best Case ¹	Likely Case ²	Worst Case ³
Small Parties - FP/NR	\$2,800	\$2,100	\$1,400
Small Parties - NFP/Res.	\$1,400	\$1,050	\$700
Weddings - NR	\$5,250	\$3,938	\$2,625
Weddings - Res.	\$2,625	\$1,969	\$1,313
Corporate Functions - FP	\$7,000	\$5,250	\$3,500
Corporate Functions - NFP	\$3,500	\$2,625	\$1,750
Subtotal	\$19,075	\$14,306	\$9,538

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³ Assumes in-climate weather related event cancellations and challenged sponsorship campaign; total is 50% of best case scenario

We assumed a two tiered rental structure for residents/not-for-profit organizations and non-residents/for-profit organizations.

FP = For Profit

NR = Non-Resident

NFP = Not-for-Profit

Res. = Resident

SPACE RENTAL REVENUE ASSUMPTIONS

<u>Space Rental</u>	<u>Occurrence</u>	<u>When</u>	<u>Rental Fee</u>	<u>Rental Days per Month</u>	<u>Average Rental Revenues/Month</u> ¹	<u>Estimated Total Annual Revenue</u>
Small Parties - FP/NR	Periodically- Seasonal	Thur-Sun	\$200 for 2 hours	2	\$400	\$2,800
Small Parties - NFP/Res.	Periodically- Seasonal	Thur-Sun	\$100 for 2 hours	2	\$200	\$1,400
Weddings - NR	Weekends- Seasonal	Sat-Sun	\$1,500 for 4 hours	0.5	\$750	\$5,250
Weddings - Res.	Weekends- Seasonal	Sat-Sun	\$750 for 4 hours	0.5	\$375	\$2,625
Corporate Functions - FP	Periodically- Seasonal	Thur-Sun	\$1,000 for 4 hours	1	\$1,000	\$7,000
Annual Space Rental Sales Sub-Total:						\$22,575

1. Conservative estimate based on existing rental fees in the City of Meriden. Site rental fees with the Connecticut Wedding Group are significantly higher, ranging anywhere from \$4,000 to \$5,000.

ESTIMATED ANNUAL MEMBERSHIP REVENUES

	Best Case ¹	Likely Case ²	Worst Case ³
Level 1	\$5,000	\$3,750	\$2,500
Level 2	\$10,000	\$7,500	\$5,000
Level 3	\$15,000	\$11,250	\$7,500
Subtotal	\$30,000	\$22,500	\$15,000



SPACE RENTAL REVENUE ASSUMPTIONS

<u>Membership</u>	<u>Benefits</u>	<u>Price</u>	<u>Number Sold/Year</u>	<u>Estimated Total Annual Revenue</u>
Level 1	E-Newsletter Recognition	\$50	100	\$5,000
Level 2	Gala Recognition	\$1,000	10	\$10,000
Level 3	Gala Recognition + VIP status at Events	\$3,000	5	\$15,000
Annual Membership Sales Sub-Total:				\$30,000

1. Based on a broad survey of park case studies.

General & Limiting Conditions

4ward Planning LLC 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 4ward Planning LLC and believed to be reliable. 4ward Planning LLC 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.

Further, 4ward Planning LLC makes no warranty or representation concerning the manifestation of the estimated or projected values or results contained in this study. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from 4ward Planning LLC. This study is qualified in its entirety by, and should be considered in light of, the above limitations, conditions, and considerations.



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