

Economic Impact on Groton from New or Additional Development

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This report assesses the economic impact of development in the Town of Groton with a focus on capturing the market leakage identified in previous studies and the impact of the Groton Hill Music Center. There are additional community benefits to be realized from new development which include increase in jobs and earnings and consumer spending potential. These impacts may increase the potential for added retail opportunities. Additional community benefits may also include patronage and spending at local restaurants, stores and hotels.

The report also looks at the direct impact on the revenues that may be generated for the Town of Groton from additional retail/commercial development and the expected revenues from the Groton Hill Music Center. Direct revenues to the Town are revenues generated from property taxes, taxes on meals and accommodations and Payments in Lieu of Taxes (PILOTS). Groton Hill Music does not pay property taxes, however it pays the Town \$2 per ticket sold. Retail development anticipated due to the leakage study will be subject to property taxes.

Economic impacts from visitors to the region will generate additional spending that will bring in small amounts of revenue in the form of accommodation and meal taxes. Groton does not have additional local sales tax or income tax. This report is presented in three sections:

- Impact of capturing Potential Market Leakage in Groton
- Impact from Visitors and the Groton Hill Music Center
- Economic Impacts from Visitors in the Region

I. Impact of Capturing Potential Market Leakage in Groton

Included as part of the 2025 Groton Town Master Plan, a recent Study by FXM Associates estimated a retail spending gap of approximately \$60.9 million with 124,844 sq ft of supportable retail space. Assuming only 30% of the total supportable square footage was potentially captured by Groton, it would yield an additional 37,000 sq ft of commercial/retail space in town.

Retail Opportunities in the Groton Retail Market Area

Retail Stores	Market Area Gap	Supportable SF	Potentially Captured SF	Potentially Supportable Stores
Floor covering stores (NAICS 44221)	9,233,841	19,785	4,100	1
Electronics stores (NAICS 443142)	3,920,615	6,848	2,800	1
Nursery, garden center, and farm supply stores (NAICS 44422)	7,723,956	26,520	10,000	1
Cosmetics, beauty supplies, and perfume stores (NAICS 44612)	2,028,416	3,740	1,527	1
Other health and personal care stores (NAICS 44619)	1,829,306	4,931	1,807	1
Shoe stores (NAICS 4482)	5,591,997	15,642	3,000	1
Jewelry stores (NAICS 44831)	7,711,009	8,354	2,400	2
Art dealers (NAICS 45392)	4,633,916	15,498	4,600	2
Full-service restaurants (NAICS 722511)	14,540,374	18,285	5,204	1
Limited-service restaurants (NAICS 722513)	3,664,590	5,240	1,750	1
	60,878,020	124,844	37,188	12

Source: EnvironicsAnalytics, Claritas Site Reports, 2023 estimates; FXM Associates

This direct spending in the retail sector will have a multiplier effect in the regional economy. To assess the indirect impacts, RIMSII Multipliers from the Bureau of Economic Analysis (BEA) are used. The retail industry has a 1.4988 output multiplier, a 0.2436 earnings multiplier and a 5.7253 employment multiplier for Middlesex County. If Groton were to attract an additional \$60.9 million in retail spending, there would be an **additional \$91.2 million change in output** that occurs in all industrial sectors within the region. This influx would also result in an **increase in earnings** of households employed by all industries (wages and salaries) by **\$14.8 million**. An **increase of 349 jobs** in all industrial sectors combined as a result of the increased output in the retail sector. It is important to note that even if the development is in the Town, the ripple effect will be felt in the region (Middlesex County).

Property Taxes from Potential Market Leakage in Groton

Beyond the ripple effect on the regional economy, there is also a property tax benefit that comes directly to the Town tax base. The \$60.9 million retail gap is estimated to result in 124,844 sq ft. The potential capture of 30% would yield 37,000 sq ft with 12 new retail stores (as indicated in the previous chart). This physical space will be subject to property tax by the Town. Assuming not all the retail sectors would fit within the character of the town, or have the space needed, such as Floor Covering Stores (4,100 sq ft), Electronics Stores (2,800 sq ft) and Nursery Garden and Farm Supply (10,000 sq ft) sectors, it would make sense to scale down the square footage based on the leakage estimates. The following tables show property taxes to the Town for four scenarios.

1. Full capture of 124,844 sq ft
2. Potential 30% capture of 37,000 sq ft
3. Scaled down version of 20,000 sq ft without the three sectors mentioned above
4. Phased version of 10,000 sq ft

Any new development in town would create property tax revenues. However, these developments also bear costs related to town services such as police, fire, and DPW. A Fiscal Impact Assessment uses tax revenue generated based on assessed value of the property and a proportional valuation method to determine service costs associated with the development.

It is important to note that a fiscal impact assessment is a snapshot of a moment in time and uses actual figures reported by the town to the Department of Revenue. Potential property tax revenue to the Town is based on the following assumptions:

Table 1.1: Assumptions

1	Price per square foot	\$150.00
2	Assessment rate for tax purposes	100.00%
3	Town Tax Rate per \$1000	\$15.25
4	Total Property Tax Levy	\$42,843,486.00
5	Other Misc. Revenue from Local Receipts	\$16,937,850.00
6	Service share of Town Tax Levy	\$1,850,410.00
7	Com./Ind. Proportion of Real Property in Town	4%
8	Equalized Value of Commercial/Industrial Prop.	\$102,792,607.00

Table 1.2: Net Fiscal Impact Resulting from the Full Capture of 124,844 sq ft

A	Total Revenue from Development	\$409,009.11
B	Total Costs due to Service and CIP	\$13,484.19
C	Net Fiscal Impact per Year	\$395,524.92

Table 1.3: Net Fiscal Impact Resulting from 37,000 sq ft

A	Total Revenue from Development	\$121,217.98
B	Total Costs due to Service and CIP	\$3,996.31
C	Net Fiscal Impact per Year	\$117,221.67

Table 1.4: Net Fiscal Impact Resulting from 20,000 sq ft

A	Total Revenue from Development	\$65,523.23
B	Total Costs due to Service and CIP	\$2,160.17
C	Net Fiscal Impact per Year	\$63,363.06

Table 1.5: Net Fiscal Impact Resulting from 10,000 sq ft

A	Total Revenue from Development	\$32,761.62
B	Total Costs due to Service and CIP	\$1,080.08
C	Net Fiscal Impact per Year	\$31,681.53

The Town is likely to see a net annual fiscal gain in the range of **\$31,682** (10,000 sq ft of new retail space) to **\$63,363** (20,000 sq ft of new retail space). This estimate can go up to **\$117,000** if the full potential capture of 30% (37,000 sq ft) of retail were to be absorbed by the Town. For illustrative purposes, the **full capture of 124,844 sq ft would yield \$395,525 in property taxes**. All these numbers would apply if this were to be built this year. As municipal budgets and taxes are subject to change every year, the numbers presented would change as well. Unlike economic impacts that are regional in nature, property taxes are local and this fiscal gain is considered direct revenue to the Town's tax base.

Note: The fiscal impact shared here is for non-residential uses only. Residential uses usually entail costs for services as well as school costs (the cost to educate a child in Groton schools). The impact from residential development varies greatly based on the type of residential development. A single-family home will typically have more kids than an apartment. Residential developments for 55+ residents, will typically have no child costs associated with it. The second factor is the value of the home. An expensive home is more likely to cover a larger share of school costs than an attainable home. These considerations are important to keep in mind when considering mixed use developments in the Downtown Overlay district.

II. Impact from Visitors and the Groton Hill Music Center

Economic Impacts from development or new activities are multifold. First, there is the direct impact from monies spent by the entity. There are also secondary impacts that occur due to the additional spending by patrons of the facility. These secondary impacts are calculated based on industry multipliers. **Secondary impacts** are considered to be **indirect** impacts representing effects associated with industries that supply goods and services directly to patrons and **induced** impacts represent the ripple effect of indirect earnings.

There are several professional studies that have yielded different numbers.

One study by Professor Shepard, from the Center of Creative Community Development estimates Groton Hills Music will add \$10.8 million direct impact, \$7.1 million indirect and \$3.0 induced add together to give the total impact of about \$21 million per year to the local economy. This in turn would add 195 jobs to the local economy. These figures are based on a model created by the Center for the 2017 Economic Impacts Study of The Boston Symphony Orchestra.

FXM Associates, Technical Memorandum dated May 2024, reports an estimated 44,000 ticket sales. It also states “to gauge the potential economic impact of 44,000 visitors on local businesses, visitor per capita spending for food, retail shopping, services, and transportation is estimated at \$87. Multiplying the per capita spending by the expected number of visitors yields a potential impact of nearly \$4 million on town businesses from the expenditures of attendees to concerts. The estimated \$4.4 million in annual salaries and wages could generate \$2.2 million in purchase of goods and services locally by employees.” (Page 69).

Conversation with Lisa Florentino, the CEO of Groton Hill Music Center, on July 31, 2025 confirmed the following numbers:

- Approximately 50,000 concert attendees
- Revenue from concerts only of approximately \$3 million
- Additional revenues from the music school other programmatic revenue \$2.7 million
- Employed 30 full time and 130 part time employees
- Fully loaded salaries and benefits are estimated at \$4.6 million
- 90% of the employees come from outside Groton.
- Expenses, including salaries, is approximately \$10 million

Our assessment is largely based on the information from Ms. Florentino.

Direct Impacts

The direct impact is the **\$10 million budget** which includes **\$4.6 million in salaries** to 30 full time and 130 part time employees. 90% of these employees are not Groton residents. As the Groton Music Center is a not-for-profit entity, it does not pay property taxes to the town. The direct impact on the Town coffers is the \$2 per ticket sold that Groton Music donates to the Town of Groton Community Fund. In the last 12 months there were 50,000 tickets sold. As such, **anticipated revenues from tickets would be \$100,000.**

Secondary Impacts

In addition to the direct impacts, there will be secondary impacts generated by visitors in the local economy. To assess the indirect impacts, RIMSII Multipliers from the Bureau of Economic Analysis (BEA) are used. RIMSII come in two categories. 1) Regional Multipliers: Linkages for all Industries in the region and 2) Industrial Sector Multipliers: National data on linkages for a particular sector, say tourism. This assessment uses both. The sector one provides the key industries impacted by the tourism industry and their magnitude (at a national scale). This information is used to extract data from the Regional data set for tourism related to the region. This gives us a decent estimate on tourism impact with industry multipliers for the region.

Further, this report uses national ratios for concert attendees coming from the region vs outside the region. This is important as the attendees from outside the region will tend to spend more per capita than those from within. Visitors from within are less likely to spend for overnight accommodation and perhaps even less on meals than outsiders. Groton Hill Music did not have a breakdown for ticket sold to attendees from within and outside. As such, national ratios for visitors to the performing arts was taken from the Arts and Economic Prosperity 6 (AEP6) report published by the Americans for the Arts Council. These estimates indicate 70% of attendees are from within and 30% are from distances of greater than a two-hour drive.

The second assumption is that visitors from away will tend to spend \$83.40 per capita and local attendees will spend \$40.90 per capita. The weighted average is therefore \$64.40 per capita. These figures are taken from the AEP6 report and adjusted for inflation. Here we note that the FXM Associates, Technical Memorandum dated May 2024, estimates a higher number of \$87 per capita with no distinction between visitor origins.

The third assumption is the percentage attributed to five major sectors of the economy most impacted by tourism dollars. These percentages are based on national tourism spending patterns.

Table 2.1: Percent of Tourism dollars spent on key industrial sectors

Industrial Sector	Percentage of spending
Retail trade	15%
Arts, entertainment, and recreation	22.10%
Accommodation	32.50%
Food services and drinking places	26.75%
Other services*	3.65%

The above percentages form the basis for secondary impacts from Groton Hill Music. The following economic impact calculations are based on the above assumptions. Two scenarios are presented. First with 50,000 ticket holders and the second with a projected 60,000 concert goers.

Table 2.2: Scenario One: Multiplier Effect of Spending for 50,000 Ticket Holders

Increase in local purchases from Tourism dollars for 50,000 visitors						
	Industry (1)	% increase RIMS National Tourism Multipliers	\$ spent based AEP6 Report	RIMS2 Final Demand Earnings Multiplier	Earnings Impact	As a percent of Earnings Impact
8	Retail trade	15%	\$ 483,000.00	0.2436	\$ 28,630.31	3%
18	Arts, entertainment, and recreation	22.10%	\$ 711,620.00	0.3265	\$ 232,343.93	27%
19	Accommodation	32.50%	\$ 1,046,500.00	0.266	\$ 278,369.00	32%
20	Food services and drinking places	26.75%	\$ 861,350.00	0.3199	\$ 275,545.87	32%
21	Other services*	3.65%	\$ 117,530.00	0.3751	\$ 44,085.50	5%
	Total Spent		\$ 3,220,000	1.5311	\$ 858,974.61	
	Total Direct and Indirect				\$ 4,078,974.61	

The indirect economic impact of the total spending by 50,000 visitors based on the weighted average spending of \$64.40 per visitor is **\$3.2 million**. The additional induced economic impact from the \$3.2 million is **\$858,975** for a **total of 4.1 million dollars in secondary impacts**. This is in addition to the revenue to the Groton Hill Music Center from ticket sales of \$3 million.

Table 2.3: Scenario Two Multiplier Effect of Spending for 60,000 Ticket Holders

Increase in local purchases from Tourism dollars for 60,000						
	Industry (1)	% increase RIMS National Tourism Multipliers	\$ spent based AEP6 Report	RIMS2 Final Demand Earnings Multiplier	Earnings Impact	As a percent of Earnings Impact
8	Retail trade	15%	\$ 579,600.00	0.2436	\$ 34,356.37	4%
18	Arts, entertainment, and recreation	22.10%	\$ 853,944.00	0.3265	\$ 278,812.72	32%
19	Accommodation	32.50%	\$ 1,255,800.00	0.266	\$ 334,042.80	39%
20	Food services and drinking places	26.75%	\$ 1,033,620.00	0.3199	\$ 330,655.04	38%
21	Other services*	3.65%	\$ 141,036.00	0.3751	\$ 52,902.60	6%
	Total Spent		\$ 3,864,000	1.5311	\$ 1,030,769.53	
	Total Direct and Indirect				\$ 4,894,769.53	

The indirect economic impact of the total spending by 60,000 visitors based on the weighted average spending of \$64.40 per visitor is **\$3.9 million**. The additional induced economic impact from the \$3.9 million is **\$1 million** for a **total of \$4.9 million**. It is important to remember that indirect multiplier effects are regional. As these 60,000 attendees is a projection, actual value of ticket sales is unknown.

Furthermore, the Groton Hill Music Center is home to approximately 2,000 students. Commuting students spend on average \$7/day on local food and retail purchases when they are in school. These students, along with visiting family and friends, could be potential patrons to Groton businesses.

Estimate of Local Taxes

To estimate local municipal impact of spending, the local meal tax of 0.75% and accommodation tax of 6% are applied to the accommodation and food service categories.

Table 2.4: Scenario One: Local Tax Capture for 50,000 Ticket Holders

Additional Revenues for the Town with 50,000 visitors				
		Tax Levied	Overall Earnings	Additional Town Taxes Gained
Meal Tax	Direct Multiplier	0.75%	\$ 861,350.00	\$ 6,460.13
	Indirect Multiplier	0.75%	\$ 275,545.87	\$ 2,066.59
Accommodation Tax	Direct Multiplier	6%	\$ 1,046,500.00	\$ 62,790.00
	Indirect Multiplier	6%	\$ 278,369.00	\$ 16,702.14
Total Earnings for the Town				\$ 88,018.86
	Direct Multiplier			\$ 69,250.13
	Indirect Multiplier		1.53	\$ 18,768.73

As can be noted in Table 2.4, the Town can expect approximately **\$88,019 in tax revenue** from accommodation and meal taxes with the current 50,000 visitors. This combined with the \$100,000 from ticket sales (\$2/ticket multiplied by 50,000 tickets), the **total revenue** to the Town's tax base is **\$188,019**.

Table 2.5: Scenario Two: Local Tax Capture for 60,000 Ticket Holders

Additional Revenues for the Town with 60,000 visitors				
		Tax Levied	Overall Earnings	Additional Town Taxes Gained
Meal Tax	Direct Multiplier	0.75%	\$ 1,033,620.00	\$ 7,752.15
	Indirect Multiplier	0.75%	\$ 330,655.04	\$ 2,479.91
Accommodation Tax	Direct Multiplier	6%	\$ 1,255,800.00	\$ 75,348.00
	Indirect Multiplier	6%	\$ 334,042.80	\$ 20,042.57
Total Earnings for the Town				\$ 105,622.63
	Direct Multiplier			\$ 83,100.15
	Indirect Multiplier		1.53	\$ 22,522.48

As can be noted in Table 2.5, the Town can expect approximately **\$105,623 in tax revenue** from accommodation and meal taxes with the anticipated 60,000 visitors. This combined with the \$120,000 from ticket sales (\$2/ticket multiplied by 60,000 tickets), the **total revenue** to the Town's tax base is **\$225,624**.

These estimates would hold true only if visitors stayed in hotels and patronized Groton restaurants. As such, they should be used for illustrative purposes only. An important caveat is that Groton does not currently have too many affordable options for visitors to stay, nor does it have many family-friendly restaurant options. Unless this changes, Groton will be unable to capture the full potential from the meal and accommodation taxes illustrated above.

III. Economic Impacts from Visitors in the Region

Groton has many recreational, historic and educational sites that are likely to draw visitors. A recent article published in the Groton Herald on July 17, 2025 touted Groton as a year-round destination for weddings. An accompanying Editorial “Faith, Labor – and Weddings? Groton’s Quiet Economic Engine” estimated **150 to 200 weddings a year with \$3 million in direct spending** on florists, caterers, photographers etc. It goes on to say that a **single wedding at the Groton Inn can generate \$1000 or more in meals and lodging taxes** for the Town.

There are a number of recent studies that discuss the economic impact of tourism and visitors in the region. The *Economic Impact of Visitors*, prepared for the Massachusetts Executive Office of Economic Development, published in 2024, provides a good snapshot of visitor impacts on the State, regions and counties in Massachusetts. In this report, Groton falls in the *Johnny Appleseed* Regional Tourism Council. The report presents total visitor impacts—which include direct and secondary spending, earnings, and employment attributable to visitor spending. **Direct** impacts are those that can be directly attributed to the visitors. **Secondary** impacts are the result of re-spending of visitor-related revenues. Secondary impacts are presented in two categories: **Indirect** impacts represent effects associated with industries that supply goods and services to the direct businesses. **Induced** impacts represent effects of purchases made by employees in both the direct and indirect businesses.

A rough estimate of visitor impacts for the Town of Groton are presented here using a proportional scale down method. The numbers presented likely do not include Groton Hill Music Center as the report is based on 2023 numbers. Based on ESRI data, **proportional share** of sales, number of employees and businesses **range from 3.7 to 5.2%**. In 2022, the North Central MA Chamber of Commerce reported that while the 33-community region had \$291 million in visitor spending, Groton's share was \$21 million (about 7.2%). The following tables are based on the lower estimates ranging from of 3.2% and 5.7%.

Table 3.1: Summary Direct Visitor Impacts on All Sectors 2023

	Direct Visitor Spending (mil)	Direct Earnings (mil)	Direct Employment
Jonny Appleseed	\$496.9	\$117.3	4300
Groton Share at 3.72%	\$18.48	\$4.36	160
Groton Share at 5.3%	\$26.34	\$6.22	228

As can be noted from Table 3.1, Groton’s share of direct visitor spending on *all* industrial sectors **ranges from \$18.5 to \$26.3 million. Earnings**, which includes wages and salaries paid to employees that can be attributed to visitors, **range from \$4.4 to \$6.2 million and employment** attributed to visitor spending ranges from **160 to 228 workers**.

In addition to the direct spending, earnings and employment impacts above, Groton could also see additional indirect and induced multiplier effect on earnings in tourism related sectors. Visitor impacts are mostly felt in three sectors: Accommodation and Food, Arts and Entertainment, and Retail Trade. The next two tables illustrate the potential direct, indirect and induced impact of

visitor spending in the region, scaled down to Groton. Table 3.2 shows direct impacts on the three most affected sectors.

Table 3.2: Direct Visitor Impacts for the Jonny Appleseed Region

Regional Visitor Impacts: Jonny Appleseed Region			
	Jonny Appleseed	Groton at 3.72%	Groton @5.3%
Direct Earnings (Mil)			
Accommodation & Food	\$75.6	\$2.81	\$4.01
Arts and Entertainment	\$15.6	\$0.58	\$0.83
Retail	\$17	\$0.63	\$0.90
Direct Employment			
Accommodation & Food	2740	102	145
Arts and Entertainment	860	32	46
Retail	480	18	25

The above table shows **direct earnings** in the three major sectors ranging from **\$4.02 to \$5.74 million**. This is approximately 90% of total earnings reported in Table 3.1. **Direct jobs** associated with these three sectors range from **152 to 216**. Again, this represents approximately 95% of all jobs reported in Table 3.1.

Table 3.3 shows indirect and induced impacts on the three major tourism related sectors. These numbers may be added to the direct impacts to get a full picture of visitor spending in the three major sectors.

Table 3.3: Indirect and Induced Impacts of Visitor Spending

		Groton @3.72	Groton @ 5.3
		Indirect and Induced Impact	
Accommodation & Food	12%	\$349,654	\$498,162
Arts and Entertainment	14%	\$82,443	\$117,460
Retail	25%	\$159,550	\$227,316
Total Indirect and Induced		\$591,647	\$842,938

To summarize

- Groton's potential share of additional earnings in **all sectors** is anywhere between **\$4.46 and \$6.22 million**.
- Added employment could potentially result in **110 to 228 additional jobs** in **all sectors**.
- Groton's share of *direct* earnings to be **\$2.8 to \$4 million** in the **accommodation and food sector**. *Indirect and induced* earnings could add an **additional \$350 to \$500 thousand**.
- The **arts and entertainment** sector could add **\$0.6 to \$0.8 million** from *direct* spending and **\$82 to \$117 thousand** from *indirect and induced* spending.
- The **retail sales** sector could add **\$0.6 to \$0.9 million** in *direct* earnings with an **additional \$160 to \$227 thousand** from *indirect and induced* spending.
- As for employment, Groton could potentially see an added **\$150 to \$215 new part-time and full-time jobs** in these three prominent sectors.
- The total **secondary earnings impacts** (indirect and induced) for the three major sectors are in the range of **\$591,647 and \$842,938**.

The numbers presented above are estimates for the Town of Groton, based on the proportional scale down method and should be used for illustrative purposes only. Unlike sections 1 and 2 of this reports, Groton specific data is not verified. However, the estimates are based on defensible proportions and the regional numbers are verified in the 2024 Massachusetts Executive Office of Economic Development study titled *The Economic Impact of Visitors*.

What does this mean for revenue to the tax base of the Town of Groton?

As mentioned earlier, direct revenues to the Town are revenues generated from property taxes, taxes on meals and accommodations and Payments in Lieu of Taxes (PILOTS).

1. Revenue from the capture of retail leakage

Property taxes from new retail development are as follows:

- Build 10,000 sq ft of new retail development: **\$31,681.53**
- Build 20,000 sq ft of new retail development: **\$63,363.06**
- Build 37,000 sq ft of new retail development: **\$117,221.67**

Note: Fiscal revenue is based on current tax rates and numbers. This property tax capture is valid for new building square footage if it were built this year. As budgets and tax rates change every year, so would the fiscal impact.

2. Revenue from Groton Hill Music Center

- Revenue from liquor licenses, police services and meal tax: **\$10,000**
- Ticket Sales at \$2/ticket (50,000 ticket sales): **\$100,000**
- Ticket Sales at \$2/ticket (60,000 ticket sales): **\$120,000**

Potential revenue from local meals and accommodation taxes could yield **additional revenues of \$88,000 to \$106,000** in accommodation and meal tax capture.

The Groton Hill Music Center could provide a total added revenue of \$188,000 to \$226,000 for the Town's tax base.

Note: Groton currently does not offer a diverse range of accommodation and meal options. If Groton wants to take full advantage of this meal and accommodation tax capture, it will need more family friendly restaurants and more affordable hotel accommodations.

3. Current Visitor Spending

Visitor spending impacts, presented in Section 3 of this report (unlike Sections 1 and 2) will not generate any new revenues for the Town as these are existing regional impacts, scaled down to Groton. As they are existing impacts (as apposed to new impacts), their revenue is already circulating in the economy and incorporated in the current tax base of the Town.

Groton as a wedding destination is worth exploring. The potential for 150 to 200 destination weddings could create a significant local impact. Estimates shared by the Groton Herald Editorial (July 17, 2025) suggest \$1,000 per wedding in meal and accommodation taxes. This would translate to **\$150,000 to \$200,000 in additional revenue to Groton's municipal budget.** Groton should explore similar activities that bring new visitors to Town for destination events. Daytrippers contribute far less to the economy than overnight or multi-day visitors. Examples could include multi-day local festivals, activities such as cooking classes and food and wine tasting tours, golf championships, etc. Groton is known for its education, recreation and performing arts sectors. The Town could capitalize on this and attract discerning victors with disposable income by offering diverse options in retail (as suggested by the Leakage Study), hotels and restaurants.

FISCAL IMPACT ASSESSMENT FOR NON RESIDENTIAL DEVELOPMENT

1	Total Market Value of Development	5,550,000.00
	Square Footage of new development	37,000.00
	Price per square foot	\$150.00
2	Assessment rate for tax purposes	100.00%
3	Town Tax Rate per \$1000	\$15.25
4	Total Property Tax Levy	\$42,843,486.00
5	Other Misc. Revenue from Local Receipts	\$16,937,850.00
6	Service share of Town Tax Levy	\$1,850,410.00
7	Com./Ind. Proportion of Real Property in Town	4.00%
8	Equalized Value of Commercial/Industrial Prop.	\$102,792,607.00
9	New capital improvements required	Yes: Amt. in Dollars
	DPW	\$0.00
	Police and Fire	\$0.00
	Other Community Projects	\$0.00
10	The # of years that costs will be spread over:	
	DPW	5.0
	Police and Fire	5.0
	Other Community Projects	5.0
11	Finance Rate per Year (as a percent)	
	DPW	6%
	Police and Fire	6%
	Other Community Projects	6%
12	What is the %age attributed to new development	
	DPW	10.00%
	Police and Fire	10.00%
	Other Community Projects	10.00%
13	Additional Annual Costs Associated with Development	\$0.00
14	What is the %age attributed to new development	100.00%
15	Median Home Value	\$800,000.00
FISCAL IMPACT OF NEW DEVELOPMENT		

COMPUTER GENERATED RESULTS		
I REVENUE FROM NEW COMM/IND DEVELOPMENT		
A. Revenue from Property Tax on Development		
A-1. Market Value of Development		\$5,550,000.00
multiplied by		
A-2. Assessment Ratio		100.00%
A-3. Actual Assessed value		\$5,550,000.00
multiplied by		
Tax Rate/\$1000 for the Town		\$15.25
A-4. Estimated Property Tax Revenue		\$84,637.50
B. Other Miscellaneous Revenue		
B-1. Miscellaneous Revenue		\$16,937,850.00
multiplied by		
B-2. Commercial Proportion of all Property		4.00%
B-3. Miscellaneous Revenue from Commercial Use		\$677,514.00
divided by		
B-4. Equalized Value of all Non-Residential Property		\$102,792,607.00
B-5. Misc. Revenue per \$1 in value		\$0.01
multiplied by		
B-6. Assessed Value of new development		\$5,550,000.00
B-7. Estimated Additional Miscellaneous Revenue		\$36,580.48
C. Total Estimated Revenue		\$121,217.98
II. COSTS DUE TO NEW DEVELOPMENT		
A. Service Costs		
A-1. Service Share of Town Tax Levy		\$1,850,410.00
multiplied by		
A-2. Commercial/Industrial Percentage of all land		4%
A-3. Service Costs due to Commercial/Industrial		\$74,016.40
divided by		
A-4. Equalized value of current com./ind. property		\$102,792,607.00
A-5. Service Cost per \$ of equalized value		\$0.0007
multiplied by		
A-6. market value of com./ind. new development		\$5,550,000.00

A-7. Town Service Costs for Comm/Ind Development		\$3,996.31
B Costs due to Capital Improvements		
B-1	Total Costs due to Capital Improvements	
	DPW	\$0.00
	Police and Fire	\$0.00
	Other Community Projects	\$0.00
B-2	The # of years that costs will be spread over	
	DPW	5
	Police and Fire	5
	Other Community Projects	5
B-3	Finance Rate per Year (as a percent)	
	DPW	6%
	Police and Fire	6%
	Other Community Projects	6%
B-4	Debt Service (principal+interest) per year	
	DPW	\$0.00
	Police and Fire	\$0.00
	Other Community Projects	\$0.00
B-5	What is the %age attributed to new development	
	DPW	10%
	Police and Fire	10%
	Other Community Projects	10%
B-6 Capital Improvement Costs due to Development		\$0.00
C-1	Additional Annual Costs	\$0.00
C-2	What is the %age attributed to new development	100.00%
C. Additional Annual Costs Associated with Development		\$0.00
D. Total Estimated Costs		\$3,996.31
IV. Net Fiscal Impact Resulting from Development		
A Total Revenue from Development		\$121,217.98
B Total Costs due to Service and CIP		\$3,996.31
C Net Fiscal Impact per Year		\$117,221.67

V	Change in Tax Rates due to New Development	
	(negative numbers indicate a decrease in tax payments, thus a gain to homeowner)	
A	Change in Town Tax Rate	
A-1.	Total Tax Levy	\$42,843,486.00
	divided by	
A-2.	Tax Rate/Thousand	\$15.25
A-3.	Amount affecting Tax Rate	
	by one dollar	\$2,809,408.92
A-4.	Net Fiscal Gain	\$117,221.67
	divided by	
A-5.	Amount affecting Tax Rate	
	by one dollar	\$2,809,408.92
A-6.	Change in Tax Rate	(\$0.042)
B.	Local Tax Impact on Average Home Owner	
B-1.	Cost of Home	\$800,000.00
B-2.	Tax Rate per 1000 at Present	\$15.25
B-3.	Annual Tax Payment without Further Growth	\$12,200.00
B-4.	Cost of Home	\$800,000.00
B-5.	Tax Rate per 1000 after New Development	\$15.208
B-6.	Annual Tax Payment after New Development	\$12,166.62
B-7.	Local Tax Impact after New Development	(\$33.38)