

HAINES AND KIBBLEHOUSE, INC.
THE PRESERVE AT HISTORIC CORNWALL VILLAGE

RESIDENTIAL HOUSING ALLOCATION

DWELLING TYPE	NO. UNITS PROPOSED	PERCENTAGE of TOTAL	NO. of AGE TARGETED UNITS	AGE TARGETED PERCENTAGE OF TOTAL
Single Family Detached	354	60.0%	248	42%
Twin	56	9.5%		
Triplex	48	8.1%	48	8%
Townhome	50	8.5%	12	2%
Manor Home Condo	76	12.9%	76	13%
Marina Condo	6	1.0%		
Total	590	100%	384	65%

PHASING SUMMARY 1 THROUGH 4

Phase 1 – 158 DWELLING UNITS:

MARKET VALUES

Cottage Single Family Lots (age targeted) 62	\$ 275,000 - \$ 315,000
Forest Conservation Lots 40	\$ 400,000 - \$ 475,000
Estate Twin Lots 56	\$ 240,000 - \$ 275,000

Phase 2 – 149 DWELLING UNITS:

Cottage Single Family Lots (age targeted) 126	\$ 315,000 - \$ 350,000
Lakeview Single Family Lots 12	\$ 600,000 - \$ 900,000
Village Townhomes 11	\$ 350,000 - \$ 400,000

Phase 3 – 120 DWELLING UNITS:

Cottage Single Family Lots (age targeted) 60	\$ 315,000 - \$ 350,000
Lakeview Townhomes (age targeted)..... 12	\$ 350,000 - \$ 400,000
Lakeview Townhomes 6	\$ 400,000 - \$ 450,000
Lakeview Manor Homes (age targeted).....36	\$ 400,000 - \$ 475,000
Marina Condominiums 6	\$ 225,000 - \$ 275,000

Phase 4 – 163 DWELLING UNITS:

Single Family Detached Lots 54	
12 Golf Course Lots	\$ 650,000 - \$ 750,000
42 None Golf Course Lots	\$ 450,000 - \$ 650,000
Village Townhomes 21	\$ 425,000 - \$ 475,000
Village Triplex Lots (age targeted)..... 48	\$ 375,000 - \$ 425,000
Lakeview Manor Homes (age targeted)... 40	\$ 650,000 - \$ 750,000

Fiscal Impact Summary
Development Program and Phasing from September 2011 Plan
Cornwall Borough

	PHASE 1	PHASE 2	PHASE 3	PHASE 4	Project Complete (1)
Residential Units	158	149	120	163	590
Non-residential square feet	0	0	250-room hotel/waterpark	150,000	250-room hotel/waterpark, 150,000 sf village commercial
Market Value (2)	\$49,790,000	\$55,020,000	\$78,450,000	\$117,875,000	301,135,000
Assessed Value (approx. 13.40% of market value.)	\$6,674,263	\$7,375,335	\$10,516,086	\$15,800,938	40,366,622
New Residential Population (3)	408	357	278	448	1,491
New School-Aged Children	65	34	19	88	206
New Employees	0	0	105	400	505
Cornwall Borough					
Real Estate Tax Revenue (10.0 mills)	\$ 66,743	\$ 73,753	\$ 105,161	\$ 158,009	\$ 403,666
Non-Property Tax Revenue	\$ 33,084	\$ 33,292	\$ 39,494	\$ 60,379	\$ 166,249
Intergovernmental Revenue	\$ 3,760	\$ 3,774	\$ 4,452	\$ 6,810	\$ 18,797
Transfer Taxes	\$ 36,688	\$ 40,715	\$ 33,078	\$ 64,103	\$ 174,584
Earned Income Tax (0.5% on wages)	\$ 84,240	\$ 75,460	\$ 61,468	\$ 166,772	\$ 387,940
Total Borough Revenues (without new taxes)	\$ 224,515	\$ 226,995	\$ 243,653	\$ 456,073	\$ 1,151,237
Total Borough Expenditures (4)	\$ (175,511)	\$ (144,119)	\$ (159,891)	\$ (206,398)	\$ (685,920)
Net Borough Fiscal Impact (without new taxes) (5)	\$ 49,004	\$ 82,876	\$ 83,762	\$ 249,675	\$ 465,317
Cumulative Net Borough Fiscal Impact (without new taxes)	-	\$ 131,880	\$ 215,642	\$ 465,317	-
New Borough Tax Sources:					
Local Services Tax (\$52 per employee)	\$ -	\$ -	\$ 5,460	\$ 20,800	\$ 26,260
Amusement Tax (5% on admissions)	\$ -	\$ -	\$ 154,028	\$ -	\$ 154,028
Total Borough Revenues From New Taxes	\$ -	\$ -	\$ 159,488	\$ 20,800	\$ 180,288
Net Borough Fiscal Impact (including new taxes) (5)	\$ 49,004	\$ 82,876	\$ 243,250	\$ 270,475	\$ 645,605
Cumulative Net Borough Fiscal Impact (including new taxes) (6)	-	\$ 131,880	\$ 375,130	\$ 645,605	-
Cornwall-Lebanon School District					
Real Estate Tax Revenue (91.08 mills)	\$ 607,892	\$ 671,746	\$ 957,805	\$ 1,439,149	\$ 3,676,592
Non-Property Tax Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	\$ 261,419	\$ 135,641	\$ 76,591	\$ 356,095	\$ 829,747
Transfer Taxes	\$ 36,688	\$ 40,715	\$ 33,078	\$ 64,103	\$ 174,584
Earned Income Tax (0.5% on wages)	\$ 84,240	\$ 75,460	\$ 64,107	\$ 182,192	\$ 405,999
Act 511 Per Capita Tax (\$5 per adult resident)	\$ 1,710	\$ 1,610	\$ 1,290	\$ 1,790	\$ 6,400
Act 679 Per Capita Tax (\$5 per adult resident)	\$ 1,710	\$ 1,610	\$ 1,290	\$ 1,790	\$ 6,400
Total School District Revenues	\$ 993,659	\$ 926,782	\$ 1,134,161	\$ 2,045,119	\$ 5,099,722
Total School District Expenditures (7)	\$ (790,930)	\$ (410,386)	\$ (231,728)	\$ (1,077,375)	\$ (2,510,419)
Net School District Fiscal Impact (8)	\$ 202,729	\$ 516,395	\$ 902,433	\$ 967,744	\$ 2,589,302
Cumulative Net School District Fiscal Impact	-	\$ 719,124	\$ 1,621,558	\$ 2,589,302	-
Total Impact, Borough and School District Combined					
Total Development-Generated Revenues (without new taxes)	\$ 1,218,175	\$ 1,153,777	\$ 1,377,815	\$ 2,501,192	\$ 6,250,958
Total Development-Generated Expenditures	\$ (966,442)	\$ (554,506)	\$ (391,620)	\$ (1,283,772)	\$ (3,196,339)
Net Fiscal Impact (not including new taxes) (9)	\$ 251,733	\$ 599,271	\$ 986,195	\$ 1,217,420	\$ 3,054,619
Cumulative Net Fiscal Impact (not including new taxes)	-	\$ 851,004	\$ 1,837,199	\$ 3,054,619	-
Total Impact, Borough and School District Combined (including new taxes)					
Total Development-Generated Revenues (includes new taxes)	\$ 1,218,175	\$ 1,153,777	\$ 1,539,653	\$ 2,523,732	\$ 6,435,336
Total Development-Generated Expenditures	\$ (966,442)	\$ (554,506)	\$ (391,620)	\$ (1,283,772)	\$ (3,196,339)
Net Fiscal Impact (includes new taxes) (9)	\$ 251,733	\$ 599,271	\$ 1,148,033	\$ 1,239,960	\$ 3,238,997
Cumulative Net Fiscal Impact (includes new taxes)	-	\$ 851,004	\$ 1,999,037	\$ 3,238,997	-

1. Estimated timeframe for project completion in this analysis is 20 years. Our previous analysis from 2010 assumed a 15 year buildout period.
2. Total market value in this analysis represents an increase of approximately 21% over the total market value estimated in our 2010 analysis. This is due to a revised mix of unit types and values, based on marketability data provided to H&K by real estate market professionals in recent discussions about the likely selling prices for homes over the buildout period.
3. Population projections changed slightly in this analysis compared to the 2010 study, due to the change in unit types and number of bedrooms. This analysis estimates that there will be 6 more people overall residing in the proposed residential development, and 23 fewer school-aged children than projected in the previous study.
4. The cost projection for the Borough was based on the same analytical methodology agreed upon during our 2010 meetings with the ad hoc study group; updates to the unit mix in the current analysis results in a slightly higher estimate of costs.
5. The net positive fiscal impact to the Borough as projected in the current analysis is higher than estimated in the previous analysis from 2010. This is due to the overall higher market value for the residential portion of the development, which primarily affects the real estate tax and earned income tax (EIT) revenue estimates. Higher market value equates to higher assessed value and hence, more real estate tax revenue. Market value was also used as the basis for estimating household income levels, which are used to calculate the earned income tax. Higher market value implies greater household income levels, resulting in more EIT revenues.
6. "Net fiscal impact" represents the annual revenues over costs related only those residential units and/or commercial square feet built in each particular phase. "Cumulative net fiscal impact" adds the net fiscal impacts from all previous phases to that of the current phase. These two numbers intend to demonstrate that each phase on its own can offset costs incurred on an annual basis by the new development with new revenues, and to show the expected annual impacts from the entire development as would exist at the completion of each phase.
7. School district costs are lower in the current analysis as compared to the previous analysis because the updated mix of housing units and values results in 23 fewer children projected to be living in the residential portion of the development.
8. The net positive fiscal impact to the school district as projected in the current analysis is higher than estimated in the previous analysis from 2010. This is due to the overall higher market value for the residential portion of the development, which primarily affects the real estate tax and earned income tax (EIT) revenue estimates. Higher market value equates to higher assessed value and hence, more real estate tax revenue. Market value was also used as the basis for estimating household income levels, which are used to calculate the earned income tax. Higher market value implies greater household income levels, resulting in more EIT revenues.
9. See notes 5 and 7 - this line item is the sum of the Borough and school district net fiscal impacts.

**Unit Mix and Phasing
September 2011 Development Program**

Unit Type	No. of Bedrooms	Total Units	Market Value per Unit	Phase 1	Phase 2	Phase 3	Phase 4	Total
Market Rate Units								
Forest Conservation Lots	3 BR	20	\$400,000	20				20
	4 BR	20	\$475,000	20				20
Estate Twin Lots	3 BR	56	\$250,000	56				56
Lake View Single Family Lots	4 BR	6	\$600,000		6			6
	5 BR	6	\$900,000		6			6
Village Townhomes	3 BR	11	\$375,000		11			11
Village Townhomes	3 BR	21	\$425,000			21		21
Lake View Townhomes	3 BR	3	\$400,000			3		3
	4 BR	3	\$450,000			3		3
Marina Condos	2 BR	3	\$225,000			3		3
	3 BR	3	\$275,000			3		3
Single Family Detached Lots (Golf Course View)	4 BR	6	\$650,000				6	6
	5 BR	6	\$750,000				6	6
Single Family Detached Lots (Non-Golf Course View)	4 BR	21	\$450,000				21	21
	5 BR	21	\$650,000				21	21
TOTAL, Market Rate		206		96	23	12	75	206
Age-Targeted Units								
Cottage Single Family Lots	2 BR	31	\$275,000	31				31
	3 BR	31	\$315,000	31				31
Cottage Single Family Lots	2 BR	93	\$315,000		63	30		93
	3 BR	93	\$350,000		63	30		93
Lake View Townhomes	3 BR	12	\$375,000			12		12
Lake View Manor Homes	3 BR	36	\$450,000			36		36
Lake View Manor Homes	3 BR	40	\$675,000				40	40
Lake View Triplex Lots	2 BR	48	\$400,000				48	48
TOTAL, Age-Targeted		384		62	126	108	88	384
TOTAL, All Parcels		590		158	149	120	163	590