

**CFAC Review of Wilkens Lane Residential Phase II
Fiscal Impact Analysis
August 11, 2025**

Fiscal Impact Analysis of Wilkens Lane Residential Phase II
Submitted to the Town of Barnstable Zoning Board of Appeals
By the Comprehensive Financial Advisory Committee

INTRODUCTION

In accordance with the Town of Barnstable Charter, Part VI, Sections 6-2 and 6-5 and Chapter 241 of the Administrative Code, the Comprehensive Financial Advisory Committee (CFAC) provides financial advice to the Town Manager and Town Council on the yearly capital improvement and operating budgets as well as long-range financial planning.

CFAC's advisory responsibilities do not ordinarily include evaluation of private development Projects in Barnstable. However, the Town Council requested CFAC to provide an independent assessment of New England Development Company's (NED) fiscal analysis impact for the Wilkens Lane Residential Phase II Project (Wilkens 2) and that it complete this analysis prior to the pending decision by the Zoning Board of Appeals. Specifically, CFAC was asked to review NED's estimates of Town revenue and expenses and net revenue gain from Wilkens 2.

CFAC extends its appreciation to President Craig Tamash and the Town Council for the confidence they have in our Committee's experience and familiarity with the Town budget to analyze and provide a written report on the Wilkens 2 Project.

METHODOLOGY

CFAC reviewed the Wilkens 2 Financial Impact Analysis (September 2024) submitted by New England Development Company in support of its special permit application to the Barnstable Zoning Board of Appeals to construct a residential multi-family development.

CFAC's analysis included:

- Reviewing New England Development's Fiscal Impact Analysis documents for Phase 1 at 99 Wilkens Lane and the proposed Phase 2. Both documents were comprehensive in their scope, using data from existing comparable developments and the Company's own past experience to estimate potential revenue, municipal expenses and services, and, most importantly, the net revenue gain for the Town of Barnstable. CFAC acknowledges NED's extensive research and due diligence shown in their submissions. In addition, CFAC also thoroughly reviewed Wilkens 1's post-occupancy data and experience to help inform CFAC's review of Wilkens 2.
- Meeting with representatives from New England Development, Police Chief Jean Challies, and Fire Chief Christopher Beal for post-occupancy data of Wilkens 1 and estimates for the post-occupancy impact of Wilkens 2.
- Obtaining current vehicle and excise tax data from Registry of Motor Vehicles and Barnstable Assessing Department. New England Development (NED) indicated that 70% of the current Wilkens 1 residents own vehicles that would be newly registered in Barnstable.
- Obtaining information from the School Department about the impact of Wilkens 1 on new student enrollment, the number of those new students who have special needs, and a cost estimate of these new students. The School Department also provided the average percentage of special needs students enrolled in the Barnstable school system and estimated the possible increase of chapter 70 funding created by new students.

The above sources provided CFAC with current information and budget figures to more accurately and reliably assess Barnstable's future net revenue (or loss) from the Wilkens 2 development.

WILKENS 1

Wilkins 1 at 99 Wilkins Lane is a residential development with 272 units. NED's June 30, 2021, Fiscal Impact Analysis of Wilkins 1 made estimates for projected revenues, municipal costs, and net Barnstable revenue.

Revenues

NED projected two primary sources of revenue from Wilkins 1: excise (motor vehicle) taxes and property taxes. In both cases, NED's estimates were higher than actual collections.

Motor Vehicle (Excise) Taxes. The table below shows projected motor vehicle tax estimates from Wilkins 1 versus Barnstable's actual experience in FY2025.

Wilkins 1/Motor Vehicle (Excise) Taxes	NED Estimate	2025 Actual Town Revenue	Difference
Motor vehicle tax revenue	\$ 156,750	\$ 34,950	\$ (121,800)

The difference, CFAC believes, is that NED overestimated the value of the automobiles being taxed. NED assumed that the average vehicle would have a value of \$15,000. However, according to the Town Assessing Department, the average taxable value is \$7,767. If one assumes that 95% of the Wilkins 1's 258 units are occupied and that 70% of those units have vehicles that were not previously registered in Barnstable, the new tax generated (assuming a tax rate of \$25 per \$1,000 of value) would be \$34,950.

Property taxes. The table below shows projected property tax estimates for Wilkins 1 versus Barnstable's actual experience in FY2025.

Wilkins 1/Property Taxes	NED Estimate	2025 Actual Town Revenue	Difference
Assessed value Wilkins 1	\$ 52,224,000	\$ 63,302,000	\$ 11,078,000
Property tax	\$ 498,802	\$ 439,317	\$ (59,485)
Fire	\$ 143,063	\$ 145,595	\$ 2,532
Community Preserv Act	\$ 14,964	\$ 13,180	\$ (1,784)
Total	\$ 656,829	\$ 598,092	\$ (58,737)

Strikingly, even though the assessed value of Wilkins 1 was well above the estimate, actual tax collections (except for Fire) were lower. The reason, CFAC believes, is that NED's projection assumed a property tax rate of \$9.10; the actual rate in 2021, when NED submitted the report, was \$8.64. The 2025 Barnstable tax rate was lower still, at \$6.94.

Total revenue. The table below shows total estimated versus actual revenue to the Town. Actual collections by the Town were \$183k less than anticipated.

Wilkins 1/Total Revenue	NED Estimate	2025 Actual Town Revenue	Difference
Motor vehicle tax revenue	\$ 156,750	\$ 34,950	\$ (121,800)
Property tax revenue	\$ 656,829	\$ 598,092	\$ (58,737)
Less: Fire	\$ (143,063)	\$ (145,595)	\$ (2,532)
Total revenue to Town	\$ 670,516	\$ 487,447	\$ (183,069)
<i>Fire revenue is excluded because it goes to the separate Fire District.</i>			

Municipal Expenses

NED projected that Wilkins 1 would directly impact three different cost centers: Police/Fire/EMS, Schools, and Other. Total new expenses from Wilkins 1 were projected to be \$201,200.

Police/Fire/EMS. NED assumed that 0.5 additional officers would need to be hired, at a cost of \$34,000. In fact, the Police Department told CFAC that that additional hires had not been required from Wilkins 1. Moreover, data from the Town from 2024 (the full year) and 2025 (through July) show that calls for service were well below projections.

Wilkins 1/Calls for Service	NED Estimate	2024 Actual	2025 Actual (through Jul)
Annual calls/police	106	22	45
Annual calls/fire	20	17	10
Annual calls/EMS	31	6	16
Total calls	157	45	71

Schools: NED projected additional school expenses of \$140,000. This assumed Wilkins 1 would add 34 new school-aged children, 20% of whom would qualify as special education students. In fact, as shown in the table below, demands placed upon Barnstable Public Schools have been far less than anticipated. Nine students live at Wilkins 1, 5 of which were new students (the 4 others were already enrolled in BPS).

Wilkins 1/BPS	NED Estimate	2025 BPS Data
No.of students	34	9
No. of new BPS students	34	5
No. of SPED students	7	1
Barnstable expense	\$ 140,000	\$ 20,000

According to BPS, no increase in staffing was needed for these new students. Indeed, as BPS pointed out, having new students can help preserve or increase BPS’s Chapter 70 funding

because it helps keep total enrollment from decreasing. BPS also noted that it could not reveal how many of the five new students were special needs (for fear of violating privacy laws), but that the District-wide average was 18% or – applied to the 5 new students – 1 new special-needs student. The additional cost of such a student, according to BPS, is approximately \$20,000.

Other Expenses: NED projected other municipal expenses at \$100/per unit, for a total of \$27,200. The Town does not have available any data as to whether those additional costs were actually incurred.

Net Revenues

While actual revenues from Wilkens 1 were below projections, actual expenses were also lower than projected. As can be seen in the table below, net revenue (revenues minus expenses) was positive at approximately \$440k – about \$29k less than originally projected.

Wilkens 1/Net Revenues	NED Estimate	2025 Actual Town Revenue	Difference
Tax revenues	\$ 670,516	\$ 487,447	\$ (183,069)
Expenses			
--Police/fire/EMS	\$ 34,000	\$ -	\$ (34,000)
--Schools	\$ 140,000	\$ 20,000	\$ (120,000)
--Other	\$ 27,000	\$ 27,000	\$ -
Net revenues	\$ 469,516	\$ 440,447	\$ (29,069)
Note that there are no data to support the "Other" actual expense. We have therefore simply used the projected figure.			

WILKENS 2

Wilkins 2 is a proposed residential development of 320 units.

NED submitted its Fiscal Impact Analysis of Wilkins 2 on September 5, 2024. On June 6, 2025, NED revised its revenue and municipal cost estimates and provided responses to questions from the ZBA. Representatives from NED met with CFAC on August 4, 2025. NED's analysis is based on an assessed value of \$72MM and estimates the following revenue, municipal costs, and net Barnstable revenue.

Revenues

As with Wilkins 1, NED projected two primary sources of revenue from Wilkins 2: excise (motor vehicle) taxes and property taxes. CFAC believes that the motor vehicle estimate is too high while the property tax revenue may, in fact, be an underestimate.

Motor vehicle tax. NED projects that Wilkins 2 will generate motor vehicle excise taxes of \$206,975. CFAC believes this estimate is subject to the same methodological errors as with the Wilkins 1 projection.

According to the Town Assessing Department, the excise tax rate is \$25 for every \$1,000 of value. The average taxable value of a Barnstable automobile is \$5,838 while NED's fiscal impact analysis for Wilkins 2 uses \$17,000 as the taxable value. Using the \$5,838 value instead, this would generate \$71,078 in excise tax. If we assume 70% of the vehicles are new to the Town then the new tax generated would drop to \$49,755, as follows:

Wilkins 2/Motor Vehicle (Excise) Taxes	NED Estimate	CFAC Estimate (70% new)	Difference
Motor vehicle tax revenue	\$ 206,975	\$ 49,755	\$ (157,220)

Property tax. NED estimates that Wilkins 2 will generate \$645k annually in property taxes — \$478k of which goes to Barnstable, \$142k to the Fire District, and 14k to the Community Preservation Act, as shown in the table below.

Wilkins 2/Property Taxes	NED Estimate	CFAC Estimate	Difference
Assessed value Wilkins 1	\$ 72,000,000	\$ 72,000,000	\$ -
Property tax	\$ 478,800	\$ 478,800	\$ -
Fire	\$ 151,920	\$ 151,920	\$ -
Community Preserv Act	\$ 14,364	\$ 14,364	\$ -
Total	\$ 645,084	\$ 645,084	\$ -

Assuming that the assessed value is \$72MM , CFAC believes these estimates are correct.

However, NED’s assumption of a \$72MM cost to build Wilkens 2 may be incorrect; in the intervening months, prices have risen and – since the Project will take 20 to 24 months to construct — CFAC believes they may rise further. Indeed, Wilkens 1 was originally estimated to have an assessed value of \$52.2MM ; its actual assessed value is now over 20% higher, at \$63.3MM . If one were to assume that Wilkens 2’s actual assessed value was just 10% higher than projected, it would generate 10% more in property taxes, as shown in the table below.

Wilkens 2/Property Taxes	NED Estimate	CFAC Estimate at Higher Assmnt	Difference
Assessed value Wilkens 1	\$ 72,000,000	\$ 79,200,000	\$ 7,200,000
Property tax	\$ 478,800	\$ 532,000	\$ 53,200
Fire	\$ 151,920	\$ 168,800	\$ 16,880
Community Preserv Act	\$ 14,364	\$ 15,960	\$ 1,596
Total	\$ 645,084	\$ 716,760	\$ 71,676

Total revenue. The table below shows NED’s total estimated revenue versus CFAC’s estimate. CFAC expects motor vehicle taxes to be less than projected while (assuming a \$72MM assessment) property taxes are on target. As noted above, in the eventuality that the assessed value of the Project is greater than \$72MM , tax collections would increase.

Wilkens 2/Total Revenue	NED Estimate	CFAC Estimate	Difference
Motor vehicle tax revenue	\$ 206,975	\$ 49,755	\$ (157,220)
Property tax revenue	\$ 645,084	\$ 645,084	\$ -
Less: Fire	\$ (151,920)	\$ (151,920)	\$ -
Total revenue to Town	\$ 700,139	\$ 542,919	\$ (157,220)

Fire revenue is excluded because it goes to the separate Fire District.

Municipal Expenses

As with Wilkens 1, NED projects that Wilkens 2 would directly impact three different cost centers: Police/Fire/EMS, schools, and Other Expenses. NED projects total new expenses from Wilkens 2 to be \$263,465.

Police/Fire/EMS. NED assumed that additional staff would need to be hired, at a cost of \$65,000. In fact, the Police Department told CFAC that while it continues regular recruitment of officers (the Department is currently understaffed), it does not expect any additional hires to be hired as a consequence of Wilkens 2 – as was the case with Wilkens 1.

Schools: NED projected additional school expenses of \$160,000. This assumed Wilkens 2 would add 42 new school-aged children, 20% of which would qualify as special education students. As shown in the table below, representatives from the Barnstable Public Schools believe demand will be far less than NED projects, as shown in the table below, and that as a consequence it will not need to add additional staff or open a new classroom.

Wilkens 2/BPS	NED Estimate	BPS Estimate
No. of students	42	11
No. of new BPS students	42	6
No. of SPED students	8	1
Barnstable expense	\$ 160,000	\$ 20,000

Moreover, given BPS’s declining or flat enrollment, additional students may actually help with school revenue. BPS noted to CFAC that, “Having students enter can help to preserve our Chapter 70 funding values and could potentially result in a net positive for the BPS in keeping enrollment steady. The big financial impacts come when large projects arise when large numbers of students are expected and we’d have to scale up staff.”

Other Expenses: NED projected other municipal expenses at \$120/per unit, for a total of \$38,400. The Town does not have available any data as to whether those additional costs will actually be incurred, so CFAC accepts those estimates.

Net Revenues

The table below shows CFAC’s best estimates as to revenues and expenses compared to NED’s own projections.

Wilkens 2/Net Revenue	NED Estimate	CFAC Estimate	Difference
Tax revenues	\$ 700,139	\$ 542,919	\$ (157,220)
Expenses			
--Police/fire/EMS	\$ 65,000	\$ -	\$ (65,000)
--Schools	\$ 160,000	\$ 20,000	\$ (140,000)
--Other	\$ 38,400	\$ 38,400	\$ -
Net revenues	\$ 436,739	\$ 484,519	\$ 47,780
Note that there are no data to support the "Other" actual expense. We have therefore simply used the projected figure.			

CFAC expects that motor vehicles taxes will be below projections by \$157k but that property tax revenues will be at or (if the assessed value is greater than \$72MM) above projections.

However, CFAC also believes that actual expenses from Wilkens 2 will be below NED’s projections, meaning that annual net revenue (revenues minus expenses) will be positive at approximately \$485k — \$48k better than NED’s projections.

SUMMARY

CFAC credits NED for its thorough Fiscal Impact Analyses of the Phase 1 and Phase 2 Wilkens residential developments. However, CFAC disagreed in the following areas:

1. **Assessed value of completed Project.** Wilkens 1's estimated value was \$52.2MM, but its 2025 Barnstable assessed value is \$63MM. It is understandable that the increased construction costs during COVID contributed to the higher cost of the completed Project.

Meanwhile, NED projects Wilkens 2 to have an assessed value of no less than \$72MM. However, NED representatives agreed that the cost at the completion of the Project in 20 to 24 months will most likely be higher than \$72MM. This, of course, will redound to the Town's benefit as it would mean an increase in property taxes.

2. **Motor vehicle excise tax.** NED's estimate that Wilkens 1 would generate motor vehicle excise taxes of \$156,750 was predicated on the assumption that all the vehicles, with an average value of \$15,000, would be new to Barnstable. DMW and Assessing data indicate an average value of \$7,767. Moreover, not all vehicles will be new to Barnstable; CFAC believes 70% is a reasonable figure. If so, then actual collections would be \$34,950, \$121,806 less than estimated.

Similarly, NED's estimates Wilkens 2 will generate motor vehicle excise taxes of \$206,975 is based on the assumption that all the vehicles, with an average value of \$17,000, will be new to Barnstable. DMW and assessing data indicates an average value of \$5,838. Assuming 70% of the vehicles are new to Barnstable, this results in a revenue estimate of \$49,755, meaning that CFAC believes Barnstable will collect \$157,220 less than estimated.

3. **Police Department.** NED estimated that the Wilkens 1 and 2 Projects would require the addition of staffing to the Police Department. That does not appear to have been the case at Wilkens 1 and the Police Department does not expect any discrete new staffing needs as a result of Wilkens 2. This saves the Town \$65,000.
4. **Special needs students.** NED estimated that Wilkens 1 would add eight students at BPS as special needs, at a cost of \$20,000 per student, resulting in a cost of \$140,000. School Department data suggest that only one student is in the special needs program, with an actual cost of \$20,000. The difference between the Wilkens 2 estimate and School Department data is \$140,000.

Similarly, NED's estimates for Wilkens 2 are that eight new students at BPS will be classified as special needs, with a cost of \$160,000. The School Department estimates that one student will be in the special needs program. The difference between Wilkens 2 estimate and School Department estimate is \$140,000.

CFAC’s review of Wilkens 2 was based on the most reliable data available and estimates from Town staff. CFAC concludes that the financial impact of Wilkens 2 on the net Barnstable revenue will be greater than the NED estimates. The assessed value of Wilkens 2, when completed, will probably be more than the currently estimated \$72 MM. Similarly, the substantially lower motor vehicle excise revenue, compared with Wilkens’ estimates, is offset by the equally substantial savings from special needs students expense, when compared with Wilkens1 estimates. In addition, the development impact on police and fire/EMS services has been far below estimates.

Wilkens 2/Net Revenue	NED Estimate	CFAC Estimate	Difference
Tax revenues	\$ 700,139	\$ 542,919	\$ (157,220)
Expenses			
--Police/fire/EMS	\$ 65,000	\$ -	\$ (65,000)
--Schools	\$ 160,000	\$ 20,000	\$ (140,000)
--Other	\$ 38,400	\$ 38,400	\$ -
Net revenues	\$ 436,739	\$ 484,519	\$ 47,780
Note that there are no data to support the "Other" actual expense. We have therefore simply used the projected figure.			

CFAC notes that predictions of future financial impacts are estimates at best because numbers are imperfect and the future is unpredictable.

A number of commentators at CFAC’s public meetings regarding Wilkens 2 proposed other novel ways that the Town might be able extract additional payments and concessions from NED. However, CFAC's responsibility is to provide independent financial analysis. It is not to negotiate the terms of any project. Those are the roles of Town Council and Town staff.

In addition, commentators questioned the cost of wastewater disposal and questioned whether there should be a system development charge levied on Wilkens 2. CFAC was not asked to analyze this issue but rather defers to the Town Council and Zoning Board of Appeal’s judgment.

Finally, this analysis and the findings are impartial and should not be interpreted as a recommendation to the Zoning Board of Appeals to either approve or deny the special permit requested by the developer.

ACKNOWLEDGMENTS

CFAC would like to thank Town Finance Director Mark Milne, School Superintendent Sara Ahern, School Finance Director Chris Dwelley, Police Chief Jean Challies, Fire Chief Christopher Beal, and representatives of New England Development for their assistance in providing information and data in our review process.