

FISCAL IMPACT STUDY

132 FAIRGROUNDS LLC:
PROPOSED MULTI-FAMILY DEVELOPMENT
THE LOFTS AT FAIRGROUNDS

TOWN OF SOUTH KINGSTOWN, RI

PREPARED BY: JDL ENTERPRISES -
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INTRODUCTION ~

This Fiscal Impact Study (FIS) has been prepared to supplement a Major Land Development Application for a planned Multi-family Development. 132 Fairgrounds LLC proposed project is a 311-unit Residential Apartment Development, constructed in six (6) buildings accessed off Fairgrounds Road in South Kingstown, Rhode Island. A total of 78 units or 25% will be LMI Units. The project is located on AP #21-3– Lot #9 and comprises 20.22 acres+/-, and currently zoned IND-1.

The FIS will use the per capita multiplier method for estimating anticipated public revenues and expenses associated with the proposed development. The per capita multiplier is a generally accepted planning method to complete this study for review by the Town of South Kingstown. The FIS will attempt to estimate both future revenues and expenses utilizing past and present statistics and financial data from a variety of sources, to be noted.

SUMMARY ~

The Town of South Kingstown will realize total estimated Property Tax Revenues of \$479,728 from Property Taxes on an annual basis with the full development of the proposed 132 Fairgrounds LLC Multi-family project. By subtracting the total expense estimate of \$576,036 from the total anticipated revenue of \$479,728, the Town of South Kingstown will show net revenue loss of \$96,000 with regard to expenses and revenues on an annual basis with the full development of the Multi-family 132 Fairgrounds LLC project.

However, South Kingstown could possibly see a modest net revenue gain from the project, as the revenue deficit reflects average per-student costs, whereas the marginal cost of a few additional students (in this case projected at 9 students) can be minimal, especially in towns such as South Kingstown with declining enrollment, as illustrated on Page #5.

A total of 522 people (including nine (9) school age children) will be projected to be residents. Review of Conclusions contained within this report will substantiate the projected number of school age children from the multi-family residential portion of the development. The projected school-age children will be spread between the community's elementary, middle and high school, during any particular school year.

More importantly, the project will add a substantial number, 78 LMI units, towards the State Goal of 10% LMI.

Currently the Town of South Kingstown is at 5.20%.

BASELINE INFORMATION ~

In order to begin the FIS, baseline information needs to be presented, including; population, housing units, Town budget numbers, and school age children. The following table presents this information, and will establish per capita multipliers for South Kingstown, and this particular development proposal by 132 Fairgrounds LLC.

**TABLE # 1:
PER CAPITA MULTIPLIERS - BASE YEAR OF 2025 –
TOWN OF SOUTH KINGSTOWN**

	PUBLIC SCHOOL PUPILS	MUNICIPAL BUDGET	SCHOOL BUDGET	HOUSING UNITS +	POPULATION+
TOTAL	2,253	\$21,568,000*	\$55,994,000*	13,928	31,928
PER HOUSEHOLD	N/A	\$675*	N/A	2.29	N/A
PER PUPIL	N/A	N/A	\$24,854	0.16	

NOTES: * Source: Town of South Kingstown Budget: FY 2025-26 (includes Public Safety, Public Works and Leisure Services only.)

Pupils: School Superintendent’s Office as of October 1, 2024 (RI Dept of Ed)

School Budget is Town contribution to South Kingstown School District. Does not include contribution to the district from State of RI of \$5,689,000

+US Census Data – 2020 & HousingWorks RI 2024 Factbook

Therefore, in summary, the Per Capita Multipliers for South Kingstown are:

- Municipal Budget per capita.....**\$675**
- Revised Municipal Budget per capita**\$675**
- School Budget per capita**\$24,854**
- Population Multiplier per household**2.29**
- School age multiplier per household..... **0.16**

Revised Municipal Multiplier due to private services provided by the development and typical projected expenses will not occur as this site development is maintained by a private developer/owner versus typical residential development that has town roadways and public works related expenses on site. Cost of direct services related to new development, Public Safety (primarily Police), Public Works and Leisure Services (primarily Recreation).

132 FAIRGROUNDS LLC DEVELOPMENT ESTIMATES

Based on the per capita multipliers presented above, Table 2 presents the anticipated population projections for the 132 Fairgrounds LLC Residential Development:

**TABLE # 2: POPULATION PROJECTIONS -
PROPOSED 132 FAIRGROUNDS LLC DEVELOPMENT - 2025
TOWN OF SOUTH KINGSTOWN**

	PER UNIT	# OF UNITS	TOTALS
POPULATION – STUDIO APARTMENTS	1.50	89	134
POPULATION – 1 BDR APARTMENTS	1.50	130	195
POPULATION – 2 BDR APARTMENTS	2.10	92	193
TOTALS		311	522

* The per capita population estimates of 2.10 for the 2-bedroom units reflect national, regional and local residential housing data, particularly as illustrated in Appendix A & B, Addendum 1 and Addendum 2, and as described below from 132 Fairgrounds LLC. Estimates of per capita population for the 1-bedroom units and studio apartments are 1.50 per unit.

In order to determine the school age children that may result from a development such as proposed, normally it can be expected to mirror the national, regional and more closely, local state averages of 0.05-07 students per household, or 5-7 students per 100 households. To verify the number of school age children that may result from a development such as proposed, numerous studies over the past 10-15 years have shown this to be an average rate of school-age children.

Similar ratios have been determined to exist in numerous other Apartment Complex developments around the state. This is older data collected over the past 10-15 years.

Appendix A is a older compilation of the existing Apartment & Condominium developments in Smithfield, RI which also indicates similar ratios for school age children in that community.

Thus, to estimate the school age children that may result from the proposed residential development as proposed for 132 Fairgrounds LLC, it would be expected to mirror 0.07 students per household or 7 students per 100 households that have been determined to exist.

Addendum 1 discusses the type of school-age children to be expected from multi-family development, and particularly two (2) bedroom style units. In addition, Addendum 2 provides regional recent compilation of school-age children populations in multi-family developments. Using the slightly higher tabulations revealed by AR Building Company’s recent census of three RI multi-family projects of 10% or (10 school-age children per 100 units) may better reflect the reality of the housing situation currently. No school-age children are projected from the one-bedroom and studio units.

For the purposes of this report, a school-age multiplier of 0.10 or 10 students per 100 units will be utilized.

Proposed 311-Unit Development South Kingstown, Rhode Island by 132 Fairgrounds LLC

Using the higher number of 0.10, at 0.10 students per household (or 10 students per 100 units) **nine (9) students** would be expected from the residential development proposed within the 311 Fairgrounds LLC development contained within the design of the 92 two (2) bedroom apartment units proposed that typically do not attract or retain families with children as potential residents.

A total of **522** people (**including nine (9) school age children**) will be projected to be residents. Review of Conclusions from the Addendum will substantiate the projected number of school age children from the multi-family residential development. The chart below will illustrate the steady decline in enrollment in Suth Kingstown from 2015-2024 at nearly 1,000 less students. This declining trend is expected to continue for the next ten years. The projected school-age children will be spread between South Kingstown’s elementary, middle and high school, during any particular school year.

South Kingstown School Enrollment: 2015-2024 RI Dept of Education

<u>Year as of October 1</u>	<u>Enrollment</u>
<u>2015</u>	<u>3,249</u>
<u>2016</u>	<u>3,111</u>
<u>2017</u>	<u>3,069</u>
<u>2018</u>	<u>2,972</u>
<u>2019</u>	<u>2,882</u>
<u>2020</u>	<u>2,750</u>
<u>2021</u>	<u>2,608</u>
<u>2022</u>	<u>2,509</u>
<u>2023</u>	<u>2,348</u>
<u>2024</u>	<u>2,253</u>

132 FAIRGROUNDS LLC REVENUE ESTIMATES ~

Based on the projections presented above in Tables 1 & 2, Table 3 presents the projected total municipal revenue for the Project Development:

**TABLE # 3:
TOTAL PROJECT REVENUE PROJECTIONS -
132 FAIRGROUNDS LLC – BASE YEAR OF 2025
TOWN OF SOUTH KINGSTOWN**

	ASSESSED VALUE ⁺	TAX RATE *	UNITS	TOTAL REVENUE PER UNIT	TOTAL REVENUE
STUDIO - LMI	\$150,000	\$8.94/ \$1000	22	\$1,341	\$29,502
STUDIO - MKT	\$180,000	\$8.94 / \$1000	67	\$1,610	\$107,870
1 BDR - LMI	\$150,000	\$8.94/ \$1000	33	\$1,341	\$44,253
1 BDR - MKT	\$180,000	\$8.94 / \$1000	97	\$1,610	\$156,170
2 BDR - LMI	\$150,000	\$8.94 / \$1000	23	\$1,341	\$30,843
2 BDR - MKT	\$180,000	\$8.94/ \$1000	69	\$1,610	\$111,090
PROJECT GRAND TOTAL			311	6 buildings	\$479,728

+ Per 132 Fairgrounds LLC Blended average value for LMI and Market rate Units

* Per Town of South Kingstown Tax Assessor’s Office 2025 – Residential rate

Total gross revenue from the proposed 311-unit residential development comprising 6 multi-family buildings is: \$479,728.

ADDITIONAL REVENUE ~

There will be one-time fee revenue collected for Building Permits, Site Plan Review, and any other Town fees during the review and permit process.

132 FAIRGROUNDS LLC PROJECT EXPENSES ESTIMATES ~

Based on the per capita multipliers and population and school age children projections presented above, Table 4 presents the projected total municipal expenses for the 132 Fairgrounds LLC Development:

**TABLE # 4:
TOTAL PROJECT EXPENSES PROJECTIONS –
132 FAIRGROUNDS LLC PROJECT – RESIDENTIAL DEVELOPMENT
TOWN OF SOUTH KINGSTOWN - 2025**

	SCHOOL PUPILS	MUNICIPAL BUDGET	HOUSING UNITS	POPULATION
TOTAL	9	N/A	311	522
PER CAPITA	N/A	\$675*	Varies	N/A
PER PUPIL	\$24,854 ⁺	N/A	---	N/A
TOTAL EXPENSES	\$223,686	\$352,350	N/A	N/A

* Revised Municipal Multiplier due to private services provided by the development and typical projected expenses will not occur as this site development is maintained by a private developer/owner versus typical residential development that has town roadways and public works related expenses on site. Cost of direct services related to new development, Public Safety (primarily Police), Public Works and Leisure Services (primarily Recreation).

⁺ School Multiplier reflects Town contribution only and does not include RI State Aid contribution towards the total school budget.

Therefore, the actual cost to the Town for school and municipal expenses for the proposed residential project is **\$576,036.**

The municipal expenses highlighted above in Table 4 are conservative as some of that projected expense will not occur as this site development is maintained by a private developer/owner versus typical residential development that has town roadways and public works related expenses on site.

**132 FAIRGROUNDS LLC PROJECT ANTICIPATED
REVENUE AND EXPENSE COMPARISON~**

Based on information and statistics presented above in Tables 1-4, Table 5 presents a comparison of the projected total municipal revenue with total projected expenses for the 132 Fairgrounds LLC project, as anticipated:

**TABLE # 5:
132 FAIRGROUNDS LLC PROJECT
REVENUE AND EXPENSE COMPARISON –
BASE YEAR OF 2025 – TOWN OF SOUTH KINGSTOWN**

	TOTAL MUNICIPAL COSTS	TOTAL SCHOOL COSTS	TOTAL COSTS	TOTAL ESTIMATED REVENUE	NET RESULTS
TOTAL PROJECT	\$352,350	\$223,686 (9 students)	\$576,036	\$479,728	-\$96,308

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Joseph D. Lombardo, AI CP

JDL ENTERPRISES

DATE: September 2025

ADDENDUM 1 – CONCLUSIONS RE: MULTIFAMILY HOUSING & SCHOOL AGE CHILDREN

In order to determine and substantiate the number of school age children that may result from a residential development of apartments, normally it can be expected to mirror the national, regional, and more closely, local state averages. Empirical data collected over the past 10 years primarily in Rhode Island and a lesser degree from Connecticut, a ratio of 0.05 students per household, or 5 students per 100 households has been verified numerous times. To verify the number of school age children that may result from any such development that is to be newly constructed, in densities exceeding 50 units, contain one- and two-bedroom units, the selection of the developments to study over the years of research of similar type developments is key.

Usually this involves an inquiry to the local School Department or bus company to quantify the number of students residing in the various selected residential developments. This will produce a ratio of school age children per 100 units to be used as a multiplier. These ratios have been determined to exist in numerous Apartment developments throughout Rhode Island and Connecticut over the past 10 years.

Based on a study in October of 2011 by Community Opportunities Group, Inc. for the Town of Maynard, MA, the following findings and conclusions verify and substantiate the projection of a ratio of 0.05 students per household, or 5 students per 100 households:

- Statistics derived from the Census Bureau's new American Community Survey (ACS) indicates virtually no school-age children in one-bedroom units, and very few in two-bedroom multi-family units
- Households in new multifamily housing are quite different from their counterparts in older multi-family developments. The differences range from household size and composition to household income and employment characteristics. A key factor separating new from old developments is that the former are frequently designed to cater to childless households.
- The number of school-age children in new 132 Fairgrounds LLC project is driven primarily by the size of the dwelling units (number of bedrooms) and whether the units are subject to age restrictions. For non-age-restricted housing, two-bedroom units attract a mixed population, including some families with school-age children; and one-bedroom units rarely have dependent children, especially older children.

In addition to unit sizes, new multi-family developments have a lesser tendency to attract families based on:

- *Density.* Higher - density developments tend to have fewer children of any age than lower density developments. This seems to correlate with unit size because very high-density developments are usually dominated by one- and two-bedroom units.
- *Other choices in the housing market.* Since new multifamily developments are so often designed to discourage family occupancy, families seeking rental housing will choose other options if available in the same market area
- *Housing costs.* In a given market area, the higher the rent, the more likely it is that a renter household will not have school age children
- *Older multi-family dwellings* are more likely to house families with children because they are relatively small buildings with yards, and the rents (or Apartment & Hotel sale prices) tend to run below market. Families that can afford to own a home generally purchase one.

IN SUMMARY, statistics gathered in a broader manner for an entire community may not accurately reflect the anticipated number of school age children that will be residents of newly constructed, more-dense 132 Fairgrounds LLC project. Townwide averages blend all multifamily residents and do not account for the large differences that determine the choices a family with children will make based on age, density, amenities and most importantly, number of bedrooms. There have been a few studies completed in the three-state region (MA, RI & CT) during the past 10-15 years to assist any particular community to assess the impact of school age children that may reside in a proposed residential development. Given all the specific and detailed data collection prepared by JDL ENTERPRISES and the chosen methodology, there is a higher degree of confidence in predicting school age children for a new development, such as proposed for the Town of South Kingstown, RI than attempting to utilize generalized older studies that do not reflect the actual project being reviewed by the community.

ADDENDUM 2: School Aged Children – RI, MA & CT

Research of current similar developments within RI, MA & CT, plus regional studies on the influence of housing production on public school enrollment is summarized below and shows that the generation of school children by this type of development, and housing production in general over recent years, is insignificant.

A housing developer that has constructed residential housing in the three (3) state area, A.R. Building, has compiled data similar to the proposed type of development and illustrates that the 132 Fairgrounds LLC will not generate a high number of school children, mainly due to the smaller unit design and the lack of amenities such as playgrounds, activity rooms, etc. that would attract families with small children. A.R. Building did a survey of some of their local developments and found the following school children counts:

- 60 Mansfield – Semi-Urban 104 Unit Development of 1 and 2 bedrooms in New London, CT – 0 children
- Highland Hills – Suburban 198 Unit development of 1, 2 and 3 bedrooms - 19 children, (14) 6 or under
- Kettle Point – Urban 135 units leased (93 under construction) Development of 1 and 2 bedrooms – 10 children, (6) 5 or under
- Dowling Village – Suburban 88 Unit Development within a Commercial Shopping Center of 1,2 and 3 bedrooms - 2 children

This data shows a total of 31 children (11 school age) over 525 units, or an average of 0.06 total children per unit.

More recent tabulations by AR Building Company, Inc for several RI Projects reveal:

School Student + Residents by Community - April 2023				
RI Communities	Units	Residents	Number of School Aged Children	% of School Aged Children/unit
Reynolds Farm		160	16	
Reynolds Farm 2		220	7	
Reynolds Farm Total	225	380	23	10.2%
Kettle Point		240	2	
Kettle Point 2		168	9	
Kettle Point Total	216	408	11	5.1%
Highland Hills		260	12	
Highland Hills 2		134	10	
Highland Hills Total	198	394	22	11.1%
Dowling Village	88	165	8	9.1%

In October of 2017, the *Massachusetts Metropolitan Area Planning Council* released a report titled “The Waning Influence of Housing Production on Public School Enrollment in Massachusetts” (can be provided if requested). The study analyzed 234 Massachusetts school districts and found no relationship between housing production and school enrollment growth. The executive summary states the following:

One of the most widespread worries about new housing development, especially in suburban communities, is that it will drive up school enrollment. Many local officials and residents assume that new housing, and especially new multifamily housing, will attract families - families with children who will inevitably increase enrollment in the local public schools - creating additional education costs outweighing any new revenue the housing generates.

These apprehensions are rooted in the demographic and development patterns of the late 20th century, when Baby Boomers were in their prime child-rearing years. Their residential choices caused housing stock, enrollment, and school expenditures to grow quickly in many suburbs. Many communities even considered limiting housing development in hopes of curbing school budget increases and the need for more tax revenue.

Over the past 15 years, however, multiple studies have examined the enrollment and fiscal impacts of individual housing developments and found that concerns about those impacts are commonly overstated. To complement this work, MAPC examined housing permit and enrollment trends across 234 public school districts over the past 6 years, from 2010 to 2016, inclusive.

We find that the conventional wisdom that links housing production with inevitable enrollment growth no longer holds true. At the district level, we observe no meaningful correlation between housing production rates and enrollment growth over a six-year period. While it is true that schoolchildren occupying new housing units may cause a marginal change in enrollment, they are one small factor among many. In cities and town with the most rapid housing production, enrollment barely budged; and most districts with the largest student increases saw very little housing unit change. The rate of housing unit growth is not a useful predictor of overall enrollment change, nor is rapid housing development a precondition to sudden enrollment increases. It appears that broad demographic trends, parental preferences, and housing availability now play a much larger role in enrollment growth and decline. Our findings raise important issues related to capital planning, education finance, and housing incentive programs.

Appendix A
APARTMENT & CONDO COMPLEXES
SCHOOL AGE CHILDREN (SAC)
Town of Smithfield, RI

<u>Condo</u>	<u>Total #</u> <u>Units</u>	<u>Student total</u>	
Apple Valley Condo	74	7	
Apple Valley Estates	48	3	
Autumn Run	86	5	
Cedar Crest	38	2	
Homestead Mills Apts.	125	14	
Orchard Meadow	94	5	
Pheasant Run	94	4	
Pleasant View condos	54	8	
Shadowbrook	68	1	
Stonehenge	48	1	
Tamarac	84	5	
Timberlane	84	5	
Village at Summerfield (Detached 1- fam.)	125	2	
Village in the Woods (Detached 1- fam.)	<u>31</u>	<u>11</u>	
	1053	73	0.069326
			Students Per Unit Average

Source: Unit Count - Smithfield Planning Department

Student count by development provided by Smithfield School Department - October 2014