



Hanscom AFB “Mission Expansion Plan”

Summary

GUIDING PRINCIPLES:

- For technology-focused missions, proximity to relevant intellectual capability is critical to military capability. Therefore, the preservation and enhancement of Hanscom Air Force Base (Bedford, MA) is critical to maximizing the military capability of C4ISR* programs.
- Hanscom AFB can expand its footprint cost effectively to accommodate additional missions and become the “cross-service center of excellence” for the development of the next generation of C4ISR military technology.

Demonstrating the military value of the Hanscom AFB’s proximity to this region’s technology cluster is MassDTI’s primary objective. It is clear that capability to absorb new missions will remain a central feature of the 2005 BRAC evaluation process, and is therefore a critical component of the effort to preserve the base.

KEY FEATURES:

<i>New Mission Area</i>	1,250,000 SF	56% increase
<i>New Employees (direct mission-related positions)</i>	4,000	91% increase
<i>New Housing Units</i>	800	94% increase
<i>Infrastructure Improvements</i>	Hartwell Ave. traffic mitigation	\$4.1 million
<i>Total Project Cost</i>	\$409.7 million	
<i>MA Annual Debt Service (General Obligation Bond)</i>	\$ 16.5 million	

* Command, control, communications, computer, intelligence, surveillance and reconnaissance technologies

(OVER)

FINANCIAL OVERVIEW:

Total Project Cost (millions)	\$ 409.7
- Mission/Infrastructure	241.6
- Housing (self-funded)	168.2
Financing Needed	\$ 241.6
Annual Debt Service	\$ 16.5
Direct & Indirect Tax Revenue:	
Existing Tax Revenue	\$ 40.9
Projected New Tax Revenue	\$ 25.2
Total Hanscom AFB Tax Revenue	\$ 66.1
Less: Debt Service	(\$ 16.5)
Surplus (Deficit)	\$ 49.6
Direct Jobs Only:	
Existing Tax Revenue	\$ 15.2
Projected New Tax Revenue	\$ 7.4
Total Hanscom AFB Tax Revenue	\$ 22.6
Less: Debt Service	(\$ 16.5)
Surplus	\$ 6.1
Return on Investment (tax revenue to debt service)	1.37 : 1

CONCLUSIONS:

- If Massachusetts does *not* invest in expanding the mission capacity of Hanscom Air Force Base and it is closed, the state would lose an estimated 5,750 jobs at the base and \$15.2 million in annual income tax revenues. The total projected impact of those job losses rippling through the economy: the elimination of 15,000 jobs and a reduction in state income tax revenue by \$40.9 million annually.
- Direct investment of state funds to preserve and enhance Hanscom AFB would pay for itself, generating annual return on investment in total tax revenue of 1.37:1.
- The addition of 4,000 highly skilled and good-paying jobs in Massachusetts would enhance the quality of the state's employment base and boost its economy substantially.