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ATTACHMENT 7**Cash Flow Estimates Related to Lot 5 Development**

	Year 1	Year 5	Year 10	Year 20
Parking Revenues from Garage	430,000	484,000	561,000	650,000
Costs related to Lot 5	(30,000)	(34,000)	(39,000)	(45,000)
Net Revenue	400,000	450,000	522,000	605,000
Additional Property Tax Revenue				
Property Value - 75,665,000, General Fund	180,000	416,000	531,000	678,000
Property Value - 75,665,000, Transportation Fund	18,000	42,000	54,000	69,000
Property Value - 75,665,000, Downtown Service District	34,000	83,000	106,000	135,000
Additional Sales Tax				
Assumed Increase in Sales \$10 million	63,000	77,000	98,000	125,000
Total Available	695,000	1,068,000	1,311,000	1,612,000
Cost of Debt Service				
\$7,245,000 borrowed at 5%	725,000	652,050	561,488	380,363
Difference Between Available Revenue and Debt Service	(30,000)	415,950	749,513	1,231,638
Replacement Revenue - Lot 5	(270,000)	(304,000)	(352,000)	(408,000)
Replacement Revenue - Wallace Deck - 21 spaces for affordable housing units	(41,000)	(46,000)	(53,000)	(61,000)
Cash Flow	(341,000)	65,950	344,513	762,638

NOTES AND ASSUMPTIONS

- After initial increase in parking revenues, estimated at 43%, parking revenues increase at 3% annually.
- Property values increase by 5% annually, and the increases are captured every 4 years at revaluation.
- Sales taxes increase by 5% annually.
- Cash flow becomes positive in about year 4, depending on the timing of the start of the project.
- Because of the timing of the receipt of property taxes, the Town could need as much as \$570,000 or as little as \$110,000 in the first year to cover costs. In the projections above, we have assumed that the construction would be 50% complete at the time of property tax assessment pertaining to year 1 shown above. The Off-Street Parking Fund could absorb the costs until the project yields a positive cash flow in about year 4, under the assumptions above.
- The 21 affordable housing units would be allocated a parking space each in the Wallace Deck. Those spaces would not be available for hourly parking. Possible revenues from leasing those spaces is not included in the calculations above.