

Article 17:

Acquisition and Construction of a Downtown Parking Lot

- Approximately two acres of land, in the I-2 zone (industrial manufacturing / multi-family)
- One-half acre could be used for parking, yielding approximately 50 parking spaces
- The rest of the land would remain as green space
- Development would be subject to a special permit
- Asking price is \$850,000. Estimate to construct parking lot is \$340,000.
- Proposed funding sources are existing funds and borrowing

<u>Estimated Costs</u>		<u>Estimated Revenues</u>	
Purchase	\$850,000	Spaces	50
Construction	\$340,000	Rate per day	\$2.00
Total costs	\$1,190,000	Days charged per week	5
		Occupancy rate	50%
<u>Funding sources:</u>		Revenue per year	\$13,000
Sale of real estate fund	\$325,000	Less current tax revenue	-\$9,300
Borrowing	\$865,000	Net revenue year 1	\$3,700
Total sources	\$1,190,000		
Parking spaces	50		
Construction / space	\$6,800		
Total cost / space	\$23,800		
Avg. Annual debt service	\$72,000		
Est. Annual operating costs	\$10,000		
Total annual costs	\$82,000		
Total annual cost / space	\$1,640		
Impact of annual debt service, on tax			
bill of a typical \$350,000 home = \$16.50			

- Town could explore, as an alternative, leasing currently vacant parking elsewhere in downtown, for costs of approximately \$1,000 per space per year
- But a lease is not a permanent increase to parking supply, and that leased parking space could be developed into a higher and better use instead of parking
- There are about 1,300 parking spaces downtown. About half are controlled by the Town, in public lots and an on-street spaces.
- Current ground floor establishments would require about at least 1,400 parking spaces under conventional zoning, plus total residential units in downtown may be as high as 300.

