Impact of Property Tax Appeals

- Existing property is the Borough's largest taxpayer representing around 10% of the total ratable base
- Adjustment to market value will reduce ratable base by between 5.5% and 9%

Reduction in Revenue		
Low	$	3,100,000
High	$	4,300,000
10-Year Annual Debt Service		
Low		$1,800,000
High		$2,700,000
Combined		
Low	$	4,900,000
High	$	7,000,000
2022 Levy	$	55,708,426
2022 Municipal Levy	$	19,712,869
Average Tax Bill	$	9,259

Debt Service alone can represent between 9% and 13.5% of the municipal levy.

PILOT Need

	Retail	Residential			
Project	**Phase I**	**Phase I**	**Phase II**	**Phase III**	**Combined**
Units		332	332	336	
Market		291	291	294	
Affordable		42	42	42	
Total Project Cost	$ 189,347,693	$ 111,108,204	$ 114,827,497	$ 116,799,803	$ 532,083,197
Gross Revenue	$ 19,504,825	$ 9,763,169	$ 9,958,432	$ 10,078,413	$ 49,304,840
Operating Expenses w/o Taxes	$ (3,795,549)	$ (2,440,792)	$ (2,489,608)	$ (2,519,603)	$ (11,245,553)
NOI w/o Taxes	$ 15,708,510	$ 7,322,377	$ 7,468,824	$ 7,558,810	$ 38,058,520
Taxes	$ (3,717,281)	$ (1,944,866)	$ (1,944,866)	$ (1,944,866)	$ (9,551,880)
NOI	$ 11,991,229	$ 5,377,510	$ 5,523,958	$ 5,613,944	$ 28,506,641
Conventional Taxes					
Value	$ 171,303,268	$ 89,625,172	$ 92,065,965	$ 93,565,728	$ 446,560,133
Net Value	**$ (18,044,425)**	**$ (21,483,032)**	**$ (22,761,533)**	**$ (23,234,074)**	**$ (85,523,064)**
Yield on Cost	**6.33%**	**4.84%**	**4.81%**	**4.81%**	**5.36%**
PILOT					
Value of PILOT	$ 35,115,464	$ 18,787,951	$ 19,113,285	$ 18,958,311	$ 91,975,010
Adjusted Net Value	$ 17,071,039	$ (2,695,081)	$ (3,648,248)	$ (4,275,764)	$ 6,451,946
Yield on Cost	7.58%	5.89%	5.81%	5.78%	6.41%

Project yields at conventional taxes do not justify investment.

Negative net values prevent project feasibility.

10 Year Project Impact

No Redevelopment

Tax Revenue	$	11,885,922
Tax Appeal Debt Service		($22,747,075)
Net Revenue	**$**	**(10,861,152)**

PILOT

PILOT Payments	$	25,383,588
Redevelopment Fees	$	12,590,753
Net Revenue	$	37,974,341

Benefit of Redevelopment	**$**	**48,835,494**

Ten-Year Projection

Year	Total Payments	Land Taxes	Redevelopment Fee	PILOT	Remaining PILOT
2023	$ 4,570,338	$ 1,085,500	$ 3,484,838	$ -	$ -
2024	$ 4,570,338	$ 1,107,210	$ 3,463,128	$ -	$ -
2025	$ 4,335,500	$ 1,129,354	$ 3,206,146	$ 559,202	$ -
2026	$ 4,135,500	$ 1,151,941	$ 2,099,076	$ 2,036,424	$ 884,483
2027	$ 3,835,500	$ 1,174,980	$ 335,077	$ 3,500,423	$ 2,325,443
2028	$ 3,640,727	$ 1,198,480	$ -	$ 3,743,798	$ 2,545,318
2029	$ 3,698,472	$ 1,222,449	$ -	$ 3,804,370	$ 2,581,921
2030	$ 3,819,482	$ 1,246,898	$ -	$ 3,866,154	$ 2,619,256
2031	$ 3,895,872	$ 1,271,836	$ -	$ 3,929,174	$ 2,657,337
2032	$ 3,973,789	$ 1,297,273	$ -	$ 3,993,454	$ 2,696,181

Year	County Share	Municipal Share	Local School	Regional School	Total
2023	$ 138,000	$ 3,868,838	$ 351,500	$ 212,000	$ 4,570,338
2024	$ 140,760	$ 3,854,808	$ 358,530	$ 216,240	$ 4,570,338
2025	$ 143,575	$ 3,605,659	$ 365,701	$ 220,565	$ 4,335,500
2026	$ 190,671	$ 3,346,838	$ 373,015	$ 224,976	$ 4,135,500
2027	$ 265,648	$ 2,959,902	$ 380,475	$ 229,476	$ 3,835,500
2028	$ 279,629	$ 2,842,020	$ 388,084	$ 234,065	$ 3,743,798
2029	$ 284,506	$ 2,885,271	$ 395,846	$ 238,746	$ 3,804,370
2030	$ 289,481	$ 2,929,388	$ 403,763	$ 243,521	$ 3,866,154
2031	$ 294,556	$ 2,974,388	$ 411,838	$ 248,392	$ 3,929,174
2032	$ 299,732	$ 3,020,287	$ 420,075	$ 253,360	$ 3,993,454