

MEMORANDUM

To: Dave Corliss, Town Manager

From: Trish Muller, Finance Director

Title: Riverwalk update – Projected Revenue Compared to Actual Revenue

The public assistance agreement for the Riverwalk mixed-use development was approved by Town Council on second reading on May 16, 2017. The sales tax and property tax increments are summarized below.

Sales Tax

Year	Riverwalk Projected Sales Tax	Riverwalk Actual Sales Tax	Riverwalk Projected % to Actual
2018	\$ -	\$ -	n/a
2019	38,987	19,027	-51%
2020	80,312	142,320	77%
	<u>\$ 119,299</u>	<u>\$ 161,347</u>	35%
2021	82,721	TBD	

Riverwalk will capture 2.7% of the Town's 4.0% sales tax rate through the mechanism by which a Credit Public Improvement Fee. The Credit PIF will expire when the aforementioned \$11,500,000 cap is reached or 2042, whichever occurs first.

Property Tax

Year	Riverwalk Projected Property Tax	Riverwalk Actual Property Tax	Riverwalk Projected % to Actual
2018	\$ -	\$ -	n/a
2019	-	-	n/a
2020	250,637	202,429	-19%
	<u>\$ 250,637</u>	<u>\$ 202,429</u>	-19%
2021	421,862	570,010	35%

Riverwalk will capture 75% of the incremental property tax generated on the real property which constitutes the Project. This property tax pledge will expire either in 2038 or when the aggregate incremental property tax payment and Credit PIF reaches \$11,500,000, whichever occurs first.

Based on the information noted above for the financial considerations in the Riverwalk Redevelopment Agreement, the development appears to be generating more sales tax and property tax increment than originally projected in 2017.