

Public Safety Facility and Community Park
Property Tax Impacts

The proposed Public Safety Facility and Community Park total project cost is \$2,900,000. If financed by a bond over 20 years at current interest rate of 3.515%, the first year principal and interest payment would be \$241,062. The way municipal bonds are set up, the annual payments are higher in the beginning and decline over time-they are not the same over the life of the loan. In the case of this proposed bond, the annual payment at year 10 would be \$210,860 and at year 20, when it retires, \$151,844.

Bond payments would be reduced by any Fire and Police Impact Fees collected from new development. Currently there is \$58,500 reserved for this project from Impact Fees.

If the current Hinesburg grand list of \$5,093,563 is assumed to be the same in future years, the first year property tax impacts to pay the bond payment of \$241,062 results in a Municipal tax rate increase of \$0.0473. Impacts for different property valuations showing this increase are shown below for first year, year 10 and year 20 (Without deductions from Impact Fees-worst case scenarios)

	First Year	Year 10	Year 20
\$100,000 property valuation would be responsible for	\$47	\$41	\$30
\$200,000 property valuation would be responsible for	\$95	\$83	\$60
\$250,000 property valuation would be responsible for	\$118	\$103	\$75
\$300,000 property valuation would be responsible for	\$142	\$124	\$89