

# Economic Loss from Opposition to Kardon Park Project

February, 2011		
<b>Lost Cash to Borough of Downingtown:</b>		
<b>Base Price for Land</b>	\$2,360,500	would have been received June 2009
<b>Lost State Grant Proceeds</b>	\$735,000	for capping the site. Grant funds will expire completely July 1 2011
<b>Lost Additional Land Sale Proceeds</b>	\$199,063	Additional land purchase price to Borough equal to 2.5% of gross sale proceeds from 30 homes that did not settle
<b>Lost Fees and Transfer Tax Revenue from homes that did not settle in 2010</b>	\$347,850	Sewer and water fees \$171,000; building permit fees \$66,000; transfer taxes to Borough \$36,750; fees from commercial space taxes, sewer and water usage
<b>Lost Property Taxes and Earned Income Taxes</b>	\$72,465	Property taxes, earned income taxes, business earned income and local services employee taxes
<b>Lost Investment income</b>	\$45,450	On cash not received or additional interest expense on borrowings incurred to fund fire station - net of sale proceeds on Minquas building
<b>Cost of Legal Fees</b>	\$60,000	Lawsuits from Friends of Kardon Park, Ann Feldman, Ann Feldman's mother Marion Ungrich, Evelyn Hopkins and Kim Manufacturing plus separate lawsuit in East Caln from Ann Feldman to oppose the development of the Borough's 7 acre trash yard
<b>Tax increase to Borough Taxpayers in 2010</b>	\$180,000	Represents 1/2 mil that would not have been necessary to impose had proceeds been received from development. Figures approximate.
<b>TOTAL</b>	<b>\$4,000,327</b>	
<b>AMOUNT PER BOROUGH TAXPAYER</b>	<b>\$1,601</b>	2,499 tax payer units, excludes exempt and vacant properties
	<b>PLUS:</b>	
<b>Lost Cash to Downingtown Area School District</b>	\$41,355	Half year average on 30 homes plus transfer tax from initial sales \$20,353
<b>Lost Cash to Chester County</b>	\$85,448	Pro-rated property taxes for time period plus one time transfer taxes on initial sales of \$81,413
<b>Cash Lost to East Caln Township</b>	\$39,692	Pro-rated annual tax revenues for the period, \$3,362 plus one time fees from initial units constructed, \$15,977, plus transfer tax from initial sales: \$20,353
<b>Jobs Not Created</b>	185	145 construction jobs and 40 permanent commercial jobs in complex on PA Ave- rough estimate
<b>Traffic Improvements Not Built</b> 4 way intersection at Green St and PA Avenue with traffic light, subject to PA DOT approval; intersection improvements at Wallace and PA Ave to improve traffic flow; traffic calming on Green St and PA Ave to ease pedestrian crossing: new sidewalks, parking bumpouts and landscaped median.		
<b>Park Improvements not Built:</b> 75 new parking spaces - net addition of 50 over present; rebuilding Lions' Trail and extending through currently inaccessible open space; revitalizing ponds with fresh water, capping contaminated areas		
<i>Source: Progressive Housing Ventures, Borough of Downingtown, and Fiscal Impact Analysis for Kardon Park Development prepared by Ray Ott &amp; Associates, West Chester, PA</i>		