

If members of the public wish to attend the workshop digitally the link is below in yellow.
The workshop will go on in person regardless of technical difficulties with Zoom.

WINTER PARK TOWN COUNCIL WORKSHOP

Winter Park Town Hall - 50 Vasquez Road
Tuesday, January 16, 2024
3:00 p.m.



WORKSHOP AGENDA

1. Grand County Wildfire Update (3:00 p.m. – 3:10 p.m.)
2. EPS – Revenue Forecasting Presentation (3:10 p.m. – 3:40 p.m.)
3. Slate Communications 2024 Work Plan (3:40 p.m. – 4:15 p.m.)
4. Other Items to Discuss (if time allows)

You are invited to a Zoom webinar.

When: January 16, 2024 3:00 PM Mountain Time (US and Canada)

Topic: Town of Winter Park Workshop

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_DWzbonYxRzOczSD94EVv3w

Report

Development Revenue Forecast

The Economics of Land Use



Prepared for:
Town of Winter Park

Prepared by:
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January 11, 2024

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1. Introduction and Summary of Findings

The Town of Winter Park is in a financial planning process to evaluate its revenues against a list of capital projects it would like to fund. The projects include mobility and placemaking investments along Highway 40. The Town is experiencing an increase in real estate development and would like to consider how much new revenue the Town will see, and how much of that could be directed towards capital projects.

The Town hired Economic & Planning Systems (EPS) to prepare a development and revenue forecast to inform the budgeting and capital planning process. The analysis focuses on known development projects expected to be built over the next five years, to minimize the amount of speculation in the forecasts. This Report summarizes that analysis and is divided into the chapters listed below.

1. Introduction and Summary of Findings
2. Development Project Inputs – Contains the real estate project development forecasts and market value estimates.
3. One-Time Revenues – Summarizes the calculations and forecasts for real estate transfer revenues from initial developer sales.
4. Annual Revenues – Contains the calculations and forecasts for the Town’s general fund property tax, sales tax, and accommodations tax.
5. Revenue Forecast – Compiles revenues by source into a forecast of available revenues. Also presents two sensitivity analyses with a potential allocation of revenues to capital projects.

Summary of Findings

- 1. There is a surge of new development in Winter Park that will increase the Town's dwelling unit count by nearly 20 percent over the next five years.***

There are 12 major development projects approved for a total of 876 dwelling units, of which 231 are built, leaving 645 units unbuilt. EPS and Town staff have estimated that just over 500 units will be built in the next five years. The projects with the most expected construction are Roam (125 units); Rendezvous (62 units); and Soujourn at Idlewild (147 units). As of 2021, the Town had 2,784 housing units. The major projects are forecasted to add just over 500 new units to the Town, which is an 18 percent increase.

- 2. The revenue forecasts suggest that the Town can consider budgeting \$15.0 to \$20.0 million to capital projects over the next 10 years.***

EPS forecasted annual revenues and one-time revenues generated by the forecasted development projects from 2023 through 2032. The annual revenues are comprised of property tax, sales and accommodations tax, and real estate transfer taxes and fees. One-time revenues accrue only during construction and include the real estate transfer revenues and fees from the initial developer to owner sales.

The Town's latest estimate for the major annual 2023 revenues as of this writing (mid-December 2023) is \$13.3 million as shown in **Table 1**. In 2032, we have forecasted an increase to these major General Fund revenues ranging from \$2.8 to \$3.7 million per year, approximately 20 to 30 percent above the 2023 current revenues. A portion of the increased revenues each year could be considered to be available to fund debt service for bonding capital improvements.

Table 1. Summary of General Fund Revenue Forecasts

Revenue	Budget Est. 2023	New Revenue		
		Baseline Forecast 2032	2.0% Inflation 2032	Inflation and Uncertainty 2032
GENERAL FUND				
Annual Revenue (2023 Base + Forecast)				
Property Tax	\$650,000	\$132,765	\$158,666	\$142,800
Sales tax on accommodations (1.0%)	650,000	81,263	97,116	72,837
Sales tax on accommodations (4.0%)	2,600,000	325,051	388,466	291,349
5% Sales Tax (4.0% + 1.0% supplemental)	7,300,000	1,011,840	1,209,242	906,932
1.0% RETT	2,000,000	845,030	1,009,889	757,417
1.0% RETA	<u>125,000</u>	<u>724,310</u>	<u>865,617</u>	<u>649,213</u>
Total Major Revenues	\$13,325,000	\$3,120,258	\$3,728,997	\$2,820,548
% Increase over 2023 Base		23%	28%	21%
10-Year Cumulative				
Ongoing Revenues		\$18,264,677	\$20,663,258	\$15,635,895
One-Time Revenues		<u>11,962,820</u>	<u>12,561,869</u>	<u>11,305,682</u>
Total		\$30,227,497	\$33,225,127	\$26,941,576

Source: Economic & Planning Systems

Cumulatively, total revenues from new development (annual plus one-time revenues) are forecasted to be \$30.0 to \$33 million over 10 years. However, although this new development is generating additional revenues, the Town will incur continued and increased service demands. To be conservative in budgeting, the Town may want to consider allocating only a portion of the projected revenue increases to capital projects. If the Town allocates half of the projected increases to projects, it would be in the range of approximately \$13.0 to \$15.0 million over 10 years as shown in **Table 2**. This assumes the revenues are allocated to projects on a pay as you go basis, rather than pledged against borrowing.

Table 2. Potential Allocation of Revenues to Capital Projects

2023-2032 Cumulative Development Revenue Scenario	Revenue Type	2023-2032 Revenues	Capital Project Allocation	Amount
No Escalation or Adjustments	Annual	\$18,264,677	50%	\$15,113,748
	One-Time	<u>11,962,820</u>		
	Total	\$30,227,497		
2.0% Escalation	Annual	\$20,663,258	50%	\$16,612,563
	One-Time	<u>12,561,869</u>		
	Total	\$33,225,127		
2.0% Escalation and Speculation Discounts	Annual	\$15,635,895	50%	\$13,470,788
	One-Time	<u>11,305,682</u>		
	Total	\$26,941,576		

Source: Economic & Planning Systems

The Town can consider issuing debt (a bond or other loan) to finance projects sooner compared to a pay as you go approach.

- If the Town uses financing, it could generate funds for project earlier than if they are funded as revenues accrue (pay as you go). A very approximate estimate of a range of bonds supported by the revenue increases is shown in **Table 3**. EPS is not a certified Municipal Advisor and cannot advise the Town on issuing or buying securities.
- Pledging \$1.0 million per year would generate approximately \$12.6 million in bond proceeds. A \$1.5 million annual revenue pledge would support \$18.9 million, and \$2.0 million per year would support \$25.3 million.

Table 3. Estimated Revenue Bond Capacity

Description		Factors		
Revenue Stream to be Bonded		\$1,000,000	\$1,500,000	\$2,000,000
Estimated Net Revenue Available for Debt Service				
Total Annual Revenue		\$1,000,000	\$1,500,000	\$2,000,000
Estimated Annual Administrative Costs ¹	1.00%	\$10,000	\$15,000	\$20,000
Debt Coverage	1.25	\$198,000	\$297,000	\$396,000
Net Revenue Available for Debt Service		\$792,000	\$1,188,000	\$1,584,000
		\$66,000		
Estimated Total Bonds²				
Capitalized Interest	0 months	\$0	\$0	\$0
Bond Reserve Fund	1 yr D/S	\$790,000	\$1,190,000	\$1,580,000
Formation & Issuance Costs	2.00%	\$270,000	\$410,000	\$550,000
Estimated Total Bond Proceeds (Net of Issuance Costs)²		\$12,640,000	\$18,940,000	\$25,260,000

Note: Assumes the following bond assumptions:

30 year term and

a 4% interest rate

¹Assumed an administrative fee of 1 percent of the annual revenues available for debt service.

²Rounded to the nearest ten thousand.

Source: Economic & Planning Systems

3. The Town will see increased revenues towards affordable housing and transit.

For the Housing Fund, voters approved Measure 2A in 2023 which is estimated to generate \$1.2 million per year according to estimates the Town prepared for the ballot measure. The new development projects could increase this by potentially \$150,000 to \$200,000 per year and over \$1.0 million cumulatively over 10 years. From new development, the 0.5% RETA could grow by \$238,000 to \$266,000 annually by 2032 and bring in roughly \$2.5 to \$3.0 million more over 10 years.

The new development projects will also contribute to growth of the Transit and Trails sales tax, generating \$500,000-\$680,000 above baseline revenues.

Table 4. Dedicated Housing, Transit, and Trails Revenues from New Development

Revenue	Budget Est. 2023	New Revenue		
		Baseline Forecast 2032	2.0% Inflation 2032	Inflation and Uncerntainty 2032
OTHER FUNDS				
Transit and Trails 2.0% Sales Tax	\$4,180,000	\$567,251	\$677,917	\$508,438
% Increase over 2023 Base		13.6%	16.2%	12.2%
Housing				
Measure 2A Accom. Tax (Housing)	\$1,200,000	\$162,525	\$194,233	\$145,675
% Increase over 2023 Base		13.5%	16.2%	12.1%
Housing 0.5% RETA	\$625,000	\$266,155	\$318,080	\$238,560
% Increase over 2023 Base		42.6%	50.9%	38.2%
Total		\$428,680	\$512,313	\$384,235

Source: Economic & Planning Systems

2. Development Project Inputs

This chapter summarizes the real estate project construction forecasts and market (taxable) value per unit estimates for each project. The projects considered are known projects that have already started to develop, or are approved and expected to begin construction over the next five years. The analysis does not consider development beyond that time horizon to minimize speculation and reduce the risk of over estimating revenues.

Project Construction Forecast

Town staff and EPS estimated the number of units in each project expected to be built from 2023 through 2027 based on recent construction history as well as input from project representatives and knowledge of project status.

The major development projects are approved for a total of 876 dwelling units, of which 231 are built, leaving 645 units unbuilt (**Table 5**). It is estimated that 356 single unit homes and townhomes/duplexes will be built from 2023 through 2027, and 150 multiunit/condominium units. In total, just over 500 units are forecasted in the next five years, or approximately 120 to 140 units per year. The projects with the most expected construction are:

- Roam: 101 single unit homes and 24 condos
- Rendezvous: 62 townhomes
- Soujourn at Idlewild: 65 townhomes and 82 condos

Table 5. Forecasted Certificates of Occupancy by Project, 2023-2027

Project	Type	Units Approved	Units Built	Remaining Units	2023	2024	2025	2026	2027	Total 2023-2027
Single Family/Town Homes										
Roam	TH	136	35	101	6	32	21	21	21	101
Lakota North Village	SFD	143	0	143	0	0	5	10	10	25
Rendezvous at Winter Park	TH	62	0	62	5	15	14	14	14	62
Sojourn at Idlewild	TH	134	0	134	0	5	20	20	20	65
Arrow	TH	35	35	0	0	0	0	0	0	0
Lake Trail Townhomes	TH	16	16	0	0	16	0	0	0	16
Retreat at Atlas (aka Snow Creek)	TH	23	0	23	0	0	8	8	8	23
Whistlestop Townhomes	TH	22	10	12	2	6	4	0	0	12
Hideaway Junction (deed restricted)	SFD	20	0	20	10	10	0	0	0	20
Lions Rock	TH	12	0	12	0	4	8	0	0	12
Riverwalk Tract F	SFD	32	0	32	0	5	5	5	5	20
Subtotal		635	96	539	23	93	85	78	78	356
Multifamily/ Condominiums										
Roam		111	87	24	0	0	24	0	0	24
Sojourn at Idlewild		82	0	82	0	0	0	41	41	82
Arrow		24	24	0	0	20	0	0	0	20
Headwater Condos		24	24	0	0	24	0	0	0	24
Subtotal		241	135	106	0	44	24	41	41	150
Total		876	231	645	23	137	109	119	119	506

Note: does not include Fireside Apartments which is a Town-sponsored project that will be tax-exempt.

Source: Town of Winter Park, Economic & Planning Systems

To aid in the revenue calculations, the cumulative development by year is shown in **Table 6**. As of 2021, the Town had 2,784 housing units. The projects are forecasted to add 506 new units to the Town, which is an 18 percent increase.

Table 6. Cumulative New Construction by Project, 2023-2027

Project	2023	2024	2025	2026	2027	2023-2027 Total
Single Family/Town Homes						
Roam	6	38	59	80	101	101
Lakota North Village	0	0	5	15	25	25
Rendezvous at Winter Park	5	20	34	48	62	62
Sojourn at Idlewild	0	5	25	45	65	65
Arrow	0	0	0	0	0	0
Lake Trail Townhomes	0	16	16	16	16	16
Retreat at Atlas (aka Snow Creek)	0	0	8	15	23	23
Whistlestop Townhomes	2	8	12	12	12	12
Hideaway Junction (deed restricted)	10	20	20	20	20	20
Lions Rock	0	4	12	12	12	12
Riverwalk Tract F	0	5	10	15	20	20
Subtotal	23	116	201	278	356	356
Multifamily/ Condominiums						
Roam	0	0	24	24	24	24
Sojourn at Idlewild	0	0	0	41	82	82
Arrow	0	20	20	20	20	20
Headwater Condos	0	24	24	24	24	24
Subtotal	0	44	68	109	150	150
Total	23	160	269	387	506	506

Source: Economic & Planning Systems

Market Value

EPS estimated the market value per unit for each project and unit type by researching new home sale prices and listings in Winter Park and Fraser. The market value estimates are used to calculate property tax, and are also an input to real estate transfer revenues. Townhome prices are estimated to be mostly in the \$1.0 to \$1.2 million range (**Table 7**). Single unit homes are estimated to be valued at \$2.0 million or more. Condominiums are all estimated at \$750,000 per unit.

Table 7. Estimated Market Value by Project and Unit Type

Project	Unit Type	Market Value
Single Family/Town Homes		
Roam	TH	\$2,000,000
Lakota North Village	SFD	\$2,327,000
Rendezvous at Winter Park	TH	\$1,200,000
Sojourn at Idlewild	TH	\$1,200,000
Arrow	TH	\$1,000,000
Lake Trail Townhomes	TH	\$1,200,000
Retreat at Atlas (aka Snow Creek)	TH	\$1,200,000
Whistlestop Townhomes	TH	\$1,361,000
Hideaway Junction (deed restricted)	SFD	\$450,000
Lions Rock	TH	\$1,000,000
Riverwalk Tract F	SFD	\$2,000,000
New AV		
Multifamily/ Condominiums		
Roam	Condo	\$750,000
Sojourn at Idlewild	Condo	\$750,000
Arrow	Condo	\$750,000
Headwater Condos	Condo	\$750,000
Subtotal	Condo	

Source: Economic & Planning Systems

3. One-Time Revenues

This chapter shows the estimates for one-time revenues resulting from construction, specifically real estate transfer tax (RETT) revenues from initial home sales from builders to the buyers. Building permit revenues are not included because they are charged to recover the cost of providing plan review and inspection services. The Town does not charge use tax on building materials, so construction use tax is also not included.

Real Estate Transfer Revenues

The Town collects a 1.0 percent Real Estate Transfer Tax (RETT) on all real estate transfers of titles in the Town. The RETT applies to initial sales from the builder to the developer, a one-time revenue, and also applies to future resales. The RETT from initial sales is calculated as the estimated market value multiplied by 1.0 percent. The initial sales RETT revenue is forecasted to be \$6.5 million from 2023 through 2027 (**Table 8**).

Table 8. 1.0% General Fund RETT on Initial Developer Sales

Project	Market Value	RATE	2023	2024	2025	2026	2027	2023-2027 Total
1.0% General Fund RETT		RETT						
Single Family/Town Homes								
Roam	\$2,000,000	1.0%	\$120,000	\$640,000	\$420,000	\$420,000	\$420,000	\$2,020,000
Lakota North Village [1]	\$2,327,000	1.0%	0	0	116,350	232,700	232,700	581,750
Rendezvous at Winter Park	\$1,200,000	1.0%	60,000	180,000	168,000	168,000	168,000	744,000
Sojourn at Idlewild	\$1,200,000	1.0%	0	60,000	240,000	240,000	240,000	780,000
Arrow	\$1,000,000	1.0%	0	0	0	0	0	0
Lake Trail Townhomes	\$1,200,000	1.0%	0	192,000	0	0	0	192,000
Retreat at Atlas (aka Snow Creek)	\$1,200,000	1.0%	0	0	92,000	92,000	92,000	276,000
Whistlestop Townhomes	\$1,361,000	1.0%	27,220	81,660	54,440	0	0	163,320
Hideaway Junction (deed restricted)	\$450,000	1.0%	45,000	45,000	0	0	0	90,000
Lions Rock	\$1,000,000	1.0%	0	40,000	80,000	0	0	120,000
Riverwalk Tract F	\$2,000,000	1.0%	0	100,000	100,000	100,000	100,000	400,000
Subtotal			\$252,220	\$1,338,660	\$1,270,790	\$1,252,700	\$1,252,700	\$5,367,070
Multifamily/ Condominiums								
Roam	\$750,000	1.0%	0	0	180,000	0	0	\$180,000
Sojourn at Idlewild	\$750,000	1.0%	0	0	0	307,500	307,500	615,000
Arrow	\$750,000	1.0%	0	150,000	0	0	0	150,000
Headwater Condos	\$750,000	1.0%	0	180,000	0	0	0	180,000
Subtotal			\$0	\$330,000	\$180,000	\$307,500	\$307,500	\$1,125,000
Total			\$252,220	\$1,668,660	\$1,450,790	\$1,560,200	\$1,560,200	\$6,492,070

[1] Assumed application of RETA

Source: Economic & Planning Systems

The Town has negotiated voluntary Real Estate Transfer Assessment fees (RETA) on most new development projects. There is a 1.0 percent general fund RETA and a 0.5 percent RETA dedicated to the Affordable Housing Fund. Some projects do not pay the RETAs because they have made other contributions towards affordable housing and other community benefits.

The initial sales RETA revenues are calculated in the same way as the RETT, and total \$5.5 million for the General Fund RETA and nearly \$2.0 million for the Affordable Housing RETA (**Table 9**).

Table 9. 1.0% General Fund and 0.5% Housing Fund RETA

Project	Market Value	RATE	2023	2024	2025	2026	2027	2023-2027 Total
1.0% General Fund RETA								
Single Family/Town Homes								
Roam	\$2,000,000	1.0%	\$120,000	\$640,000	\$420,000	\$420,000	\$420,000	\$2,020,000
Lakota North Village [1]	\$2,327,000	1.0%	0	0	116,350	232,700	232,700	581,750
Rendezvous at Winter Park	\$1,200,000	1.0%	60,000	180,000	168,000	168,000	168,000	744,000
Sojourn at Idlewild	\$1,200,000	1.0%	0	60,000	240,000	240,000	240,000	780,000
Arrow	\$1,000,000	0.0%	0	0	0	0	0	0
Lake Trail Townhomes	\$1,200,000	0.0%	0	0	0	0	0	0
Retreat at Atlas (aka Snow Creek)	\$1,200,000	0.0%	0	0	0	0	0	0
Whistlestop Townhomes	\$1,361,000	0.0%	0	0	0	0	0	0
Hideaway Junction (deed restricted)	\$450,000	0.0%	0	0	0	0	0	0
Lions Rock	\$1,000,000	0.0%	0	0	0	0	0	0
Riverwalk Tract F	\$2,000,000	1.0%	0	100,000	100,000	100,000	100,000	400,000
Subtotal			\$180,000	\$980,000	\$1,044,350	\$1,160,700	\$1,160,700	\$4,525,750
Multifamily/ Condominiums								
Roam	\$750,000	1.0%	0	0	180,000	0	0	\$180,000
Sojourn at Idlewild	\$750,000	1.0%	0	0	0	307,500	307,500	615,000
Arrow	\$750,000	1.0%	0	150,000	0	0	0	150,000
Headwater Condos	\$750,000	0.0%	0	0	0	0	0	0
Subtotal			\$0	\$150,000	\$180,000	\$307,500	\$307,500	\$945,000
Total			\$180,000	\$1,130,000	\$1,224,350	\$1,468,200	\$1,468,200	\$5,470,750
0.5% Housing Fund RETA								
Single Family/Town Homes								
Roam	\$2,000,000	0.5%	\$60,000	\$320,000	\$210,000	\$210,000	\$210,000	\$1,010,000
Lakota North Village [1]	\$2,327,000	0.5%	0	0	58,175	116,350	116,350	290,875
Rendezvous at Winter Park	\$1,200,000	0.0%	0	0	0	0	0	0
Sojourn at Idlewild	\$1,200,000	0.0%	0	0	0	0	0	0
Arrow	\$1,000,000	0.5%	0	0	0	0	0	0
Lake Trail Townhomes	\$1,200,000	0.0%	0	0	0	0	0	0
Retreat at Atlas (aka Snow Creek)	\$1,200,000	0.0%	0	0	0	0	0	0
Whistlestop Townhomes	\$1,361,000	0.0%	0	0	0	0	0	0
Hideaway Junction (deed restricted)	\$450,000	0.0%	0	0	0	0	0	0
Lions Rock	\$1,000,000	0.0%	0	0	0	0	0	0
Riverwalk Tract F	\$2,000,000	0.5%	0	50,000	50,000	50,000	50,000	200,000
Subtotal			\$60,000	\$370,000	\$318,175	\$376,350	\$376,350	\$1,500,875
Multifamily/ Condominiums								
Roam	\$750,000	0.5%	0	0	90,000	0	0	\$90,000
Sojourn at Idlewild	\$750,000	0.5%	0	0	0	153,750	153,750	307,500
Arrow	\$750,000	0.5%	0	75,000	0	0	0	75,000
Headwater Condos	\$750,000	0.0%	0	0	0	0	0	0
Subtotal			\$0	\$75,000	\$90,000	\$153,750	\$153,750	\$472,500
Total			\$60,000	\$445,000	\$408,175	\$530,100	\$530,100	\$1,973,375

[1] Assumed application of RETA

Source: Economic & Planning Systems

Total One-Time Revenue

The 2023-2032 one-time construction revenues are compiled in **Table 10** and total \$11.9 million for the General Fund revenues and \$2.8 million for the Affordable Housing Fund.

Table 10. Total One-Time Revenues

Revenue	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032 Total (10 yrs)
One-Time Revenue											
1.0% RETT on Developer Sales	\$252,220	\$1,668,660	\$1,450,790	\$1,560,200	\$1,560,200	\$0	\$0	\$0	\$0	\$0	\$6,492,070
1.0% RETA on Developer Sales	180,000	1,130,000	1,224,350	1,468,200	1,468,200	0	0	0	0	0	5,470,750
Construction Use Tax	0	0	0	0	0	0	0	0	0	0	0
Subtotal	\$432,220	\$2,798,660	\$2,675,140	\$3,028,400	\$3,028,400	\$0	\$0	\$0	\$0	\$0	\$11,962,820
0.5% Housing RETA											
Initial Sales	\$60,000	\$445,000	\$408,175	\$530,100	\$530,100	\$0	\$0	\$0	\$0	\$0	\$1,973,375
Resales	0	0	0	0	0	66,539	119,770	173,001	226,232	266,155	851,696
Total	\$60,000	\$445,000	\$408,175	\$530,100	\$530,100	\$66,539	\$119,770	\$173,001	\$226,232	\$266,155	\$2,825,071

[1] Includes the 0.5% dedicated to marketing and the 0.5% for general operations.

Source: Economic & Planning Systems

4. Annual Revenues

This chapter presents the analysis and calculations for the annual general fund revenues: property tax, real estate transfer revenues, and sales and accommodations taxes.

Property Tax

The first step in estimating property tax is to convert construction to new assessed or taxable value. There is typically a one-year lag between completion and the County Assessor appraising the property and setting its Statutory Actual Value (taxable or assessed value). Property taxes are paid in arrears, i.e. 2023 taxes are paid on 2022 value, so there is an approximately two-year lag in total from building completion to generating property tax revenue.

As shown in **Table 11**, there is no assessed value generated in 2023 and it begins to accrue in 2024 after the first buildings are completed in 2023. The total assessed value is estimated at \$46.4 million in 2028.

Table 11. Cumulative Assessed Value, 2023-2028

Project	Unit Type	Market Value	Assessment Ratio			2023	2024	2025	2026	2027	2028	2023-2028 Cumulative
Single Family/Town Homes												
Roam	TH	\$2,000,000	6.765%	7.150%	7.150%	\$0	\$858,000	\$5,434,000	\$8,437,000	\$11,440,000	\$14,443,000	\$14,443,000
Lakota North Village	SFD	\$2,327,000	6.765%	7.150%	7.150%	0	0	0	831,903	2,495,708	4,159,513	4,159,513
Rendezvous at Winter Park	TH	\$1,200,000	6.765%	7.150%	7.150%	0	429,000	1,716,000	2,917,200	4,118,400	5,319,600	5,319,600
Sojourn at Idlewild	TH	\$1,200,000	6.765%	7.150%	7.150%	0	0	429,000	2,145,000	3,861,000	5,577,000	5,577,000
Arrow	TH	\$1,000,000	6.765%	7.150%	7.150%	0	0	0	0	0	0	0
Lake Trail Townhomes	TH	\$1,200,000	6.765%	7.150%	7.150%	0	0	1,372,800	1,372,800	1,372,800	1,372,800	1,372,800
Retreat at Atlas (aka Snow Creek)	TH	\$1,200,000	6.765%	7.150%	7.150%	0	0	0	657,800	1,315,600	1,973,400	1,973,400
Whistletop Townhomes	TH	\$1,361,000	6.765%	7.150%	7.150%	0	194,623	778,492	1,167,738	1,167,738	1,167,738	1,167,738
Hideaway Junction (deed restricted)	SFD	\$450,000	6.765%	7.150%	7.150%	0	321,750	643,500	643,500	643,500	643,500	643,500
Lions Rock	TH	\$1,000,000	6.765%	7.150%	7.150%	0	0	286,000	858,000	858,000	858,000	858,000
Riverwalk Tract F	SFD	\$2,000,000	6.765%	7.150%	7.150%	0	0	715,000	1,430,000	2,145,000	2,860,000	2,860,000
New AV						\$0	\$1,803,373	\$11,374,792	\$20,460,941	\$29,417,746	\$38,374,551	\$38,374,551
Multifamily/ Condominiums												
Roam	Condo	\$750,000	6.765%	6.800%	7.150%	\$0	\$0	\$0	\$1,287,000	\$1,287,000	\$1,287,000	\$1,287,000
Sojourn at Idlewild	Condo	\$750,000	6.765%	6.800%	7.150%	0	0	0	0	2,198,625	4,397,250	4,397,250
Arrow	Condo	\$750,000	6.765%	6.800%	7.150%	0	0	1,072,500	1,072,500	1,072,500	1,072,500	1,072,500
Headwater Condos	Condo	\$750,000	6.765%	6.800%	7.150%	0	0	1,287,000	1,287,000	1,287,000	1,287,000	1,287,000
Subtotal	Condo					\$0	\$0	\$2,359,500	\$3,646,500	\$5,845,125	\$8,043,750	\$8,043,750
Total						\$0	\$1,803,373	\$13,734,292	\$24,107,441	\$35,262,871	\$46,418,301	\$46,418,301

Source: Economic & Planning Systems

The first property tax revenue from the projected construction would be received by the Town in 2025, representing a two-year lag from buildings completed in 2023 (**Table 12**). The General Fund property tax from these projects is projected to be an additional \$62,000 per year from 2028 forward, and totals a cumulative \$132,213 from 2023 through 2028. With the Forestry Tax which can be used for parks, trails, and other purposes, the total new revenue in 2032 is \$133,000 and \$282,000 cumulatively.

Table 12. Property Tax Revenue Forecast, 2023-2028

Project	General Mill Levy	2023	2024	2025	2026	2027	2028	2023-2028 Total
Cumulative Assessed Value		\$0	\$1,803,373	\$13,734,292	\$24,107,441	\$35,262,871	\$46,418,301	
Town Operating Property Tax	1.765	\$0	\$0	\$3,183	\$24,241	\$42,550	\$62,239	\$132,213
Forestry Property Tax	<u>2.000</u>	<u>0</u>	<u>0</u>	<u>3,607</u>	<u>27,469</u>	<u>48,215</u>	<u>70,526</u>	<u>149,816</u>
Total Property Tax	3.765	\$0	\$0	\$6,790	\$51,710	\$90,765	\$132,765	\$282,029

Source: Economic & Planning Systems

Real Estate Transfer Revenues

The annual real estate transfer revenues are estimated in two steps. First, the total potential sales volume is estimated based on a national 8-year average ownership period for a home. Next, a phase-in or ramp up factor is used to estimate how the revenues will start to build as built units start to turn over and re-sell to new owners.

Using the market value estimates shown previously, the 8-year holding period equates to an annual turnover rate of 12.5 percent (1 divided by 8). The 506 units built through 2027 generate 66 sales each year (**Table 13**). After multiplying the number of sales by the market values, and the 1.0 percent RETT and RETA rates, the total possible annual revenues from resales are estimated at \$845,000 and \$724,000 per year, respectively.

Table 13. Potential Resale Volume

Project	Market Value	1.0% G.F. RETT	1.0% G.F. RETA	0.5% Housing RETA	2027 Units Built	Ann. Sales	1.0% RETT	1.0% RETA	0.5% Housing RETA
						8 years 12.5%			
Single Family/Town Homes									
Roam	\$2,000,000	1.0%	1.0%	0.5%	101	13	\$260,000	\$260,000	\$130,000
Lakota North Village	\$2,327,000	1.0%	1.0%	0.5%	25	3	69,810	69,810	34,905
Rendezvous at Winter Park	\$1,200,000	1.0%	1.0%	0.0%	62	8	96,000	96,000	0
Sojourn at Idlewild	\$1,200,000	1.0%	1.0%	0.0%	65	8	96,000	96,000	0
Arrow	\$1,000,000	1.0%	0.0%	0.5%	0	0	0	0	0
Lake Trail Townhomes	\$1,200,000	1.0%	0.0%	0.0%	16	2	24,000	0	0
Retreat at Atlas (aka Snow Creek)	\$1,200,000	1.0%	0.0%	0.0%	23	3	36,000	0	0
Whistletop Townhomes	\$1,361,000	1.0%	0.0%	0.0%	12	2	27,220	0	0
Hideaway Junction (deed restricted)	\$450,000	1.0%	0.0%	0.0%	20	3	13,500	0	0
Lions Rock	\$1,000,000	1.0%	0.0%	0.0%	12	2	20,000	0	0
Riverwalk Tract F	\$2,000,000	1.0%	1.0%	0.5%	20	3	60,000	60,000	30,000
Subtotal					356	47	\$702,530	\$581,810	\$194,905
Multifamily/ Condominiums									
Roam	\$750,000	1.0%	1.0%	0.5%	24	3	22,500	22,500	11,250
Sojourn at Idlewild	\$750,000	1.0%	1.0%	0.5%	82	10	75,000	75,000	37,500
Arrow	\$750,000	1.0%	1.0%	0.5%	20	3	22,500	22,500	11,250
Headwater Condos	\$750,000	1.0%	1.0%	0.5%	24	3	22,500	22,500	11,250
Subtotal					150	19	\$142,500	\$142,500	\$71,250
Total Potential Sales Volume					506	66	\$845,030	\$724,310	\$266,155

Note: Rendezvous pays a non-residential housing mitigation fee on new construction rather than the 0.5% RETA
Source: Economic & Planning Systems

It will take some time for built units to start re-selling. Some may be built or bought as investment properties and may be held for a shorter period. We have estimated more conservatively that 25 percent of built units will start to turn over in 2027 (units built prior to then), increasing to 100 percent by 2031. The resulting cumulative General Fund revenues are \$3.5 million for the RETT, \$3.0 million for the RETA, and \$1.1 million for the Affordable Housing RETA (**Table 14**).

Table 14. RETT and RETA Revenue Forecast

Project	Factors	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2028 Total
Stabilized Revenue												
1.0% RETT	\$845,030											
1.0% RETA	\$724,310											
0.5% Housing RETA	\$266,155											
Estimated Re-Sale Ramp Up		0%	0%	0%	0%	25%	45%	65%	85%	100%	100%	
Revenues												
1.0% RETT		\$0	\$0	\$0	\$0	\$211,258	\$380,264	\$549,270	\$718,276	\$845,030	\$845,030	\$3,549,126
1.0% RETA		\$0	\$0	\$0	\$0	\$181,078	\$325,940	\$470,802	\$615,664	\$724,310	\$724,310	\$3,042,102
0.5% Housing RETA		\$0	\$0	\$0	\$0	\$66,539	\$119,770	\$173,001	\$226,232	\$266,155	\$266,155	\$1,117,851

Source: Economic & Planning Systems

Sales and Accommodations Taxes

The Town collects sales tax on accommodations and retail and taxable food and beverage sales. All sales tax is deposited into the General Fund. The sales tax is structured as follows:

- Retail sales: 4.0% general sales tax plus 1.0% supplement, total of 5.0%. Also Transit and Trails 2.0% dedicated sales tax.
- Accommodations: 4.0% general sales tax plus 1.0% accommodations tax, total of 5.0%.
- In November, voters approved Measure 2A which will increase the accommodations tax by 2.0 percent to 3.0 percent. The 2.0 percent increase will be dedicated to affordable housing.

Sales and accommodations tax from new development is forecasted by developing baseline ratios of revenue per dwelling unit. The first step is establishing a baseline annual revenue figure. In **Table 15**, sales tax revenues are shown. The Town has experienced strong sales tax growth since 2017, at 14.5 percent per year. Pandemic and post-pandemic travel increases drove even higher increases, at 20.2 percent annual growth since 2019. EPS used the averages from 2019 through 2022 to set a baseline revenue factor.

Table 15. Sales Tax Trend Data, 2017-2022

Description	Taxable Activity	Factors	2017	2018	2019	2020	2021	2022	Ann. % Change	
									2017-2022	2019-2022
5% Lodging/Accom. Tax (actual)	Accom. Sales		\$1,544,274	\$1,622,349	\$1,748,257	\$1,688,403	\$2,468,369	\$3,037,076	14.5%	20.2%
4.0% sales tax on accommodations	Accom. Sales	80%	\$1,235,419	\$1,297,879	\$1,398,606	\$1,350,722	\$1,974,695	\$2,429,661	14.5%	20.2%
Accommodation Tax (1.0%) (Actual)	Accom. Sales		\$308,854	\$324,470	\$349,652	\$337,680	\$493,674	\$607,415	14.5%	20.2%
Implied taxable lodging sales	Accom. Sales	1.0%	\$30,885,400	\$32,447,000	\$34,965,200	\$33,768,000	\$49,367,400	\$60,741,500		
Estimated 2.0% lodging tax increase	Accom. Sales	2.0%	\$617,708	\$648,940	\$699,304	\$675,360	\$987,348	\$1,214,830		
5% Sales Tax (4.0% + 1.0% supplemental)	Retail Sales		\$4,181,418	\$4,676,813	\$5,163,069	\$4,407,351	\$5,644,341	\$7,053,711	11.0%	11.0%
2% Transit and Trails	Retail & Accom. Sales		---	---	\$2,764,303	\$2,438,302	\$3,245,084	\$4,036,315	---	13.4%

Source: Town of Winter Park Comprehensive Annual Financial Report 2018-2022, Town Budget 2020-2023, Economic & Planning Systems

In **Table 16**, the average baseline sales tax is calculated for each sales tax revenue stream. Next, each type of sales tax is divided by the number of dwelling units in the Town. On average, each dwelling unit generates \$642 per year of 4.0% accommodations tax, \$161 per year of 1.0% accommodations tax, \$2,000 in 5.0% retail sales tax, and \$1,100 in 2.0% transit and trails tax. The transit and trails tax is dedicated to that fund (it is not a General Fund revenue). The 2.0 percent Measure 2A tax is \$321 per unit.

Table 16. Sales Tax per Dwelling Unit Factors

Description	Taxable Activity	Per Unit Calculation
Sales Tax on Accommodations (5.0%)		
2019-2022 avg.	Accom. Sales	\$1,788,421
Housing Units		2,784
Avg. per unit		\$642
Accommodation Tax (1.0%)		
2019-2022 avg.	Accom. Sales	\$447,105
Housing Units		2,784
Avg. per unit		\$161
Accommodation Tax: Additional 2.0% Ballot		
2019-2022 avg.	Accom. Sales	\$894,211
Housing Units		2,784
Avg. per unit		\$321
Sales Tax (5.0%)		
2019-2022 avg.	Retail Sales	\$5,567,118
Housing Units		2,784
Avg. per unit		\$2,000
Sales Tax (2.0% transit and trails)		
2019-2022 avg.	Retail & Accom. Sales	\$3,121,001
Housing Units		2,784
Avg. per unit		\$1,121

Source: Town of Winter Park Comprehensive Annual Financial Report 2018-2022,
Town Budget 2020-2023, Economic & Planning Systems

Last, the sales tax per unit factors are multiplied by the forecasted development units to calculate annual sales tax from new development (**Table 17**). Measure 2A is assumed to go into effect as of July 1, 2024 and would therefore generate half its potential revenue in 2024. Note that the Measure 2A revenues shown here are only those resulting from these development projects. Townwide, Measure 2A is projected by the Town to generate approximately \$1.2 million per year.

Table 17. Sales and Accommodations Tax Forecast, 2023-2027

Description	Taxable Activity	Factors	2023	2024	2025	2026	2027	2023-2027 Total
New Units Built			23	160	269	387	506	506
4.0% Sales Tax on Accommodations	Accom. Sales	\$642/unit	\$14,775	\$102,783	\$172,589	\$248,820	\$325,051	\$864,018
1.0% Accommodations Tax	Accom. Sales	\$161/unit	\$3,694	\$25,696	\$43,147	\$62,205	\$81,263	\$216,005
2.0% Accommodations Tax (Measure 2A)	Accom. Sales	\$321/unit	\$7,388	\$51,391	\$86,295	\$124,410	\$162,525	\$432,009
5% General Sales Tax (4.0% + 1.0% supplemental)	Retail/F&B Sales	\$2,000/unit	\$45,993	\$319,949	\$537,248	\$774,544	\$1,011,840	\$2,689,574
2.0% Transit and Trails Sales Tax	Retail & Accom. Sales	\$1,121/unit	\$25,784	\$179,368	\$301,189	\$434,220	\$567,251	\$1,507,811

Source: Economic & Planning Systems

5. Revenue Forecast

In this chapter, each revenue source is compiled to show the total one-time and annual General Fund revenues. EPS also shows two scenarios that show the effect of applying inflation escalation factors, and a more conservative scenario that discounts some revenues that may have more uncertainty. Last, options on the potential amount that could be directed to capital projects are presented for consideration.

Revenue Forecasts

Baseline Revenue Forecast

The baseline revenue forecast is shown in **Table 18**. This forecast is in today's dollars with no inflation or revenue growth factors. The forecast shows the following revenue estimates:

- In 2032, the General Fund will have \$3.1 million more in annual revenue that it does in 2023. Cumulatively, from 2023 through 2032, the Town will receive an estimated \$18.2 million in additional annual revenue from the annual increases above 2023 revenues.
- The transit and trails sales tax will generate an estimated \$567,000 per year in 2032, and \$4.3 million cumulatively.
- The Housing Fund will have an additional \$428,000 per year, and \$4.1 million more cumulatively.
- The total one-time revenues from construction are estimated at \$11.9 million and accrue from 2023 through 2027.

Forecast with Inflation

In **Table 19**, the same revenue forecast is shown but with a 2.0 percent annual revenue inflation factor.

- In 2032, the General Fund is forecasted to have \$3.7 million in additional revenue above 2023. Cumulatively, we estimate that the Town would bring in \$20.7 million more in revenue.
- Transit and Trails would have \$678,000 per year more, and \$4.8 million cumulatively. The Housing Fund would have \$512,000 more in 2032, and \$4.5 million more cumulatively.
- One-time construction revenues are forecasted to be \$12.6 million.

Forecast with Inflation and Uncertainty Discounts

This more conservative scenario includes 2.0 percent annual inflation discount to specific revenue streams to account for uncertainty. The revenues that have the most direct relationship to development are property tax and the initial real estate transfer sales revenues. Those revenues are discounted by 10 percent to account for:

- Potential for lower assessed values compared to true market values.
- Potentially slower resales rates and transfer fee revenues.

Revenues that are more of an indirect impact or are more dispersed and harder to measure include sales and accommodations tax. These revenues are discounted by 25 percent.

- Sales and accommodations tax depend on how many units are rented short-term and their paid stay occupancy rates. They also depend on guest spending patterns.

The results of this scenario are as follows:

- In 2032, annual General Fund revenues are estimated at \$2.82 million per year above current revenues. Cumulatively, the revenue increases generate an additional \$15.6 million over 10 years.
- Transit and Trails is estimated at an additional \$508,000 per year in 2032, and the Housing Fund at an additional \$239,000.
- One-time revenues are estimated at \$11.3 million.

Table 18. Baseline Revenue Forecast, 2023-2032

Revenue	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032 Total (10 yrs)
Annual Revenue											
Property Tax (3.765 mills)	\$0	\$0	\$6,790	\$51,710	\$90,765	\$132,765	\$132,765	\$132,765	\$132,765	\$132,765	\$813,087
Sales tax on accommodations (1.0%) [1]	3,694	25,696	43,147	62,205	81,263	81,263	81,263	81,263	81,263	81,263	622,318
Sales tax on accommodations (4.0%)	14,775	102,783	172,589	248,820	325,051	325,051	325,051	325,051	325,051	325,051	2,489,271
5% Sales Tax (4.0% + 1.0% supplemental)	45,993	319,949	537,248	774,544	1,011,840	1,011,840	1,011,840	1,011,840	1,011,840	1,011,840	7,748,772
1.0% RETT on Resales	0	0	0	0	211,258	380,264	549,270	718,276	845,030	845,030	3,549,126
1.0% RETA on Resales	0	0	0	0	181,078	325,940	470,802	615,664	724,310	724,310	3,042,102
Subtotal	\$64,462	\$448,428	\$759,775	\$1,137,279	\$1,901,253	\$2,257,121	\$2,570,989	\$2,884,857	\$3,120,258	\$3,120,258	\$18,264,677
One-Time Revenue											
1.0% RETT on Developer Sales	\$252,220	\$1,668,660	\$1,450,790	\$1,560,200	\$1,560,200	\$0	\$0	\$0	\$0	\$0	\$6,492,070
1.0% RETA on Developer Sales	180,000	1,130,000	1,224,350	1,468,200	1,468,200	0	0	0	0	0	5,470,750
Construction Use Tax	0	0	0	0	0	0	0	0	0	0	0
Subtotal	\$432,220	\$2,798,660	\$2,675,140	\$3,028,400	\$3,028,400	\$0	\$0	\$0	\$0	\$0	\$11,962,820
Total General Fund	\$496,682	\$3,247,088	\$3,434,915	\$4,165,679	\$4,929,653	\$2,257,121	\$2,570,989	\$2,884,857	\$3,120,258	\$3,120,258	\$30,227,497
2.0% Transit and Trails Sales Tax	\$25,784	\$179,368	\$301,189	\$434,220	\$567,251	\$567,251	\$567,251	\$567,251	\$567,251	\$567,251	\$4,344,066
Housing											
0.5% Housing RETA											
Initial Sales	\$60,000	\$445,000	\$408,175	\$530,100	\$530,100	\$0	\$0	\$0	\$0	\$0	\$1,973,375
Resales	0	0	0	0	0	66,539	119,770	173,001	226,232	266,155	851,696
Subtotal	\$60,000	\$445,000	\$408,175	\$530,100	\$530,100	\$66,539	\$119,770	\$173,001	\$226,232	\$266,155	\$2,825,071
Measure 2A 2.0% Sales Tax	\$7,388	\$51,391	\$86,295	\$124,410	\$162,525	\$162,525	\$162,525	\$162,525	\$162,525	\$162,525	\$1,244,636
Total	\$67,388	\$496,391	\$494,470	\$654,510	\$692,625	\$229,064	\$282,295	\$335,526	\$388,757	\$428,680	\$4,069,707

[1] Includes the 0.5% dedicated to marketing and the 0.5% for general operations.

Source: Economic & Planning Systems

Table 19. Revenue Forecast with 2.0% Revenue Inflation

Revenue	Factors	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032 Total (10 yrs)
Escalation	2.0%											
Annual Revenue												
Property Tax (3.765 mills)		\$0	\$0	\$7,064	\$54,875	\$98,246	\$146,583	\$149,515	\$152,505	\$155,555	\$158,666	\$923,009
Sales tax on accommodations (1.0%) [1]		3,694	26,210	44,891	66,012	87,961	89,721	91,515	93,345	95,212	97,116	695,677
Sales tax on accommodations (4.0%)		14,775	104,838	179,562	264,050	351,845	358,882	366,060	373,381	380,849	388,466	2,782,708
5% Sales Tax (4.0% + 1.0% supplemental)		45,993	326,348	558,953	821,952	1,095,248	1,117,153	1,139,496	1,162,286	1,185,531	1,209,242	8,662,202
1.0% RETT on Resales		0	0	0	0	228,672	419,842	618,567	825,073	990,087	1,009,889	4,092,129
1.0% RETA on Resales		0	0	0	0	196,004	359,864	530,199	707,204	848,645	865,617	3,507,533
Subtotal		\$64,462	\$457,396	\$790,470	\$1,206,889	\$2,057,977	\$2,492,044	\$2,895,351	\$3,313,794	\$3,655,879	\$3,728,997	\$20,663,258
One-Time Revenue												
1.0% RETT on Developer Sales		\$252,220	\$1,702,033	\$1,509,402	\$1,655,697	\$1,688,811	\$0	\$0	\$0	\$0	\$0	\$6,808,162
1.0% RETA on Developer Sales		180,000	1,152,600	1,273,814	1,558,066	1,589,227	0	0	0	0	0	5,753,706
Construction Use Tax		0	0	0	0	0	0	0	0	0	0	0
Subtotal		\$432,220	\$2,854,633	\$2,783,216	\$3,213,762	\$3,278,038	\$0	\$0	\$0	\$0	\$0	\$12,561,869
Total General Fund		\$496,682	\$3,312,030	\$3,573,685	\$4,420,652	\$5,336,014	\$2,492,044	\$2,895,351	\$3,313,794	\$3,655,879	\$3,728,997	\$33,225,127
2.0% Transit and Trails Sales Tax		\$25,784	\$182,955	\$313,357	\$460,797	\$614,011	\$626,291	\$638,817	\$651,593	\$664,625	\$677,917	\$4,856,147
Housing												
0.5% Housing RETA												
Initial Sales		\$60,000	\$453,900	\$424,665	\$562,546	\$573,797	\$0	\$0	\$0	\$0	\$0	\$2,074,909
Resales		0	0	0	0	0	73,464	134,880	198,723	265,067	318,080	990,214
Subtotal		\$60,000	\$453,900	\$424,665	\$562,546	\$573,797	\$73,464	\$134,880	\$198,723	\$265,067	\$318,080	\$3,065,123
Measure 2A 2.0% Sales Tax		\$7,388	\$52,419	\$89,781	\$132,025	\$175,923	\$179,441	\$183,030	\$186,691	\$190,424	\$194,233	\$1,391,354
Total		\$67,388	\$506,319	\$514,446	\$694,571	\$749,720	\$252,905	\$317,910	\$385,414	\$455,491	\$512,313	\$4,456,477

[1] Includes the 0.5% dedicated to marketing and the 0.5% for general operations.

Source: Economic & Planning Systems

Table 20. Revenue Forecast with Revenue Inflation and Uncertainty Discounts

Revenue	Factors	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032 Total (10 yrs)
Escalation	2.0%											
Annual Revenue	Uncertainty Factor											
Property Tax (3.765 mills)	90%	\$0	\$0	\$6,358	\$49,387	\$88,422	\$131,925	\$134,563	\$137,254	\$140,000	\$142,800	\$830,708
Sales tax on accommodations (1.0%) [1]	75%	2,770	19,657	33,668	49,509	65,971	67,290	68,636	70,009	71,409	72,837	521,758
Sales tax on accommodations (4.0%)	75%	11,081	78,629	134,672	198,037	263,884	269,162	274,545	280,036	285,636	291,349	2,087,031
5% Sales Tax (4.0% + 1.0% supplemental)	75%	34,495	244,761	419,215	616,464	821,436	837,865	854,622	871,714	889,149	906,932	6,496,652
1.0% RETT on Resales	75%	0	0	0	0	171,504	314,881	463,925	618,805	742,565	757,417	3,069,097
1.0% RETA on Resales	75%	0	0	0	0	147,003	269,898	397,649	530,403	636,483	649,213	2,630,649
Subtotal		\$48,346	\$343,047	\$593,912	\$913,398	\$1,558,220	\$1,891,020	\$2,193,940	\$2,508,221	\$2,765,243	\$2,820,548	\$15,635,895
One-Time Revenue												
1.0% RETT on Developer Sales	90%	\$226,998	\$1,531,830	\$1,358,462	\$1,490,127	\$1,519,930	\$0	\$0	\$0	\$0	\$0	\$6,127,346
1.0% RETA on Developer Sales	90%	162,000	1,037,340	1,146,432	1,402,259	1,430,304	0	0	0	0	0	5,178,336
Construction Use Tax	75%	0	0	0	0	0	0	0	0	0	0	0
Subtotal		\$388,998	\$2,569,170	\$2,504,894	\$2,892,386	\$2,950,234	\$0	\$0	\$0	\$0	\$0	\$11,305,682
Total		\$437,344	\$2,912,217	\$3,098,806	\$3,805,784	\$4,508,453	\$1,891,020	\$2,193,940	\$2,508,221	\$2,765,243	\$2,820,548	\$26,941,576
2.0% Transit and Trails Sales Tax	75%	\$19,338	\$137,216	\$235,017	\$345,598	\$460,508	\$469,718	\$479,112	\$488,695	\$498,469	\$508,438	\$3,642,110
Housing												
0.5% Housing RETA												
Initial Sales	90%	\$54,000	\$408,510	\$382,199	\$506,292	\$516,418	\$0	\$0	\$0	\$0	\$0	\$1,867,418
Resales	75%	0	0	0	0	0	55,098	101,160	149,043	198,800	238,560	742,661
Subtotal		\$54,000	\$408,510	\$382,199	\$506,292	\$516,418	\$55,098	\$101,160	\$149,043	\$198,800	\$238,560	\$2,610,079
Measure 2A 2.0% Sales Tax	75%	\$5,541	\$39,314	\$67,336	\$99,019	\$131,942	\$134,581	\$137,272	\$140,018	\$142,818	\$145,675	\$1,043,516
Total		\$59,541	\$447,824	\$449,535	\$605,310	\$648,360	\$189,679	\$238,433	\$289,060	\$341,618	\$384,235	\$3,653,594

[1] Includes the 0.5% dedicated to marketing and the 0.5% for general operations.

Source: Economic & Planning Systems

Summary and Capital Project Allocation

The forecasted revenues could add approximately 20 to 30 percent above the 2023 current General Fund revenues. The Town's latest estimate for the major 2023 revenues as of this writing (mid-December 2023) is \$13.3 million (**Table 21**). The baseline forecast is a 23 percent increase, and the two other scenarios result in 21 and 28 percent increases.

In other funds, Transit and Trails revenues could increase by roughly 10 to 15 percent. The 0.5% Housing RETA could increase significantly in the range of 40 to 50 percent.

Table 21. Comparison of Forecast to 2023 General Fund Revenues

Revenue	Budget Est. 2023	New Revenue		
		Baseline Forecast 2032	2.0% Inflation 2032	Inflation and Uncertainty 2032
GENERAL FUND				
Annual Revenue (2023 Base + Forecast)				
Property Tax	\$650,000	\$132,765	\$158,666	\$142,800
Sales tax on accommodations (1.0%)	650,000	81,263	97,116	72,837
Sales tax on accommodations (4.0%)	2,600,000	325,051	388,466	291,349
5% Sales Tax (4.0% + 1.0% supplemental)	7,300,000	1,011,840	1,209,242	906,932
1.0% RETT	2,000,000	845,030	1,009,889	757,417
1.0% RETA	125,000	724,310	865,617	649,213
Total Major Revenues	\$13,325,000	\$3,120,258	\$3,728,997	\$2,820,548
% Increase over 2023 Base		23%	28%	21%
10-Year Cumulative				
Ongoing Revenues		\$18,264,677	\$20,663,258	\$15,635,895
One-Time Revenues		11,962,820	12,561,869	11,305,682
Total		\$30,227,497	\$33,225,127	\$26,941,576
OTHER FUNDS				
Transit and Trails 2.0% Sales Tax	\$4,180,000	\$567,251	\$677,917	\$508,438
% Increase over 2023 Base		13.6%	16.2%	12.2%
Housing				
Measure 2A Accom. Tax (Housing)	\$1,200,000	\$162,525	\$194,233	\$145,675
% Increase over 2023 Base		---	---	---
Housing 0.5% RETA	\$625,000	\$266,155	\$318,080	\$238,560
% Increase over 2023 Base		42.6%	50.9%	38.2%
Total		\$428,680	\$512,313	\$384,235

Source: Economic & Planning Systems

The annual increases in revenues translate to cumulative revenues over 10 years. At the same time that new development is generating more revenue, the Town will also have some increased service demands. To be conservative in budgeting, the Town may want to consider allocating only a portion of the projected revenue increases to capital projects. If the Town allocated half of the projected increases to projects, it would be in the range of approximately \$13.0 to \$15.0 million (**Table 22**).

Table 22. Potential General Fund Revenue Allocations to Capital Projects

2023-2032 Cumulative Development Revenue Scenario	Revenue Type	2023-2032 Revenues	Capital Project Allocation	Amount
No Escalation or Adjustments	Annual	\$18,264,677	50%	\$15,113,748
	One-Time	<u>11,962,820</u>		
	Total	\$30,227,497		
2.0% Escalation	Annual	\$20,663,258	50%	\$16,612,563
	One-Time	<u>12,561,869</u>		
	Total	\$33,225,127		
2.0% Escalation and Speculation Discounts	Annual	\$15,635,895	50%	\$13,470,788
	One-Time	<u>11,305,682</u>		
	Total	\$26,941,576		

Source: Economic & Planning Systems

Figure 1. Total General Fund Revenues (Annual and One-Time) by Year

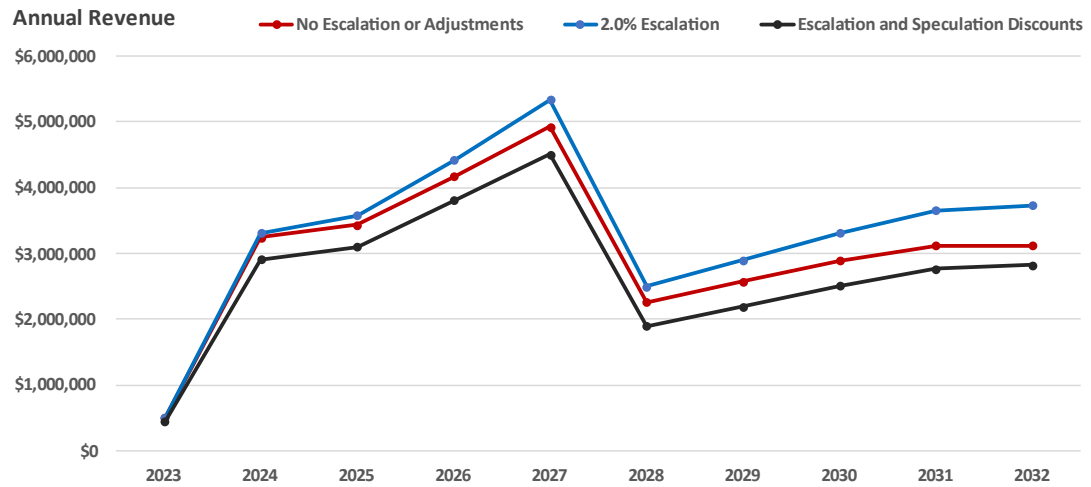
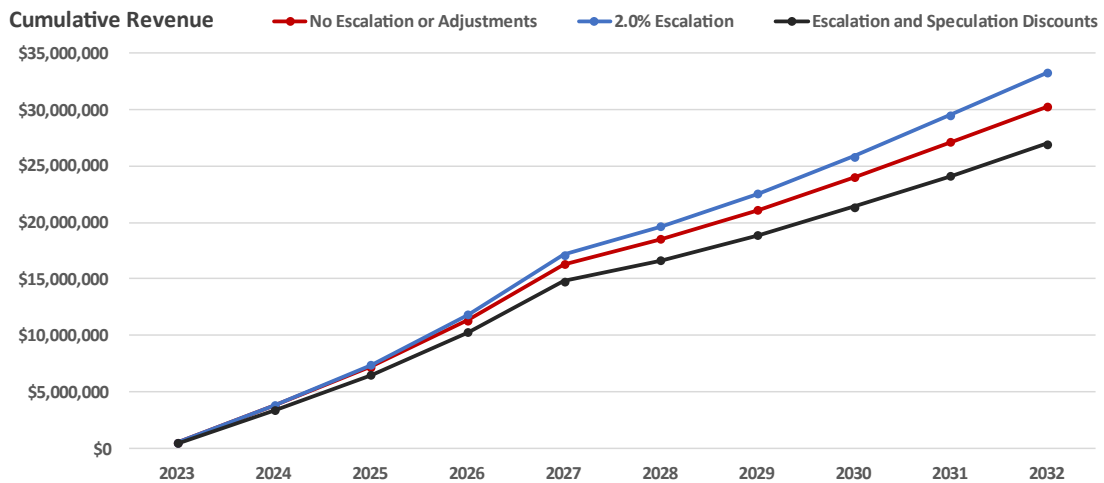


Figure 2. Cumulative General Fund Revenues by Year



DEVELOPMENT AND REVENUE FORECAST

Town of Winter Park

Town Council Meeting 1/16/2024



Economic & Planning Systems, Inc.
The Economics of Land Use

730 17th Street, Suite 630 ■ Denver, CO 80202
303.623.3557 ■ www.epsys.com

ECONOMIC & PLANNING SYSTEMS



**REAL ESTATE
ECONOMICS**



**PUBLIC
FINANCE**



**LAND USE &
TRANSPORTATION**



**ECONOMIC
DEVELOPMENT &
REVITALIZATION**



**FISCAL &
ECONOMIC
IMPACT ANALYSIS**



**HOUSING
POLICY**



**PUBLIC-PRIVATE
PARTNERSHIP (P3)**



**PARKS &
OPEN SPACE
ECONOMICS**

PROJECT OVERVIEW

- Purpose
 - Help Town Council and Staff prepare for capital project planning and budgeting
 - Consider how surge in construction will affect revenue growth
 - How much might the Town be able to fund?
- Analysis outline
 - Development projections: known projects over next 5 years
 - Calculate new revenues from development
 - One-time revenues: occur only during construction
 - Annual revenues: recurring revenues from completed projects
 - Focus on General Fund
 - Sales, accommodations, and property taxes
 - Real estate transfer revenues
 - Dedicated revenues
 - Transit and Trails
 - Housing

DEVELOPMENT PROJECTS

- Projects with current approvals or applications
- 2,784 housing units in Winter Park (2021)
- ~500 units is an 18% increase

Project	2023	2024	2025	2026	2027	2023-2027 Total
Single Family/Town Homes						
Roam	6	38	59	80	101	101
Lakota North Village	0	0	5	15	25	25
Rendezvous at Winter Park	5	20	34	48	62	62
Sojourn at Idlewild	0	5	25	45	65	65
Arrow	0	0	0	0	0	0
Lake Trail Townhomes	0	16	16	16	16	16
Retreat at Atlas (aka Snow Creek)	0	0	8	15	23	23
Whistlestop Townhomes	2	8	12	12	12	12
Hideaway Junction (deed restricted)	10	20	20	20	20	20
Lions Rock	0	4	12	12	12	12
Riverwalk Tract F	<u>0</u>	<u>5</u>	<u>10</u>	<u>15</u>	<u>20</u>	<u>20</u>
Subtotal	23	116	201	278	356	356
Multifamily/ Condominiums						
Roam	0	0	24	24	24	24
Sojourn at Idlewild	0	0	0	41	82	82
Arrow	0	20	20	20	20	20
Headwater Condos	<u>0</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>	<u>24</u>
Subtotal	0	44	68	109	150	150
Total	23	160	269	387	506	506

Source: Economic & Planning Systems

REVENUE DEFINITIONS

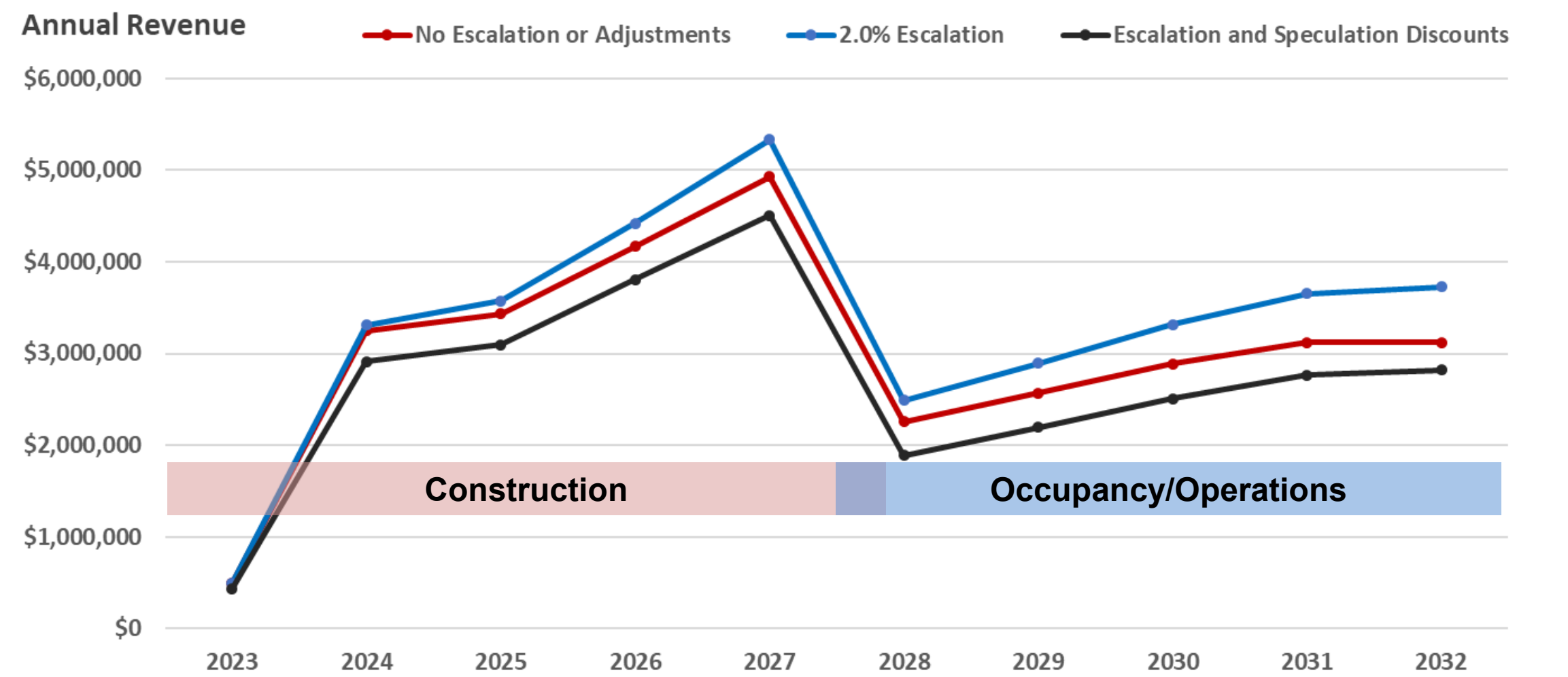
■ General Fund

- Property tax: 7.15% of market value X 3.765 mills
- 5.0% accommodations sales tax: tax on overnight stays
- 5.0% sales tax: resident and visitor spending on taxable goods
- 1.0% RETT: Real Estate Transfer Tax
- 1.0% RETA: Real Estate Transfer Assessment (voluntary covenant)

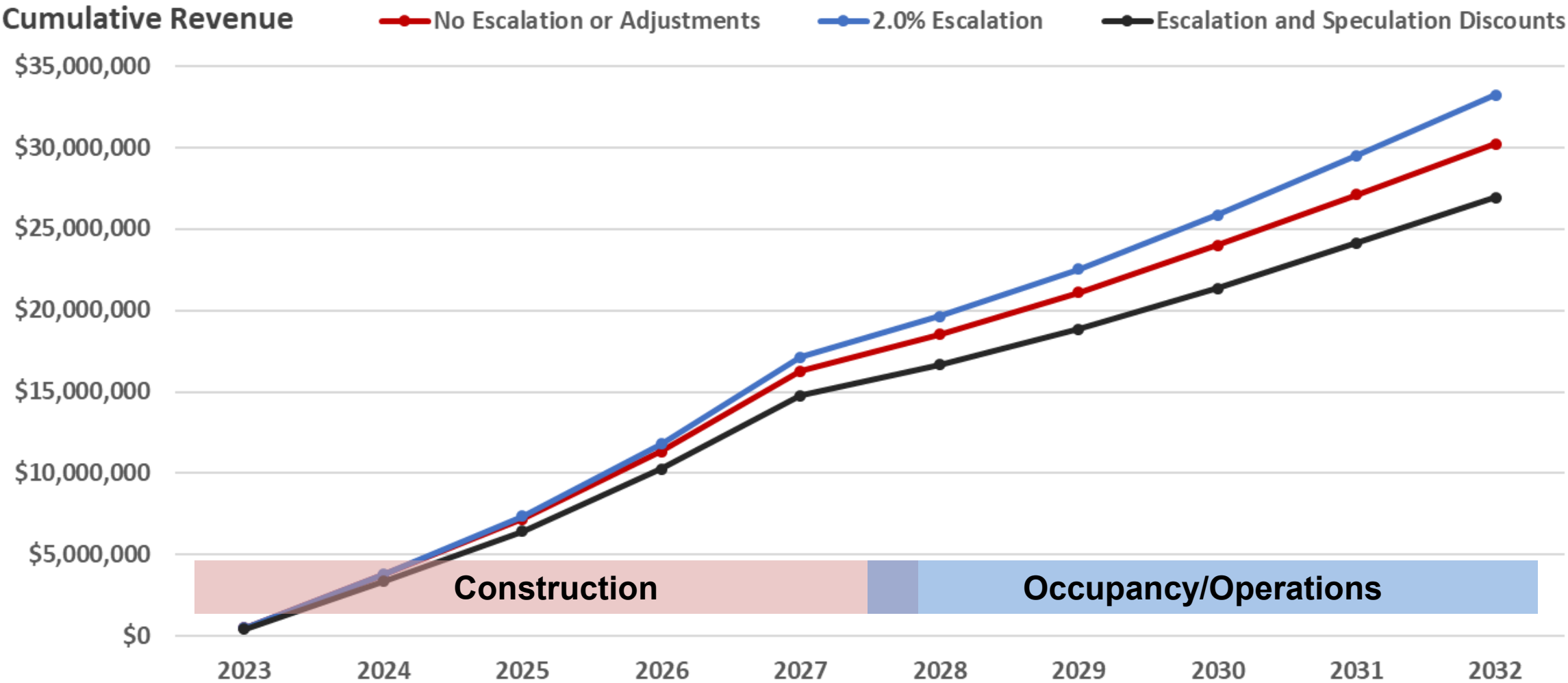
■ Dedicated Revenues

- 2.0% Transit And Trails sales tax
- Housing
 - 0.5% RETA
 - 2.0% Measure 2A accommodations tax approved on 2023 ballot

HOW DEVELOPMENT REVENUE ACCRUES



10-YEAR CUMULATIVE REVENUES



SUMMARY

- “In 2032, the General Fund will have \$3.1 million more than today...”
- “Over 10 years, these projects will generate \$30 million...”

Revenue	Budget Est. 2023	New Revenue		
		Baseline Forecast 2032	2.0% Inflation 2032	Inflation and Uncerntainty 2032
GENERAL FUND				
Annual Revenue (2023 Base + Forecast)				
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Housing 0.5% RETA	\$625,000	\$266,155	\$318,080	\$238,560
% Increase over 2023 Base		42.6%	50.9%	38.2%
Total		\$428,680	\$512,313	\$384,235

Source: Economic & Planning Systems

HOW MUCH CAN WE SPEND ON CAPITAL PROJECTS?

- \$10–\$15 million from development (pay as you go)
- Bonding: \$2.0M/year supports roughly \$25M bond
- Does not consider other Townwide revenue growth

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	One-Time	<u>11,305,682</u>		
	Total	\$26,941,576		

Source: Economic & Planning Systems

QUESTIONS AND DISCUSSION

Slate Communications

Town of Winter Park
2024 Communications Strategy



Core Priorities



Character & Culture



World-Class Recreation



Local & Global Connectivity



Healthy & Thriving
Environment



2023 Digital Recap – Social Media



Facebook

- **366** new followers (1.4% increase)
- **196,383** page reach (208.3% increase)



Enewsletters

- **1,930** subscribers
- **47** emails total sent (Home Scoop, Scoop, Council Recap)
- **56%** average open rate



Instagram

- **1,470** followers
- **56,387** post reach (23.1% increase)



YouTube

- **1,920** video views
- **25** subscribers
- **18** videos published
- Top Video: 2023 State of the Town

2023 Digital Recap - Website

Top Website Page Views

1. Home page
2. Agendas & Minutes
3. Our Government
4. Building
5. Job Openings
6. Short Term Rentals & Good Neighbor Policy
7. Doing Business
8. Live, Play, Visit
9. Resident Resources
10. Sales Tax

Top Searches

1. 2019 Sales Tax Reports
2. Short Term Rental
3. 2020 Sales Tax Reports
4. Building Permits
5. Zoning Variance Requests 2023
6. 1 Winter Park Drive
7. Lakota Development Plan
8. Lions Rock Development
9. Map
10. Building Permit

2023 Recap – State of the Town

Covered hot topics of interest:

- Annexation
- Community Housing
- Transit Maintenance Facility
- Budget

326 views on YouTube

993 views on Facebook

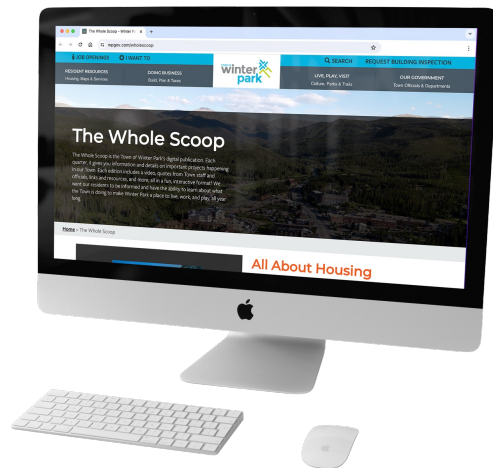
Continuing in 2024?



2023 Recap – The Whole Scoop

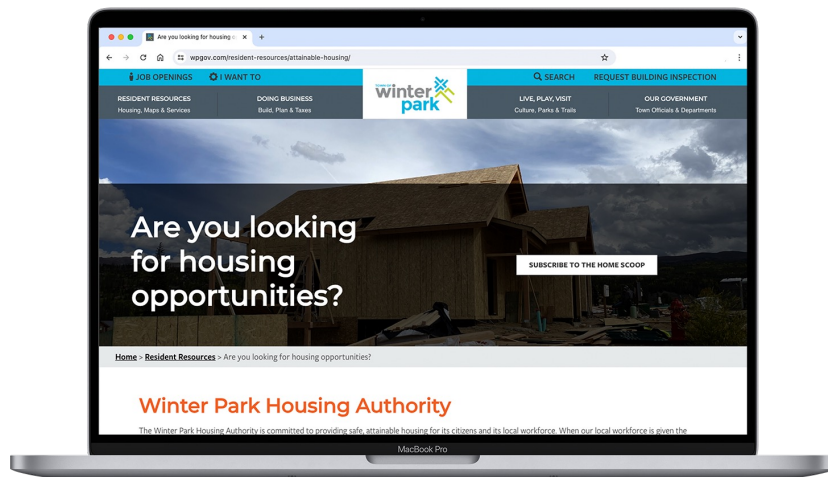


- **Launched**
wpgov.com/wholescoop
 - 942 page visits
- **4 publications**
- **4 videos**
- **340 total video views**



2023 Recap – Housing

- Developed 12 Housing FAQ videos
- Home Scoop Email
 - 11 emails in 2023
 - +169 subscribers in 2023
 - 46% average open rate
- Restructured housing-related landing pages
 - Those seeking housing
 - Those looking for info
- Promotion of Housing Assistance Fund and other resources
- Housing lottery education, online application form, email communication, open house promotion, printed collateral development



2024 Goals

1. Show Winter Park as a leader in quality of life and creating community
2. Educate and inform with intentionality
3. Market the Town as an employer of choice, locally and state-wide



Looking Ahead – 2024

- Winter Park is growing and changing, and the way we support you needs to evolve as well to support the needs of all departments
- More and more projects are impacting multiple departments at one time
- Messaging from the Town organization needs to be consistent across the board
- BIG projects (the gondola, expansion of rail service, etc.) will have operational AND policy impacts
- Communication would benefit from feedback from Council and improved coordination with partners

2024 – Administration

Employee communication

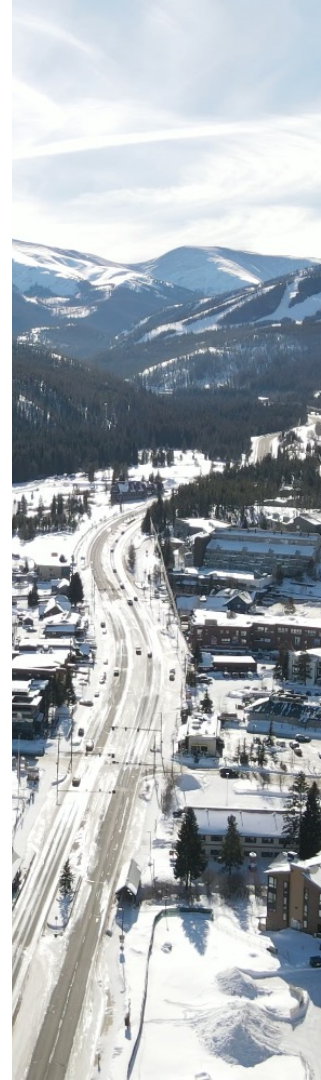
- Monthly department head communications discussion
- Continue weekly check-ins, quarterly reviews with Town Manager, and bi-weekly attendance at department head meetings

Increase Council communication updates

- Quarterly work session discussions

Improve coordination with the Chamber of Commerce and Resort

- Monthly meeting with Chamber team
- Continued clarification of audiences and goals
 - Social media subcontract formally split into two separate agreements



Community Partners – Audiences



Town of Winter Park

- **2,000** Facebook followers
- **1,470** Instagram followers
- **Goal:** Inform and educate residents about Town services and updates
- **Audience:** Town residents



Chamber of Commerce

- **22,000** Facebook followers
- **13,100** Instagram followers
- **Goal:** Drive tourism efforts and support local businesses
- **Audience:** Potential visitors, residents, businesses



Winter Park Resort

- **181,000** Facebook followers
- **177,000** Instagram followers
- **Goal:** Drive traffic to ski resort and keep visitors informed about information affecting their trip
- **Audience:** Resort visitors

2024 – Internal Communications







An internal focus will help to market the Town as an employer of choice and improve message consistency among employees

- Review Internal Communications Strategies
- Employee Survey
- Video, Website, and Asset Creation for Recruitment Efforts
- LinkedIn Activity
- Internal Vision
- Employee Onboarding Sessions
- Formalize internal tools










2024 – Build on Success










SHOWCASE LEADERSHIP & INNOVATION

	Community Storytelling
	Annual Report
	Budget Brief
	State of the Town
	Ongoing Communications & Graphic Design
	Strong Social Media Presence

EDUCATE & INFORM

	Public Engagement Spectrum Training
	Winter Park 101
	<i>The Whole Scoop</i> Publication
	Housing Communications Strategy
	Survey Promotion Opportunities
	Collaboration with Chamber of Commerce
	Collaboration with Winter Park Resort

EMPLOYER OF CHOICE

	Council Member & Staff Recruiting Efforts
	LinkedIn Activity
	Asset Creation for Recruitment
	Internal Communications Audit
	Employee Survey
	Police Recruitment Focus
	Update Photo & Video Library
	Internal Vision
	Employee Onboarding Sessions

2024 – Total Cost

OPTION 1	OR	OPTION 2
\$6,250/monthly, \$75,000/annually without contracted social media support		\$8,708/monthly, \$104,500/annually with contracted social media support*

* To better coordinate messaging and maximize the impact of social media, Slate Communications will manage all strategy and content creation and outsource support as needed. Therefore, this contract includes additional dollars for sub-contracting local content.

Q1 2024 Communications Work Session Agenda

- Listening session – what are you hearing?
- Strategic Communications Discussion
- Needed Direction
 - State of the Town

QUESTIONS?

