

Portsmouth Square Garage Renovation
Cash Flow Projections and Debt Coverage Ratio
FY 2013-14 Through FY 2030-31
(Figures in Thousands)

Year	Actual 14-15	Budget 15-16	1 16-17	2 17-18	3 18-19	4 19-20	5 20-21	6 21-22	7 22-23	8 23-24	9 24-25	10 25-26	11 26-27
Revenue													
<i>Transient</i> ¹	\$3,528	\$3,638	\$4,187	\$4,187	\$4,187	\$4,656	\$4,656	\$4,656	\$5,115	\$5,115	\$5,115	\$5,614	\$5,614
<i>Monthly</i> ²	1,147	1,121	1,122	\$1,122	1,122	1,160	\$1,160	\$1,160	1,199	1,199	1,199	1,237	1,237
<i>Misc. Parking</i> ³	197	212	207	207	207	217	217	217	228	228	228	239	258
Sub-Total Gross Parking Revenue	4,872	4,971	5,516	5,516	5,516	6,033	6,033	6,033	6,542	6,542	6,542	7,090	7,109
<i>Less: Parking Taxes</i> ⁴	975	995	1,103	1,103	1,103	1,207	1,207	1,207	1,308	1,308	1,308	1,418	1,422
Net Parking Revenue	3,897	3,976	4,413	4,413	4,413	4,827	4,827	4,827	5,234	5,234	5,234	5,672	5,687
<i>Non-Parking</i>	6	3	3	3	3	3	3	3	3	3	3	3	3
Net Revenue	3,903	3,979	4,327	4,327	4,416	4,830	4,830	4,830	5,237	5,237	5,237	5,677	5,691
Expenses													
<i>Salaries</i> ⁵	\$971	\$1,101	\$1,000	\$1,030	\$1,061	\$1,093	\$1,125	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	\$1,344
<i>Fringe Benefits</i> ⁶	459	522	470	484	499	514	529	545	561	578	595	613	632
<i>Contractual Services</i> ⁷	318	349	359	370	381	392	404	416	429	442	455	469	483
<i>Materials, Supplies & Equipment</i> ⁸	35	37	37	38	39	40	41	41	42	43	44	45	46
<i>Utilities</i> ⁹	129	140	146	152	158	164	171	178	185	192	200	208	216
<i>Maintenance</i> ¹⁰	78	84	85	85	86	87	88	89	90	91	92	92	93
<i>Claims, Fees, Marketing</i> ¹¹	18	24	24	24	24	25	25	25	25	26	26	26	26
<i>Community Benefit, MTA Admin</i> ¹²	251	180	184	188	192	196	201	205	210	215	220	225	230
<i>Corporate Expenses</i> ¹³	105	117	119	122	124	127	129	132	134	137	140	143	145
Sub-Total Expenses	2,364	2,553	2,424	2,493	2,564	2,637	2,712	2,790	2,870	2,952	3,037	3,125	3,215
Net Income	\$1,539	\$1,426	\$1,903	\$1,834	\$1,852	\$2,192	\$2,117	\$2,039	\$2,367	\$2,284	\$2,200	\$2,552	\$2,476
Less: Debt Service ¹⁴	\$0	\$0	\$0	\$416	\$682	\$682	\$682	\$682	\$682	\$682	\$682	\$682	\$682
Annual Surplus	\$1,539	\$1,426	\$1,903	\$1,418	\$1,169	\$1,510	\$1,435	\$1,357	\$1,685	\$1,602	\$1,517	\$1,870	\$1,794
Capital Reserve Allocation ¹⁵	\$231	\$214	\$95	\$71	\$58	\$151	\$143	\$136	\$253	\$240	\$228	\$280	\$269
Income to Recreation & Parks ¹⁶	\$1,308	\$1,212	\$1,808	\$1,347	\$1,111	\$1,359	\$1,291	\$1,222	\$1,432	\$1,362	\$1,290	\$1,589	\$1,525
Debt Coverage Ratio ¹⁷			#DIV/0!	4.40	2.71	3.21	3.10	2.99	3.47	3.35	3.22	3.74	3.63

Notes:

Assumes current lease terms, construction starts in May 2016

1) Assumes transient rates are increased by \$1 in all categories as of July 1, 2016 with \$1 increases every three years thereafter. Revenue reduced by 2% during construction in FY 16-17 and FY 17-18.

2) Assumes monthly rates are increased by \$20 as of May 1, 2014 with \$10 increases every three years thereafter

3) Assumes Misc Parking increases 5% every three years with rate increases

4) Parking tax is 25%

5) Salaries escalated at 2% through FY 14-15 and 3% thereafter

6) Fringe benefits constant at 47% of salaries

7) Contractual services escalated at 3% per year

8) M&S and equipment escalated at 2% per year

9) Utilities escalated at 4% per year

10) Maintenance escalated at 1% per year

11) Claims, fees, marketing escalated at 1% per year

12) Community benefit held constant at \$50,000 per year. MTA administrative fee escalated at 3% per year.

13) Corporate expenses assumed to increase 2% per year

14) Debt service assumes \$7 million loan, 25 year amortization and repayment to begin upon completion of project in FY 17-18. *Interest only payment in FY 16-17.*

15) Capital reserve allocation per lease: 15% of annual surplus to capital reserve until completion of renovation project. Then allocation becomes 5% for three fiscal years (FY17-19), then 10% for three fiscal years

16) RPD receives remainder of annual surplus after the allocation to capital reserve

17) Ratio of annual debt service to annual operating surplus

**Portsmouth Square Garage Renovation
Cash Flow Projections and Debt Coverage Ratio
FY 2013-14 Through FY 2030-31
(Figures in Thousands)**

Year	12	13	14	15	16	17	18	19	20	21	22	23	24	25
	27-28	28-29	29-30	30-31	31-32	32-33	33-34	34-35	35-36	36-37	37-38	38-39	39-40	40-41
Revenue														
<i>Transient</i> ¹	\$5,614	\$6,073	\$6,073	\$6,073	\$6,532	\$6,532	\$6,532	6671	6671	6671	7175	7175	7175	7547
<i>Monthly</i> ²	1,237	1,276	1,276	1,276	1,314	1,314	1,314	1352	1352	1352	1391	1391	1391	1429
<i>Misc. Parking</i> ³	258	271	271	271	284	284	284	299	299	299	314	314	314	330
Sub-Total Gross Parking Revenue	7,109	7,620	7,620	7,620	8,130	8,130	8,130	8,322	8,322	8,322	8,880	8,880	8,880	9,306
<i>Less: Parking Taxes</i> ⁴	1,422	1,524	1,524	1,524	1,626	1,626	1,626	1,664	1,664	1,664	1,776	1,776	1,776	1,861
Net Parking Revenue	5,687	6,096	6,096	6,096	6,504	6,504	6,504	6,657	6,658	6,658	7,104	7,104	7,104	7,445
<i>Non-Parking</i>	3	4	4	4	4	4	4	4	4	4	4	4	4	4
Net Revenue	5,691	6,100	6,100	6,100	6,508	6,508	6,508	6,661	6,662	6,662	7,108	7,108	7,108	7,449
Expenses														
<i>Salaries</i> ⁵	\$1,384	\$1,426	\$1,468	\$1,512	\$1,558	\$1,605	\$1,653	\$1,702	\$1,753	\$1,806	\$1,860	\$1,916	\$1,973	\$2,033
<i>Fringe Benefits</i> ⁶	651	670	690	711	732	754	777	800	824	849	874	901	928	955
<i>Contractual Services</i> ⁷	497	512	527	543	560	576	594	611	630	649	668	688	709	730
<i>Materials, Supplies & Equipment</i> ⁸	47	47	48	49	50	51	52	53	55	56	57	58	59	60
<i>Utilities</i> ⁹	225	234	243	253	263	273	284	296	307	320	332	346	360	374
<i>Maintenance</i> ¹⁰	94	95	96	97	98	99	100	101	102	103	104	105	106	107
<i>Claims, Fees, Marketing</i> ¹¹	27	27	27	27	28	28	28	29	29	29	29	30	30	30
<i>Community Benefit, MTA Admin</i> ¹²	235	241	247	253	259	265	271	278	285	292	299	307	314	322
<i>Corporate Expenses</i> ¹³	148	151	154	157	161	164	167	170	174	177	181	184	188	192
Sub-Total Expenses	3,308	3,403	3,502	3,603	3,708	3,816	3,927	4,041	4,159	4,280	4,405	4,534	4,667	4,804
Net Income	\$2,383	\$2,696	\$2,598	\$2,496	\$2,800	\$2,693	\$2,582	\$2,620	\$2,503	\$2,381	\$2,703	\$2,574	\$2,441	\$2,645
Less: Debt Service ¹⁴	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>	<u>\$682</u>
Annual Surplus	\$1,701	\$2,014	\$1,916	\$1,814	\$2,118	\$2,011	\$1,899	\$1,938	\$1,821	\$1,699	\$2,021	\$1,892	\$1,759	\$1,963
Capital Reserve Allocation ¹⁵	\$255	\$302	\$287	\$272	\$318	\$302	\$285	\$291	\$273	\$255	\$303	\$284	\$264	\$294
Income to Recreation & Parks ¹⁶	\$1,446	\$1,712	\$1,628	\$1,542	\$1,801	\$1,709	\$1,615	\$1,648	\$1,548	\$1,444	\$1,718	\$1,608	\$1,495	\$1,668
Debt Coverage Ratio ¹⁷	3.49	3.95	3.81	3.66	4.11	3.95	3.78	3.84	3.67	3.49	3.96	3.77	3.58	3.88

Notes:

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