

Other Financial Considerations

- Modification of the second floor for use by the center will result in the loss of the current \$12,000 in annual rental income that is now part of operating revenues.
- The relocation of the activities of the Senior Center during construction will involve costs of building temporary offices, installation of lighting fixtures and outlets, rerouting telephone and computer lines, etc.
- The need to raise funds to cover construction costs is significantly greater for modifying the existing building than for building new. Modification obviously precludes sale of the building whereas it could be sold and its market value realized to go toward some of the construction costs in building new. However, part of this advantage for building new could be offset by the purchase costs for land if the Senior Center had to acquire a site at market rates.

Impact of Construction Work on the Center's Activities

- Modification of the building will seriously impact the work of the center during the year or two required for construction. This will be caused both by the disruption caused by the noise, dust, etc., of construction work and also by the need for the temporary relocation of center's activities.
- This impact would depend upon how the work was phased. If construction began with the work affecting the Great Room, both the enlarged Great Room and the new second floor above it will be available for the relocation of the center's activities during the later modification of the original building. But if the building code for access to and emergency egress from the second floor required construction to begin with the modification of the original building, only the existing Great Room will be available for the relocation during the initial construction phase. In either scenario all activities that now take place in the Great Room will be affected for the total period of construction.