

Scenario #3 -- Fiore Irgens with condos

Library moves; hotel replaced by 100 residential condo units with retail on first floor and 150 parking stalls
(Similar to first eight floors of Metro with retail on first floor and 150 stalls)

Full initial assessed value of condo development = \$22m

Sources											Uses										
Project Year	Calendar Year	City Tax Rate	Description	Property Value of Block 66	Status Quo Value of Block 66	Increased Property Value	Increased Property Taxes	Room Taxes	Fund Raising (post-borrow)	Total City Revenue	Capital Funding (GO)	Capital Funding (other)	Fund Raising (Bridge GO)	GO debt 2010 borrow	GO debt 2011 borrow	GO debt 2012 borrow	GO Debt Service	NMTC Loan Payment	Fund Raising Debt Service (GO)	Total Capital Cost	Net Cost (Revenue)
1	2010	0.007360	Baseline value	20,296,500	20,296,500	-	-	-	-	-	13,000,000	10,000,000	-	-	-	-	-	-	-	-	-
2	2011	0.007221	Partial construction	40,596,500	21,108,360	19,488,140	-	-	-	-	2,000,000	-	5,000,000	1,950,000	-	-	1,950,000	90,000	-	2,040,000	2,040,000
3	2012	0.007085	Library done and now exempt, old space is assessable	21,396,500	21,952,694	(556,194)	138,071	-	-	138,071	2,000,000	-	5,000,000	1,885,000	300,000	-	2,185,000	90,000	750,000	3,025,000	2,886,929
4	2013	0.006951	Condos half done	27,796,500	22,830,802	4,965,698	(3,866)	-	1,000,000	996,134	-	-	-	1,820,000	290,000	300,000	2,410,000	90,000	1,475,000	3,975,000	2,978,866
5	2014	0.006820	Full assessed value	38,796,500	23,744,034	15,052,466	33,866	-	1,000,000	1,033,866	-	-	-	1,755,000	280,000	290,000	2,325,000	90,000	1,425,000	3,840,000	2,806,134
6	2015	0.006691		39,960,395	24,693,796	15,266,599	100,721	-	1,000,000	1,100,721	-	-	-	1,690,000	270,000	280,000	2,240,000	90,000	1,375,000	3,705,000	2,604,279
7	2016	0.006565		41,159,207	25,681,547	15,477,659	100,227	-	1,000,000	1,100,227	-	-	-	1,625,000	260,000	270,000	2,155,000	90,000	1,325,000	3,570,000	2,469,773
8	2017	0.006441		42,393,983	26,708,809	15,685,174	99,695	-	1,000,000	1,099,695	-	-	-	1,560,000	250,000	260,000	2,070,000	90,000	1,275,000	3,435,000	2,335,305
9	2018	0.006320		43,665,803	27,777,162	15,888,641	99,125	-	1,000,000	1,099,125	-	-	-	1,495,000	240,000	250,000	1,985,000	-	1,225,000	3,210,000	2,110,875
10	2019	0.006200		44,975,777	28,888,248	16,087,528	98,517	-	1,000,000	1,098,517	-	-	-	1,430,000	230,000	240,000	1,900,000	-	1,175,000	3,075,000	1,976,483
11	2020	0.006083		46,325,050	30,043,778	16,281,272	97,868	-	1,000,000	1,097,868	-	-	-	1,365,000	220,000	230,000	1,815,000	-	1,125,000	2,940,000	1,842,132
12	2021	0.005969		47,714,801	31,245,529	16,469,272	97,178	-	1,000,000	1,097,178	-	-	-	-	210,000	220,000	430,000	-	1,075,000	1,505,000	407,822
13	2022	0.005856		49,146,245	32,495,350	16,650,895	96,445	-	1,000,000	1,096,445	-	-	-	-	-	210,000	210,000	-	525,000	735,000	(361,445)
14	2023	0.005746		50,620,633	33,795,164	16,825,468	95,669	-	-	95,669	-	-	-	-	-	-	-	-	-	-	(95,669)
15	2024	0.005637		52,139,252	35,146,971	16,992,281	94,848	-	-	94,848	-	-	-	-	-	-	-	-	-	-	(94,848)
						Totals	1,148,362	-	10,000,000	11,148,362	17,000,000	10,000,000	10,000,000				21,675,000	630,000	12,750,000	35,055,000	23,906,638
													Total Project Cost			37,000,000					

Assumptions:

- Calendar Year: Assumes project begins January 2010 and library is occupied January 2012; Phase 2 begins January 2012 and is completed January 2014
- City Tax Rate: Tax base at +6.0% and levy at +4.0% per year yields a change of -1.89% applied to 2009 adopted City mill rate of 7.5015
- Property Value of Block 66: Projection of total assessed value of Block 66. Due to slow economy, 2010 value is assumed to equal 2009 assessed value. Assumes 3% annual growth of entire block after construction completed.
- Status Quo Value of Block 66: Assumes 4% annual growth in value
- Increased Property Value: Represents the incremental gain from additional development over assessed value of 2009 for all of Block 66
- Increased Property Taxes: Based on Increased Property Value and projected City Tax Rate; revenue based on previous year's value increase; assumes project is not TIF funded
- Room Taxes: No hotel is built. Room tax collections do not increase.
- Fund Raising: Assumes \$10m in fundraising is collected over several years
- Total City Revenue: Sum of increased property tax, room tax and fund raising
- Capital Funding (GO): Assumes project is also funded with fund raising proceeds, New Markets Tax Credits, and sale of existing Central Library land
- Capital Funding (other): 6m from NMTC (project cost x 39% x 68 cents - 10% fees) and 4m from site sale in 2010 with 10m from fundraising split between 2011 and 2012
- Fund Raising Bridge: Remainder of 10m goal not yet raised that would be covered by GO borrowing. Assumes - raised prior to borrowing
- GO Debt Service: Based on 5% interest rate paid back over 20 years
- NMTC Loan Payment: Interest only based on 1.5% of \$6m in upfront equity. Assumes 100% forgiveness of upfront equity amount.
- Fund Raising Debt Service (GO): Assumes fund raising bridge is paid back over 10 years
- Total Capital Cost: Sum of debt service, New Markets Tax Credit loan repayment, and fund raising debt service
- Net Cost (Revenue): Comparison of sources and uses

