

**One University Place
 Summary of TIF Request
 August 23, 2011 Presentation to City Council**

Net Value of TIF to Developer:	June 6th Proposal	August 19, 2011 Proposal
Proposed TIF payment	\$ 8,000,000	\$ 6,500,000
Less discount for time value of money	(2,500,000)	(1,700,000)
Less value of City space	(920,000)	(675,000)
Less cost of offsite improvements and city upfront cost to be paid by the developer	<u>(850,000)</u>	<u>(500,000)</u>
Net projected economic value to developer	<u>\$ 3,730,000</u>	<u>\$ 3,625,000</u>
Assessed value at completion	\$ 48,600,000	\$ 43,000,000
TIF	\$ 3,730,000	\$ 3,625,000
Ratio of TIF to value	7.67%	8.43%
 Financial Analysis:		
Projected project revenue:		
Commercial	\$ 3,000,000	\$ 3,200,000
Residential	46,900,000	41,400,000
Parking	3,300,000	2,800,000
Total projected revenue (W/O TIF)	<u>\$ 53,200,000</u>	<u>\$ 47,400,000</u>
Projected Cost of project:		
Land	\$ 4,400,000	\$ 4,400,000
Offsite direct costs	850,000	500,000
On site direct costs	36,900,000	32,850,000
Design, engineering and other professional	4,500,000	3,600,000
Administrative, selling, interest and misc.	4,800,000	3,550,000
Total projected costs	<u>\$ 51,450,000</u>	<u>\$ 44,900,000</u>
 Projected Developer Annualized Rate of Return:		
Without TIF	5.12%	5.01%
With TIF	10.16%	10.44%

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Projected Direct Economic Value of Project to City:

Annual property tax collections during TIF period	\$	58,000	\$	26,000
Projected annual value of City space		65,000		48,000
Total inital annual value from the project	\$	<u>123,000</u>	\$	<u>74,000</u>
After TIF period, projected City annual tax revenue	\$	<u>288,000</u>	\$	<u>256,000</u>