FIRST AMENDMENT TO PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 5

CITY OF MILWAUKEE

Department of City Development October, 2001

FIRST AMENDMENT TO PROJECT PLAN TAX INCREMENTAL DISTRICT NO. 5 (THEATER DISTRICT)

CITY OF MILWAUKEE

BACKGROUND

In 1995, the Wisconsin Legislature amended the Tax Increment Law (Wis. Stats. Section 1105.46) to allow tax increment districts, under certain circumstances, to donate revenues to other tax increment districts in the same municipality. Generally, these circumstances are:

- The "donor" and the "recipient" district must have the same overlying taxing jurisdictions;
- The donor and recipient districts must have been created before October 1, 1995; or, if located within a city of the "1st class," before October 1, 1996;
- The amount of the donated funds may not exceed the difference between the tax incremental revenue collected by the donor district, and the funds needed to pay the donor's project costs in that year; and
- The donation of funds may be made for a period of five years, and extended for up to another five years.

The process of donating funds from one district to another is accomplished by the adoption of an amendment to the donor district's Project Plan, and is subject to approval by the Common Council, and Joint Review Board.

DONOR DISTRICT

Tax Incremental District No. 5 (Theater District) was approved by the Milwaukee Common Council on January 15, 1985. Tax incremental revenue received from this district has totaled \$33,077,845, thru the "2000 for 2001" levy. Project costs, including principal and interest payments due thru 2014, aggregate to \$31,232,127.

In addition to these costs, it is appropriate to include the "carrying costs" associated with annual contributions made by the city to the special fund for TID No. 5, when incremental revenue was insufficient to meet scheduled bond payments. Exhibit A shows that district cash flow was negative from 1985 to 1990, and contributions were required to be made by the City in each of these years in order to meet debt service payments for the district. These contributions reached a cumulative amount of \$7,726,522 by 1990, see Exhibit A. Carrying costs of these contributions are calculated based upon the average earnings rate for the Local Government Investment Pool (LGIP) for the year the contribution was made. In essence, the City made short-term loans to the TID No. 5

Fund, at an interest rate equivalent to its "opportunity cost" of these funds, i.e. the investment rate prevailing in the LGIP.

Given this calculation, TID No. 5 has not, thru 2001, fully recovered its project costs – including the above mentioned carrying costs. Exhibit A indicates that cumulative cash flow for this TID is \$875,869, while principal and interest payments remaining on bonds outstanding total \$2,258,232.

Incremental revenue generated by TID No. 5 in 2001 (from the 2000 levy) was \$2,417,000, and has averaged \$2,367,000 over the last five years. Consequently, this district is likely to recover all project costs from the 2001 levy and can therefore make donations to other tax increment districts meeting the necessary statutory conditions.

RECIPIENT DISTRICTS

Upon full recover of its project costs, TID No. 5 will make "donations" to the following "recipient" districts, in the amounts indicated:

TID No. 20 (Florida Yards) was established on July 27, 1993. This district was created to redevelop a former rail yard into a business park. Thus far, six acres have been sold to Fred Usinger, Inc. which constructed a 20,000 s.f. warehouse on the property.

Marketability of the balance of the site has been hampered by poor access, lack of sewer service, environmental contamination, and sub-soil problems. Prospective buyers who have tested the soils have concluded that extra foundation and piling expenses would add \$8 to \$10 / s.f. to the construction costs of their facilities and have decided to build elsewhere.

Project costs remaining to be recovered for TID 20, including interest on debt, and net of tax increment revenue, land sale proceeds, and grants, amounted to \$2,756,920 as of Dec. 31, 2000. Future project costs of \$440,000 are expected to be incurred due to the Redevelopment Authority's obligation to fund additional foundation expenses for a planned 55,000 sf addition by Usinger.

Currently, annual incremental revenue from the district is \$ 44,800. Based on the January 2001 incremental value of \$2,511,700, it is estimated incremental revenue will increase to \$70,000 for the next two to three years. Assuming development will occur on the remaining sites in the business park, including the Usinger addition, we estimate this incremental revenue will grow to \$153,000 by 2004. Even with that increase, however, the pay-back period for this district will be in excess of the remaining 20 year statutory life of TID 20.

Exhibit B, attached, is a break-even analysis which determines the minimum donation needed from TID 5, over the maximum donation period of five years, to cause TID 20 to fully recover its costs during its remaining legal life. This amount is estimated at \$170,000 per year, or a total of \$850,000 over five years or less.

TID No. 21 (North Ave. Commerce Center) was created December 22, 1993. This district funded site acquisition, public improvements, and continues to fund "rent support" payments for two multi-tenant, light industrial buildings at N. 27th St. and W. North Ave. Following an initial term of occupancy by Goodwill Industries, the 57,600 s.f. Phase I building is currently 85% vacant, as is the 55,000 s.f. Phase II building, which was completed in early 2000.

Project costs remaining to be recovered for TID No. 21, including interest on debt, were \$1,693,471 as of December 31, 2000.

The City is required to make "rent support" for each of these buildings in an amount sufficient to cover operating expenses and provide a fixed return on investment to the building's owners. As occupancy and rent from tenants declines, rent support increases. For a history of rent support payments for each building, see the Appendix to this Amendment.

Rent support for the Phase I building is estimated to be nearly \$250,000 in 2001. Future rent support will be a function of future occupancy rates and rents paid by tenants. We estimate occupancy rates will average 75% until the City's rent support obligation terminates in April, 2005. At an average gross rent of \$6 per s.f., this would mean future rent support payments would average \$123,000, annually, thru the end of the City's rent support obligation.

Rent support for the Phase II building is capped at \$350,000. We estimate rent support for 2001 will be \$244,000 with the balance of the \$350,000 paid out in 2002.

Given these additional outlays, and the fact that the annual incremental revenue for the two buildings is expected to be approximately \$130,000, this district also has a pay-back period well in excess of the remaining twenty year statutory life of the district.

Exhibit C, attached, is a break-even analysis which determines the minimum donation needed from TID 5, over the maximum donation period of five years, to cause TID 21 to fully recover its costs during its remaining legal life. This amount is estimated at \$120,000 per year or a total of \$600,000 over five years or less.

TID No. 30 (Library Hill / Westown Village) was created April 2, 1996 and funded the site acquisition expenses for the 139 unit apartment complex located at 740 W. Wisconsin Ave. The occupancy rate for apartments is approximately 95%, and all 6800 s.f. of commercial space is either occupied or being built-out. Rents start at \$770 for a one-bedroom apartment. The project is assessed at \$6,500,000.

Substantial cost overruns were realized in condemning the site for the property. This includes expenses for property acquisition, business relocation and environmental remediation of the site. Remaining project costs for TID No. 30, including interest on debt, totaled \$11,151,342 as of Dec. 31, 2000.

Incremental revenue from the district was \$84,000 this year. Based on a January 2001 incremental value of \$5,718,000, incremental revenue is expected to grow to approximately \$160,000 in 2002 (assuming a \$28 / thousand tax rate), and increase to \$200,000 by 2004. Under these circumstances, and without a donation from another district, this district would have a remaining pay-back period of more than 40 years.

Exhibit D, attached, is a break-even analysis which determines the minimum donation needed from TID 5, over the maximum donation period of five years, to cause TID 30 to fully recover its costs during its remaining legal life. This amount is estimated at \$1,480,000 per year or a total of \$7,400,000 over five years or less.

ANNUAL DONATIONS FROM TID NO. 5

The combined annual donations required for TIDs 20, 21, and 30, as based on the breakeven analyses discussed above, total \$1,770,000. As mentioned previously, TID 5 has generated incremental revenue of \$2,367,000, on average, over the last five years.

The Wisconsin Dept. of Revenue has determined that a donor district must use all of its incremental revenue to either pay its own project costs or make donations to other districts. Consequently, following the final audit of TID 5, all of the available incremental revenue from that district must be donated.

These donations will be prorated to TIDs 20, 21, and 30 based on the percentage that each district's estimated annual donation from TID 5 (as determined from the break-even analyses) represents of the total of such donations, as shown in the table below:

TID NO.	Est. annual	% each	Maximum
	Donation	estimated	donation from
	needed from	annual	TID 5 over five
	TID 5 based on	Donation is to	years:
	Break-even	the total of the	
	analyses.	est. Donations.	·
20	\$ 170,000	9.6%	\$ 850,000
21	120,000	6.8%	600,000
30	1,480,000	83.6%	7,400,000
Total	1,770,000	100.0%	\$8,850,000

Specifically, and not withstanding anything herein to the contrary:

- TID No. 5 will donate 9.6% of its incremental revenue annually to TID No. 20, until the actual donations total \$850,000;
- TID No. 5 will donate 6.8% of its incremental revenue annually to TID No. 21, until the actual donations total \$600,000;
- TID No. 5 will donate 83.6% of its incremental revenue annually to TID No. 30, until the actual donations total \$7,400,000.

EXHIBITS

- A: Cash flow of TID No. 5, incorporating carrying cost calculation.
- B: Break-even analysis of TID 20 (Florida Yards) assuming donation from TID 5.
- C: Break-even analysis of TID 21 (North Ave. Commerce Center) assuming donation from TID 5.
- D: Break-even analysis of TID 30 (Library Hill) assuming donation from TID 5.

APPENDICIES

- 2000 Financial Statements for City of Milwaukee; Exhibit A, Est. of Required Tax Increments Necessary to Recover Net Project Costs Incurred Through December 31, 2000.
- North Ave. Commerce Center Phase I: Historical and projected rent support.
- North Ave. Commerce Center Phase II: Historical and projected rent support
- Assessor's determination of value for TID No. 30.

	TID NO. 5 - THEATER DISTRICT	-THEAT	R DISTR	101				EXHIBIT A						
	INCREMENTA	NCREMENTAL VALUE AND REVENUE	REVENUE		ANNOALDEB	SIOWES I		CASH FLOW			1			
Year	Base Value	District Value	Incr. Value	. ≗	Interest		Total	Annual	Cumulative	di97	Annual Carrying	Cumulative	Net Cumulative	Remaining
				Received	Favner	Feymant	Service .	Cash Flow	Cash Flow	Rate	(Cost) or	Carrying	Cash Flow	Debt Service
											LGIP Rate	is S		
		ıı												
1985	69	60		0	\$ 329,369		\$ 329,369	(329,369)	(329.369)	9 15%	(30 437)	750,057	000	
1986	077,700	2,412,000			634,981			(1,168,827)	(1,498,196)		(109,668)	(130,805)	(308,500)	30,427,828
1987		30,004,000	12,453,600	9	1,431,572			(2,641,783)	(4,139,979)		(283,589)	(423,394)	(4 563 373)	28,238,001
1989		61 319 800	- 1	4 466 055	1,318,586		\perp	(2,179,560)	(6,319,539)	7.63%	(482,181)	(905,575)	(7.225.114)	23 900 918
1990		1			1,208,352	1,335,272	2,543,624	(1,376,669)			(730,370)	(1,635,945)	(9,332,153)	21.357.294
1991				L	991,090		L	30,314)			(669,889)	(2,305,834)	(10,032,356)	18,918,38
1992		78,374,700		L	805,936	L	L	440.078	(1,576,330)	7,521%	(531,993)	(2,837,828)	(10,216,378)	16,589,144
1993		81,503,700			704,111			952.092			(336,5/7)	(3,174,405)	(10,142,877)	14,376,589
4004	671,700	76, 165,000	_	┙	540,160			1,152,938			(210,587)	(7) 4'00'4'1	(9,410,797)	12,182,160
1006		90,491,300	79,619,600		435,714			787,565			(231,510)	(3,010,004)	(7 047 204)	10,243,104
1997		ľ	Ŀ	2,709,130	335,245			847,039	(3,228,838)		(167.254)	(4,008,768)	(7.937,606)	0,207,377
1998		L	_		245,3/0	854,424		1,345,196	(1,883,642)	5.32%	(100,210)	(4.108.978)	(5 992 620)	5 186 088
1999		81.146.300	┸		475 507			1,319,903			(29,596)	(4,138,574)	(4, 702, 313)	4 276 50
2000	ŀ	81,689,600	ட	L	147 478			1,679,802			54,464	(4,084,110)	(2.968.047)	3.476.10
2001				l	128 722		031,320	1,631,991			170,929	(3,913,181)	(1,165,127)	2.844,775
2002					404 334			1,830,826	4,578,880	4.59%	210,171	(3,703,011)	875,869	2.258 233
2003					72.746	1	554 426							
2004					50,233									
5002				•	29,914	.,								
2000					15,014									
2000					11,859									
900					8,523	64,237								
2000					4,990		73,086							
2010					1,245	22,652	23,897							
2040					2		18							
2012						10	11							
2012			.			11	12							
1						8	9							
Ī			Total	\$33 077 845	644 030 300	200101014								
				717. 10,000	911,002,300	9 19,74,009	\$ 19,724,889 \$ 30,757,197							

Estimated Interest on Future Costs [3]	EXHIBIT B
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	=	next 3 years, for Phase I. \$350,000 for Phase II	, for Phase I. \$3	next 3 years	
	-	, \$123,000 for	Assumes \$250,000 in 2001, \$123,000 for	Assumes \$2	
	-	ent Support.	See attached forecasts for Rent Support.	100	[2]:
	200		It A.	TIDs, Exhibit A.	
	aukee	[1]: Source - 2000 Financial Statements for Milwaukee	000 Financial St	Source - 20	Notes: [1
	_				
10,743	မာ	NOI	NET PROJECT COST AFTER DONATION	JECT COST	NET PRO
000'009	Ω &	120,000	€	Donation from TID 5	Donation
2,600,000	20 8	\$ 130,000		ruure iiicrementai kevenue	
	+	No. Yea			-
3,210,743	€		ERED	IOIAL IO BE RECOVERED	I OIAL
548,272	€9		Estimated Interest on Future Costs [3]	Interest on F	Estimated
969,000	မာ	rt) [2]	Est. Future Project Costs (Rent Support) [2]	e Project Cos	Est. Futur
1,693,471	မာ	F 12/00 [1]	IO BE RECOVERED AS OF 12/00 [1]		NE I AM I .
		120,000	8	Annual donation from TID 5	Annual do
		79,985 130,000	nue \$	Est. future annual revenue	Est. futur
		70.085		2001 Incremental revenue	2001 Incr
		20	e (years)	Remaining statutory life (years)	Remainin
	_	(NORTH AVE. COMMERCE CENTER)	COMMERC	TH AVE.	(NOR
		RICT NO. 21	TAX INCREMENTAL DISTRICT NO.	ICREME	TAXII
			ပ	EXHIBIT	

	attached	See Assessor's determination of value attached	essor's deter	See Ass	
			taxed at \$28/ \$1000.	taxed a	
	718,600	District incremental value for 2001 of \$5,718,600	cremental va		[2]:
			ibit A.	TIDs, Exhibit A.	
	Milwaukee	Notes: [1]: Source - 2000 Financial Statements for Milwaukee	2000 Financi]: Source -	Notes: [1
31.342	မာ	NATION	NET PROJECT COST AFTER DONATION	JECT COS	NET PRO
7,400,000	2	\$ 1,480,000		Donation from TID 5	Donation
3,400,000		\$ 200,000	0	2004-2020	
320.000	2	160,000	တ	2002-2003	
	Years	ınual Rev.	evenue	Future Incremental Revenue	Future In
11,151,342	€		OVERED	TOTAL TO BE RECOVERED	TOTAL T
1	69	Ø	Estimated Interest on Future Costs	d Interest or	Estimate
•	Ð				
				Est Entrice Orogical	Total Line
11,151,342	8	TO BE RECOVERED AS OF 12/00 [1]	ECOVERED	T. TO BE RE	NET AMT.
		\$ 1,480,000	TID 5	Annual donation from TID 5	Annal d
		\$ 200,000	2004 -2020	Est. annual revenue 2004 -2020	ESI. ann
	[2]	 	2002 -2003	Est. annual revenue 2002 -2003	Est. ann
		\$ 83,831	/enne	2001 Incremental revenue	2001 Inc
		2	ille (yeals)	Statuto Statuto Statuto (Seals)	
			116	toto se	Domoini
		, HILL)	(WESTOWN / LIBRARY HILL)	LOWN /	(WES
	30	STRICT NO.	TAX INCREMENTAL DISTRICT	ACREME	TAX
			ITD	EXHIBIT	
_		-	ı		

•							
		TID - 1	TID - 5	TID - 10	TID - 11	TID - 13	TID - 14
Production Constitution		. 25.150.540	21.000.000				
Project Expenditures		\$ 25,150,542	31,076,872	6,257,013	12,304,646	7,232,882	579,139
Add Scheduled Bond Interest Costs -		0.060	100.000				
2000 to Maturity	-	8,068	422,585	528,997	1,105,767	989,211	41,925
Total Positrat Conta		26.169.612					
Total Project Costs	_	25,158,610	31,499,457	6,786,010	13,410,413	8,222,093	621,064
Project Revenues		(9,475,162)	(267,301)	(2,400)	(410)	(1,051,670)	
				,,,,,	(110)	(1,031,070)	
Reduction in Principal Debt Service						•	
Requirements as a Result of 1985							
and 1996 Bonded Debt Refundings	_	(1,398,748)	(29)	(24,868)	(41,475)	(20,268)	(2,130)
Net Project Costs/Amount to be			•				
Recovered Through Tax Increments	· -	14,284,700	31,232,127	6,758,742	13,368,528	7,150,155	618,934
TAX INCREMENTS REQUIRED							
Amounts Levied:							
1986 and prior		3,903,599	61,415				
1987		563,000	475,325	•	•	•	. •
1988		690,061	1,166,955		•	•	• .
1989		764,375	2,408,593	19,141.00	77,418.00	•	•
1990		833,990	2,677,215	54,313	218,911	523,947	•
1991	-	822,072	2,622,633	115,270	285,445	809,428	3,097.00
1992		855,212	3,146,521	227,129	325,662	835,363	31,245
1993		777,451	3,091,994	467,342	377,722	1,285,748	31,943
1994		790,672	2,822,692	683,059	655,392	1,177,141	31,623
1995		661,156	2,769,136	667,764	686,055	1,127,874	30,262
1996		739,143	2,444,990	701,221	693,789	1,313,242	25,309
1997		589,556	2,229,482	669,473	696,071	-	24,050
1998		727,181	2,480,208	705,258	799,357	•	26,079
1999		672,533	2,263,317	693,386	1,044,309	•	26,393
2000		802,331	2,417,369	895,932	1,317,769	•	25,981
Total Tax Increments							
Levied at December 31, 2000	•	14,192,332	33,077,845	5,899,288	7,177,900	7,072,743	255,982
Net Amount to be Recovered Through		• •					
Future Tax Increments	\$	92,368	(1,845,718)	859,454	6,190,628	77,412	362,952
Remaining Recovery Years		2	11	14	15	16	17

	TID - 15	TID - 17	TID - 18	TID - 19	TID - 20	TID - 21
Project Expenditures	\$ 2,141,499	926,266	722,081	7 255 422	3 601 770	
Add Scheduled Bond Interest Costs -	4 2,171,722	720,200	722,001	7,355,433	3,581,770	1,845,94
2000 to Maturity	189,626	106,962	252.416	050.050		
2000 to Hadding	169,020	100,302	253,415	879,859	848,070	339,72
Total Project Costs	2,331,125	1,033,228	975,496	8,235,292	4,429,840	2,185,668
Project Payoning		(27 421)			. •	
Project Revenues	-	(37,431)	(6,649)	(5,102,255)	(1,410,000)	(35,939
Reduction in Principal Debt Service						
Requirements as a Result of 1985	· • •					
and 1996 Bonded Debt Refundings	(6,717)	(2,898)	(1,974)	(41,509)	(9,286)	(6,713
Net Project Costs/Amount to be					•	
Recovered Through Tax Increments	2,324,408	992,899	966,873	3,091,528	3,010,554	2,143,016
TAX INCREMENTS REQUIRED						
Amounts Levied:						
1986 and prior	· -		•		<u>.</u>	
1987	-		-	-	_	
1988	•	•	•		•	
1989	. •	-	-	•		_
1990	-		-	•	-	-
1991	_	•	-	-	-	•
1992	-	•	-	•	-	
1993	120,199	-	-	35,337	•	-
1994	136,274	54,727.00	•	299,614	-	•
1995	128,754	58,023		551,903	56,503	39,204
1996	119,806	55,738	33,664.00	547,328	48,879	84,602
1997	103,607	58,086	31,730	535,865	38,950	78,077
1998	100,797	59,217	34,232	581,627	35,250	79,687
1999	91,280	55,735	34,486	617,659	29,167	87,990
2000	97,115	59,343	62,644	678,161	44,885	79,985
Total Tax Increments					<u></u>	
Levied at December 31, 2000	897,832	400,869	196,756	3,847,494	253,634	449,545
Net Amount to be Recovered Through	•					•
	\$ 1,426,576	592,030	770 117	1755 060	2766.000	1.606.17
- maio tax morements	3 1,420,370	J74,U3U	770,117	(755,966)	2,756,920	1,693,471
Remaining Recovery Years	17	18	19	19	20	20

•		TID - 22	TID - 23	TID - 24	TID - 25	TID - 26	TID - 27
B 1 . B . W	_						
Project Expenditures	\$	6,757,145	5,620,253	956,921	1,627,398	2,927,854	3,399,629
Add Scheduled Bond Interest Costs -							
2000 to Maturity		2,128,012	1,639,576	204,810	265,620	603,628	581,367
Total Project Costs		8,885,157	7,259,829	1,161,731	1,893,018	3,531,482	3,980,996
Project Revenues		(354,126)	(242,470)	(2,404)	- -	(2,655,248)	(1,174)
Reduction in Principal Debt Service							
Requirements as a Result of 1985		•					
and 1996 Bonded Debt Refundings		(832)	•	(579)	(4,901)	 _	(4,197)
W.D. 1. 10 . 14							
Net Project Costs/Amount to be							
Recovered Through Tax Increments		8,530,199	7,017,359	1,158,748	1,888,117	876,234	3,975,625
TAX INCREMENTS REQUIRED							
Amounts Levied:							
1986 and prior		-		•	•		_
1987		•	-	•	•	•	
1988			•	•	-	-	•
1989		-	-	•	•	•	•
1990		-	-	•	•	. •	
1991		•	-	-			•
1992		-	-	. •	-	. •	•
1993		-	-	-	•	•	• .
1994		-	-	•	-	-	
1995			- .	219,463	2,685	-	
1996		• ·	12,852	189,979	66,531	126,621	•
1997		. •	19,646	173,912	112,797	121,056	101,360
1998		54,799	231,136	233,242	295,439	160,670	319,893
1999		253,674	256,035	280,618	148,183	262,566	312,607
2000		190,377	338,731	265,163	250,179	421,208	326,614
Total Tax Increments							
Levied at December 31, 2000		498,850	858,400	1,362,377	875,814	1,092,121	1,060,474
Net Amount to be Recovered Through							
Future Tax Increments	\$ 8,	,031,349	6,158,959	(203,629)	1,012,303	(215,887)	2,915,151
Remaining Recovery Years		20	20	20 .	20	21	22

	_	TID - 28	TID - 29	TID - 30	TID - 31	TID - 32	TID -33
Project Expenditures		S 2,015,444	6,370,242	9 440 766	2 7/2 702		
Add Scheduled Bond Interest Costs -	4	2,013, 111	0,570,242	8,449,265	2,763,723	491,813	1,521,422
2000 to Maturity		626,356	2 202 011	2 810 642			
2000 to Maturity	-	020,330	2,282,011	2,819,542	838,228	250,050	1,326,745
Total Project Costs	_	2,641,800	8,652,253	11,268,807	3,601,951	741,863	2,848,167
Project Revenues		(2,355)	(176,646)	(33,634)	(34,230)	(7,251)	(39,948)
Reduction in Principal Debt Service							
Requirements as a Result of 1985			÷				
and 1996 Bonded Debt Refundings	_		(492)		<u> </u>	-	-
Net Project Costs/Amount to be							
Recovered Through Tax Increments		2,639,445	8,475,115	11,235,173	3,567,721	734,612	2,808,219
		,,			0,507,721	734,012	2,000,219
TAX INCREMENTS REQUIRED							
Amounts Levied:							
1986 and prior		•	•	•	• •	-	•
1987		- ,		-	-	•	
1988		-	-	-	-	•	•
1989				-	-	-	
1990		•	•	-	-	-	
1991		- #		-	-	. •	-
1992		. - .	•	-	•		•
1993		•	-	-	. -	•	-
1994		• 1	-	-	-	•	•
1995		•	-	- .	-	•	-
1996		•	83,263	-	•	•	• ,
1997		31,618	80,841	· <u>-</u> ·	86,530	28,819	•
1998		82,047	247,111		80,684	63,035	31,712
1999		85,170	466,238	. •	153,084	66,077	317,451
2000		130,350	663,568	83,831	217,085	101,091	345,979
Total Tax Increments							
Levied at December 31, 2000		329,185	1,541,021	83,831	537,383	259,022	695,142
Net Amount to be Recovered Through							
Future Tax Increments		2,310,260	6,934,094	11,151,342	3,030,338	475,590	2,113,077
Remaining Recovery Years		22	22	19	19	19	20

	4 4						
•		TID - 34	TID - 35	TID - 36	TID - 37	TID - 40	TOTAL
					•		
Project Expenditures		\$ 1,083,251	523,814	2,194,930	2,934,125	279,065	149,090,383
Add Scheduled Bond Interest Costs -			•				
2000 to Maturity	_	426,365	65,689	1,422,835	1,442,036	-	22,637,077
Total Project Costs		1,509,616	589,503	3,617,765	4,376,161	279,065	171,727,460
Project Revenues		•		•	(180,838)		(21,119,541)
				•			(21,117,541)
Reduction in Principal Debt Service						·	
Requirements as a Result of 1985							
and 1996 Bonded Debt Refundings	·	-		•	•	. •	(1,567,616)
							(-,,,-
Net Project Costs/Amount to be							
Recovered Through Tax Increments		1,509,616	589,503	3,617,765	4,195,323	279,065	149,040,303
TAX INCREMENTS REQUIRED							
Amounts Levied:							
1986 and prior							
1987		_	•	•	-		3,965,014
1988			,	•	•	•	1,038,325
1989		_			•	•	1,857,016
1990		_	_	-	•	•	3,269,527
1991		_		_	•	•	4,308,376
1992				_	-		4,657,945
1993					· -	. •	5,421,132 6,187,736
1994		•				_	6,651,194
1995		-		-		_	6,998,782
1996		-	-				7,286,957
1997		•	. •		_	_	5,811,526
1998		13,290	-			_	7,441,951
1999		279,135	8,168	23,441	173,189		8,701,891
2000		437,701	1,665	497,195	204,109	_	10,956,361
Total Tax Increments	_			,	201,109		10,550,501
Levied at December 31, 2000		730,126	9,833	520,636	377,298		84,553,733
					371,250		04,333,733
Net Amount to be Recovered Through							
Future Tax Increments		779,490 \$	579,670	3,097,129	3,818,025	279,065	64,486,570
Remaining Recovery Years		20	21	21	21	23 .	•

NOTITY PERMISS 1995 1599	1996 1997 1998 1999 2000 2	2000 2 2000 6 133,416 54,120 133,745 133,745 133,896 182,200 182,200 1,553 55,000 1,696 378,345	(E)	Future Years
1996 11997 1998 1999 2000 2001 2001 75418 105891 119038 133416 35.819 35.82	1996 1997 1998 1999 2000 6	2000 2 (6 133,416 54,120 133,745 321,281 321,281 133,896 182,200 5,553 55,000 1,696 1,696 1,696	(E)	Future Years
79,418 102,891 117,291 130,338 133,416 33,332 33,322 33,322 33,322 34,249 110,263 110,263 110,269 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 133,445 38,819 45,299 110,263 126,096 136,209 110,090 110,	13,418 105,891 117,291 130,338 133,416 13,416	133,416 54,120 133,745 133,896 133,896 182,200 5,563 55,000 1,696 1,696	(8)	
19418 105891 117291 130,338 133,416 33,322 33,322 35,333 35,332 35,333	19,418 105,891 117,291 130,338 133,416 131,095 120,096 52,860 54,120 131,445	133,416 54,120 133,745 321,281 321,281 182,200 5,500 1,696 1,696 1,696 1,696		(75% occup.)
134.856 228.000 27.249 110.263 120.006 133.745 35.819 45.269 130.006	25,056 47,550 52,860 54,120 134,836 228,200 275,104 303,294 321,281 14,435 120,096 138,212 133,896 14,444 194,250 182,000 182,200 182,200 15,553 55,000 55,000 55,000 55,000 20,202 1,267 1,380 1,696 291,229 399,423 36,926 382,345 378,345 291,229 399,423 36,926 382,345 378,345 291,229 399,423 36,926 382,345 378,345 291,229 399,423 36,926 382,345 376,000 20,202 1,207 1,380 74,222 57,000 20,202 1,207 1,380 74,222 57,000 20,202 1,207 1,207 1,380 1,664 296 389,410 1,1997 1,406,411 11,16,640 s.f.) 296 389,410 1,1997 1,003/01 \$4,510 1,000 4,991,2799 \$4,500 1 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,003/01 \$4,510 1,000 1,0	54,120 133,745 321,281 321,281 182,200 5,553 55,000 1,696 1,696 378,345		-
134.836 12.02.05 110.253 120.006 133.745 35.819 45.269 134.836 138.21.281 90.201 114.651 114.836 12.02.02 124.418 118.906 138.212 133.896 54.960 110.000 110.000 182.200 182.200 182.200 182.200 110.000 182.200 182.200 182.200 182.200 110.000 182.200 182	134,836 228,200 275,104 303,294 321,281 34,836 228,200 275,104 303,294 321,281 34,836 228,200 275,104 303,294 321,281 32,600 35,600 35,600 35,600 35,600 35,600 35,600 35,600 36,600	133,745 321,281 133,896 182,200 5,553 55,000 1,696 1,696 378,345		
134.836 228.200 275,104 303,294 321,281 90,201 114,651	66.032 124,418 118,906 138,212 133,896 164,644 194,250 182,200	321,281 133,896 182,200 5,520 55,000 1,696 1,696 378,345	11 12 31	-
66.032 124,418 118.906 138,212 133,896 54,960 110,000 16,464 194,250 182,200 1	66,032 124,418 118,906 138,212 133,896 164,644 194,250 182,200	133.896 182.200 5,553 55,000 1,696 378,345	11 12	259,650
10,000 1	66,032 124,418 118,906 138,212 133,896 15,53 5,53 5,53 5,500 182,200 182,200 182,200 182,200 182,200 182,200 182,200 182,000 0 20,202 1,267 1,380 1,696 1,164,644 1,1229 399,423 362,926 382,345 378,345 1,3990 151,000 94,000 74,222 57,000 151,000 151,000 94,000 74,222 57,000 151,	133,896 182,200 5,553 55,000 1,696 378,345	11 11	000,000
146,644 194,250 182,200 182,	164,644 194,250 182,200 182,200 182,200 185,200 185,000 185,	182,200 5,553 55,000 1,696 378,345		120 050
\$5.50	\$\frac{5.553}{55.00} \frac{5.553}{5.00} \frac{5.553}{5.00} \frac{5.553}{5.00} \frac{5.553}{5.00} \frac{5.500}{5.000} \frac{5.000}{5.000} \frac{5.500}{5.000} \frac{5.553}{5.000} \frac{5.553}{5.0000} \frac{5.553}{5.0000} \frac{5.553}{5.00000} \frac{5.553}{5.0000} \frac{5.553}{5.00000} \frac{5.553}{5.000000} \frac{5.553}{5.000000000000000000000000000000000000	5,553 55,000 1,696 378,345		120,038
Solution	291,229 399,423 362,926 382,345 1,696 25,000 55,000 55,000 55,000 50,000	55,000 1,696 378,345		5.553
291,229 399,423 361,246 31,455 11,251	1996 1996 1997 1997 1997 1998	378,345 18		55,000
Control Cont	(156,393) (171,223) (87,822) (79,051) (57,064) 133,990 151,000 94,000 74,222 57,000 96	3/8,345		11,251
(156,383) (171,223) (87,822) (79,051) (57,064) (91,935) (249,353) (133,990 151,000 94,000 74,222 57,000 165,000 165,000 96 151,000 94,000 74,222 57,000 165,00	(156,393) (171,223) (87,822) (79,051) (57,064) 133,990 151,000 94,000 74,222 57,000 96 96 96 98 99 190 & support (wages \$6 to \$13 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 / hr, excl. managerial); 100 & support (wages \$6 to \$1 /		1	382,862
133,990 151,000 94,000 74,222 57,000 165,000	133,990 151,000 94,000 74,222 57,000 96 96 15,000 15,000 15,000 15,000 96 15,000 1,00	(57,064)		(10001)
866 8ginning June 1, 1997 tion & support (wages \$6 to \$13 / hr, excl. managerial); 6090DWILL II (16,640 s.f.) 60973/98 \$3.580 4/98.3/99 \$4,090 4/99.12/99 \$4,510 1/00.3/01 \$4,510 1/00.3/01 \$4,510 1/02.12/03 \$2,500 (Tech. Ctr. will now occupy 8,587 S.F. 100 \$3.09 1997 \$2,620 1997 \$2,620 1997 \$2,620 1997 \$2,620 1998 \$2,750 1998 \$2,750 2000 \$3.040 2001 \$1575 2002.03 \$1575	96 glinning June 1, 1997 tion & support (wages \$6 to \$13 / hr, excl. managerial); tion & support (wages \$6 to \$13 / hr, excl. managerial); GOODWILL II (16,640 s.f.) 6/97.3/98 \$3,580 4/98.3/99 \$4,090 4/99.12/99 \$4,510 1/00.3/01 \$4,510 1/00.3/01 \$2,500 (Tech. Ctr. will now occupy 8,587 S.F. 1/02 · 12/03 \$2,500 (2 one-year renewal options @ same renewal op	57,000		(179,616)
96 Beinning June 1, 1997 tion & support (wages \$6 to \$13 / 18 / 18 / 18 / 18 / 18 / 18 / 18 /	96 Beinning June 1, 1997 tion & support (wages \$6 to \$13 /			
96 Beinning June 1, 1997 B	96 Beinning June 1, 1997 hip not reimbursable through the tetion & support (wages \$6 to \$13 /			
96 hip not reimbursable through the te tion & support (wages \$6 to \$13 / 100 & support (wages \$6 to \$13 /	96 hip not reimbursable through the tetion & support (wages \$6 to \$13 /			
Hip not reimbursable through the toton & support (wages \$6 to \$13 /	Asiming June 1, 1997 hip not reimbursable through the tetion & support (wages \$6 to \$13 / 100 de support (wages \$6 to			
tion & support (wages \$6 to \$13 /	tion & support (wages \$6 to \$137/			
Goodwill employment: 45 to 70 in recycling operation & support (wages \$6 to \$13 \) 7 employees in tech center 75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes carn rate GOODWILL I (41,050 s.f.) 4/96.3/98 \$8,824.25 4/98.3/99 \$10,091.70 4/99.3/01 \$11,117.45 4/06.3/11 \$0 MONTHLY CAM PAYMENTS 1996 \$6,158 1997 \$6,465 1999 \$7,128 2000 \$7,493	Goodwill employment: 45 to 70 in recycling operation & support (wages \$6 to \$13 \) 75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes cam rate Future years' rent rate of \$6.00 includes cam rate SNTHLY RENTS: GOODWILL I (41,050 s.f.) 4/96.3/98 \$8.24.25 4/01.3/06 \$0 4/09.3/01 \$11,117.45 4/01.3/06 \$0 4/06.3/11 \$0 MONTHLY CAM PAYMENTS			
7 employees in tech center 75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes cam rate GOODWILL I (41,050 s.f.) A/96.3/98 \$8.824.25 4/98.3/99 \$10.091.70 4/98.3/99 \$10.091.70 4/99.3/01 \$11.117.45 4/06.3/11 \$0 A/06.3/11 \$0 A/06.3/11 \$0 A/06.3/11 \$0 A/06.3/12 \$0 BOOTHLY CAM PAYMENTS 1996 \$6.158 1996 \$6.158 1999 \$7,128 2000 \$7,493	7 employees in tech center 75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes cam rate NNTHLY RENTS: GOODWILL I (41,050 s.f.) 4/96.3/98 \$8.824.25 4/98.3/99 \$10,091.70 4/99.3/01 \$11,117.45 4/06.3/11 \$0 MONTHLY CAM PAYMENTS 1996 \$6.158			
75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes cam rate GOODWILL I (41,050 s.f.) 4/96.3/98 \$8.824.25 4/98.3/99 \$10.091.70 4/99.3/01 \$11.117.45 4/06.3/11 \$0 A/06.3/11 \$0 A/06.3/11 \$0 A/06.3/12 \$0 BOOTHLY CAM PAYMENTS 1996 \$6.158 1996 \$6.158 1998 \$6,789 2000 \$7,493	75% occupancy is assumed for future years Future years' rent rate of \$6.00 includes cam rate NNTHLY RENTS: GOODWILL I (41,050 s.f.) 4/96.3/98 \$8.24.25 4/98.3/99 \$10,091.70 4/99.3/01 \$11,117.45 4/06.3/11 \$0 MONTHLY CAM PAYMENTS 1996 \$6.158 1997 \$6.465			
# rate of \$6.00 includes cam rate Military Militar	# rate of \$6.00 includes cam rate Milch M			
WILL I (41,050 s.f.) 3/98 \$8.824.25 3/99 \$10,091.70 5/05 \$0 5/11 \$0 5/11 \$0 6/15 \$1 1/17.45 1/17.49 1/17.49	WILL I (41,050 s.f.) 3/98 \$8.824.25 3/99 \$10,091.70 3/01 \$11,117.45 3/06 \$0 3/11 \$0 MONTHLY CAM PAYMENTS \$6.465			
WILL I (41,050 s.f.) 3/98 \$8,824.25 3/99 \$10,091.70 3/01 \$11,117.45 3/06 \$0 3/11 \$0 MONTHLY CAM PAYMENTS \$6,158 \$6,158 \$6,789 \$7,128	WILL I (41,050 s.f.) 3/98 \$8,824.25 3/99 \$10,091.70 3/01 \$11,117.45 3/06 \$0 3/11 \$0 MONTHLY CAM PAYMENTS \$6,465			
(41,050 s.f.) \$8.824.25 \$10,091.70 \$1,117.45 \$0 \$0 \$0 MONTHLY CAM PAYMENTS \$9 \$9 \$9	\$8.824.25 \$10.091.70 \$11.117.45 \$0 \$0 MONTHLY CAM PAYMENTS			
\$8.824.25 \$8.824.25 \$10.091.70 \$11,117.45 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$8.824.25 \$10.091.70 \$11.17.45 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0			
#0.624.20 \$10,091.70 \$11,117.45 \$0 \$0 MONTHLY CAM PAYMENTS \$3 \$3 \$3	#0.624.20 \$10.091.70 \$11,117.45 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0			
\$11.17.45 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$11,117,45 \$0 \$0 \$0 MONTHLY CAM PAYMENTS			
3.706 \$0 3.711 \$0 \$6.158 \$6.465 \$7.728 \$7.728 \$7.493	8/11 \$0 MONTHLY CAM PAYMENTS \$6,158 \$6,465			
3/11 \$0 MONTHLY CAM PAYMENTS \$6.158 \$6.465 \$6,789 \$7,128 \$7,493	3/11 \$0 MONTHLY CAM PAYMENTS \$6,158 \$6,465			
\$6,158 \$6,465 \$6,789 \$7,128 \$7,493	\$6,158 \$6,465	= = = = = = = = = = = = = = = = = = = =		
## MONTHLY CAM PAYMENTS ### S6,158 ### S6,465 ### S6,789 ### S7,128 ### \$7,493	\$6,158 MONTHLY CAM PAYMENTS \$6,465	der renewal ortion ()		
\$6.158 \$6,465 \$6,789 \$7,128 \$7,493	\$6,158 \$6,465	car referral options @ same rates)		
\$0,405 \$6,789 \$7,128 \$7,493	\$6,465			
\$7,128 \$7,493	1998			
\$7,493	\$5,739 \$7.128			
	\$7.493			
Z00Z:03 \$15/5				
	5202-03 \$1575			

	_		INDAN DEGI	GINEO L	NODTU AVENITE COMMEDOT SENTED BILLOR	11 00 11	
					CE CENTER - PI	IASE II	
The state of the s		2000	2001	2001	Future Years		
KEVENUE			(6 mos.)	(Est.)	(75% occup.)		
Williams Construction (5,680 sf)		28,176	14,088	28,176			
H&R Block Tax Service (1,800 sf)		14,364	7,182	14,364			
Irgens Development Partners (3,560 sf)	-	14,508	10,376	20.752			
Williams Construction · CAM Payment		12,780	4.986	9.971			
H&R Block · CAM Payment		4,068	1,586	3.173			
Other tenants @ \$6.00 / sf					248 400		
Total Revenue		73,896	38.218	76.436	248 400		
					20101		
EXPENSES							
CAM Expenses		64.706	38 418	85,000	128 500		
First Mtg. Debt Service		62,835	75,402	150.804	150 804		
RACM Debt Service		3.871	1,833	3 666	3,666		
Min. Return on Equity		79,200	29,700	59 400	50,000		
Other Expense		15,223	14 402	22,434	004,60		
Total Expenses		225.835	159 755	321 304	367 904		
				054130	†00°+00°		
REVENUES LESS EXPENSES		(151,939)	(121,537)	(244.868)	(116 404)		
RENT SUPPORT PAID BY DEVELOPER		\$150,000		7			
ANNUAL RENT SUPPORT PAID			\$120,000	\$244,000	\$106,000 [2]	[2]	
	-						
NOI ES:	-						
1. CAM expenses for Irgens Development are included	e included in the monthly rent.						
2. Iotal overall rent support limited to \$350,000.							
3. City / RACM equity in project is \$595,000							
4. Developer equity is \$660,000							
5. Employment: Williams employs 8 office workers and 47 field workers including carpentry	nd 47 field workers in	cluding carpent	2				
and concrete; H&R Block employs 9 to 26 during tax season	ax season.)					
6. ROE for 2000, incl. Partial payment of \$19.800 in 1999	666						
7. Future years' rent rate of \$6.00 includes cam expenses	Ses						
8. 75% occupancy is assumed for future years							

			TID # 30			:	:				8/28/2001 1:52:16 PM		Page 39 of 118
Taxkey	Cur Prv Cls Cls	Adm	Class Chg #	Prev Land	Curr	Land	Prev Imprv	Curr Imprv	Imprv Diff	Prev Total	Curr Total	更	Asmt Chg
361-0702-000-9	4			64,000	64,000	0	38.000	38.000	-	102 000	100 000	•	
361-0703-000- 4	4			330,900	330,900		73.100	73.100	, c	704,000	000,201)	10/9/2000
361-0707-110- X	4			1,008,000	1,008,000	0	2,007,000	2.007.000	· c	3 015 000	404,000	0 (10/9/2000
361-1713-100- 3	4			735,000	735,000	0	2,732,000	1,865,000	-867,000	3.467.000	000,000	0 00	10/9/2000
361-1715-000-8	4			40,000	40,000	0	117,000	117,000	0	157.000	157 000	000',798-	4/14/2001
361-1716-000- 3	4			35,000	35,000		75,000	75,000	0	110,000	110.000	o c	4/8/2000
361-1717-000- 9	4			300,000	300,000	0	108,000	108,000	0	408,000	408.000	, c	4/8/2000
361-1/18-100- 0	4			240,000	240,000	0	96,000	96,000	0	336,000	336,000	· c	4/8/2000
361-1721-000- 0	4			326,200	326,200	0	25,800	25,800	0	352,000	352,000	o (4/6/2000
361-1723-000- 1	4			262,500	262,500	0	3,325,500	3,325,500	0	3.588.000	3 588 000	o (10/9/2000
Parcel Count - Land: 10 Parcel Count - Imprv: 10	and: 10 nprv: 10			3,341,600	3,341,600	0	8,597,400	7,730,400	-867,000	11,939,000	11,072,000	000'298-	10/9/2000
361-0701-000- 3	2			140,400	140,400	0	559,600	559,600	c	200	700		
361-1722-000- 6	2			274,000	274,000	0	366,000	366,000	. 0	640,000	000,000	0 0	4/8/2000
361-1729-110-8	7			556,000	556,000	0	2,444,000	5.944,000	3.500.000	8 000 000	000,000	0 0	4/8/2000
Parcel Count - Land: Parcel Count - Imprv:	and: 3			970,400	970,400	0	3,369,600	009'698'9	3,500,000	4,340,000	7,840,000	3,500,000	4/14/2001
361-1725-140-8	o			0	0	0	. · c	c	c	•			
Parcel Count - Land: Parcel Count - Imprv:	and: 1 prv: 0			0	0	0	0 0	0 0	0	0 0	0 0		
Totals =	4			4,312,000	4,312,000	0	11,967,000 14,600,000	14,600,000	2,633,000	16,279,000	18,912,000	2,633,000	