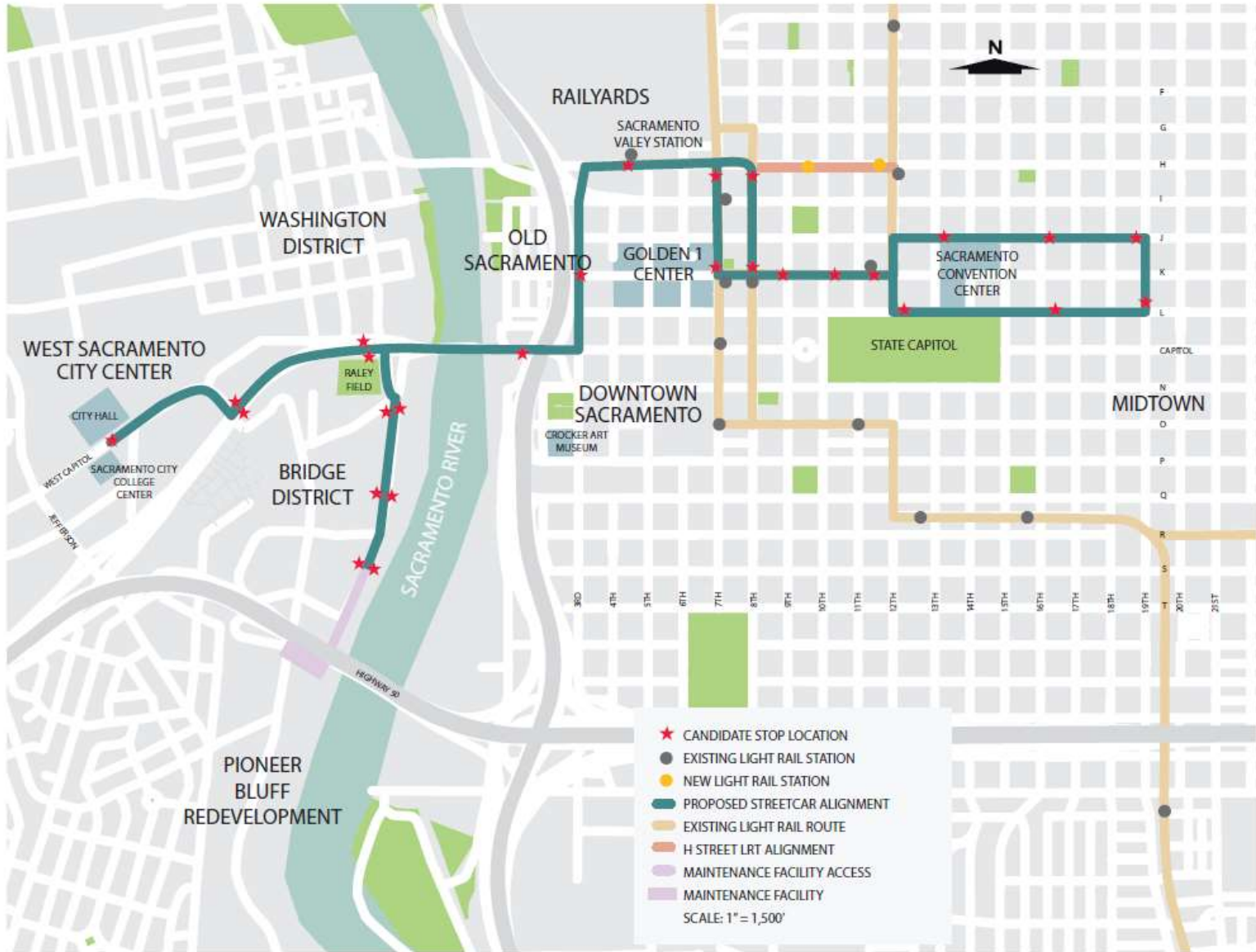


Downtown/Riverfront Streetcar



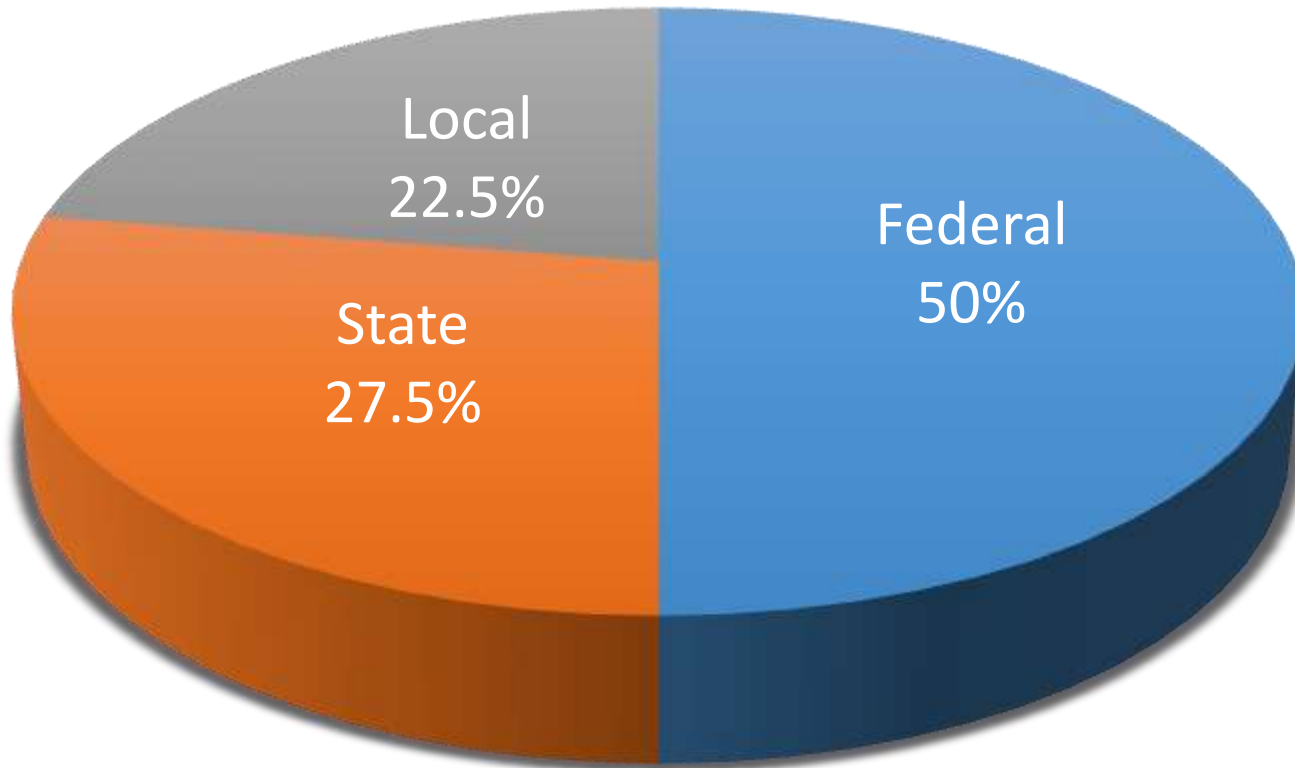
Downtown Riverfront Streetcar





Capital Funding Sources

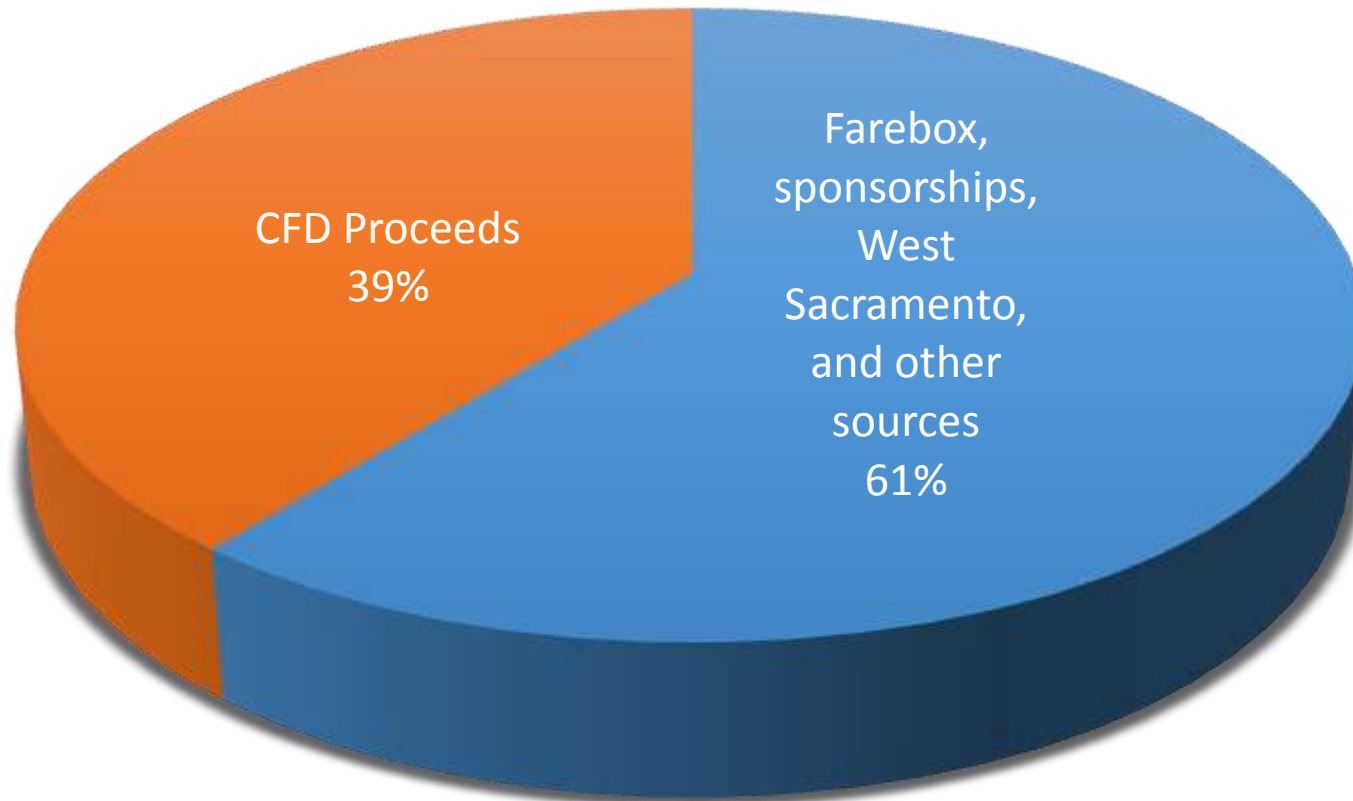
Total Project Cost: \$200 Million








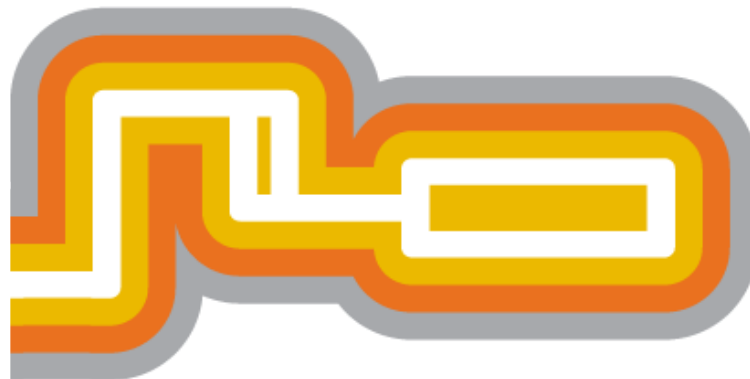
Financing for Operations & Maintenance

Total Annual Cost: \$5.1 M



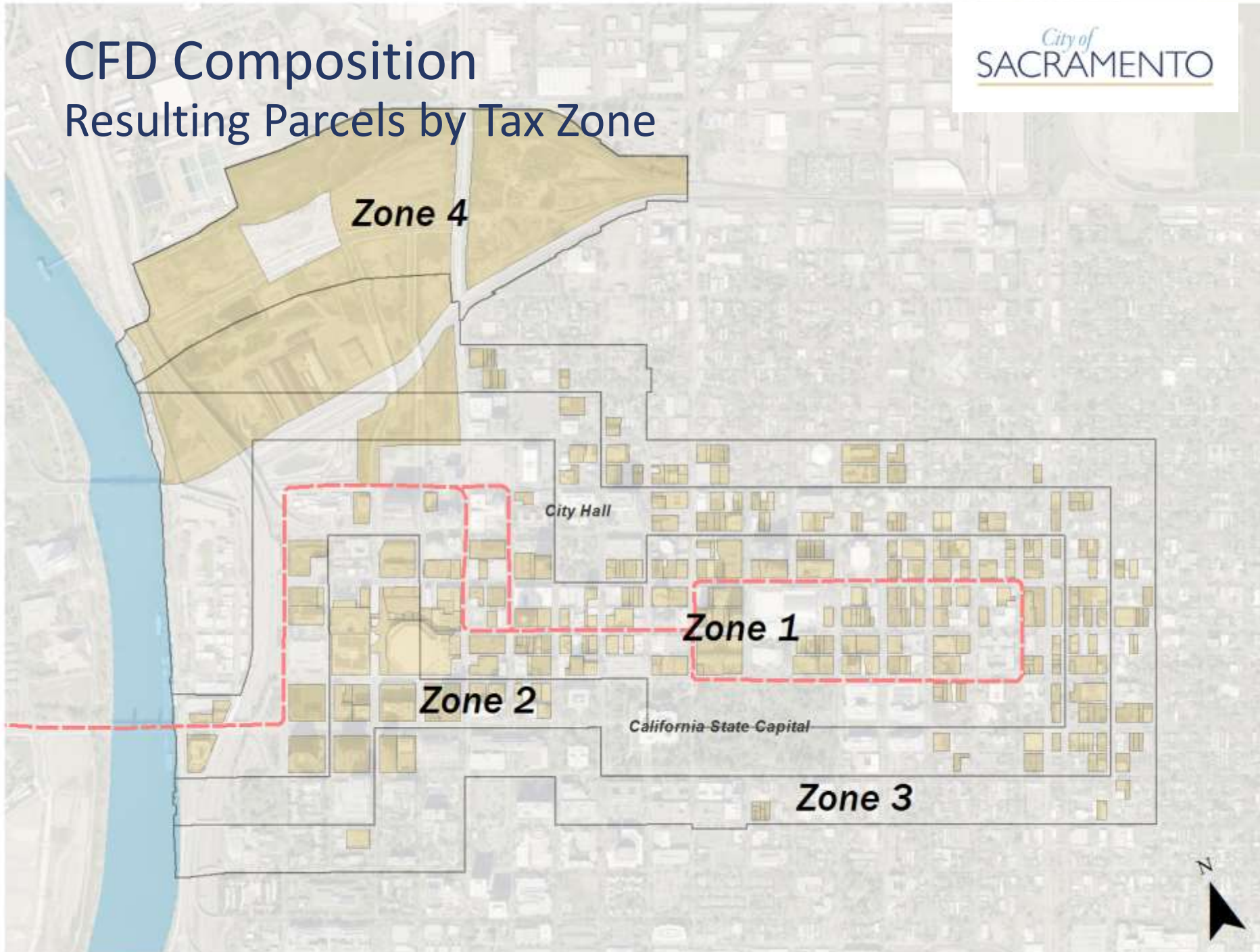
Fee Structure

	TAX ZONE 1	TAX ZONE 2	TAX ZONE 3
 Commercial Parking Area	4¢ per square foot	3¢	3¢
 Building Area	12¢	10¢	7¢
 Taxable Land Area	4¢	3¢	3¢



CFD Composition

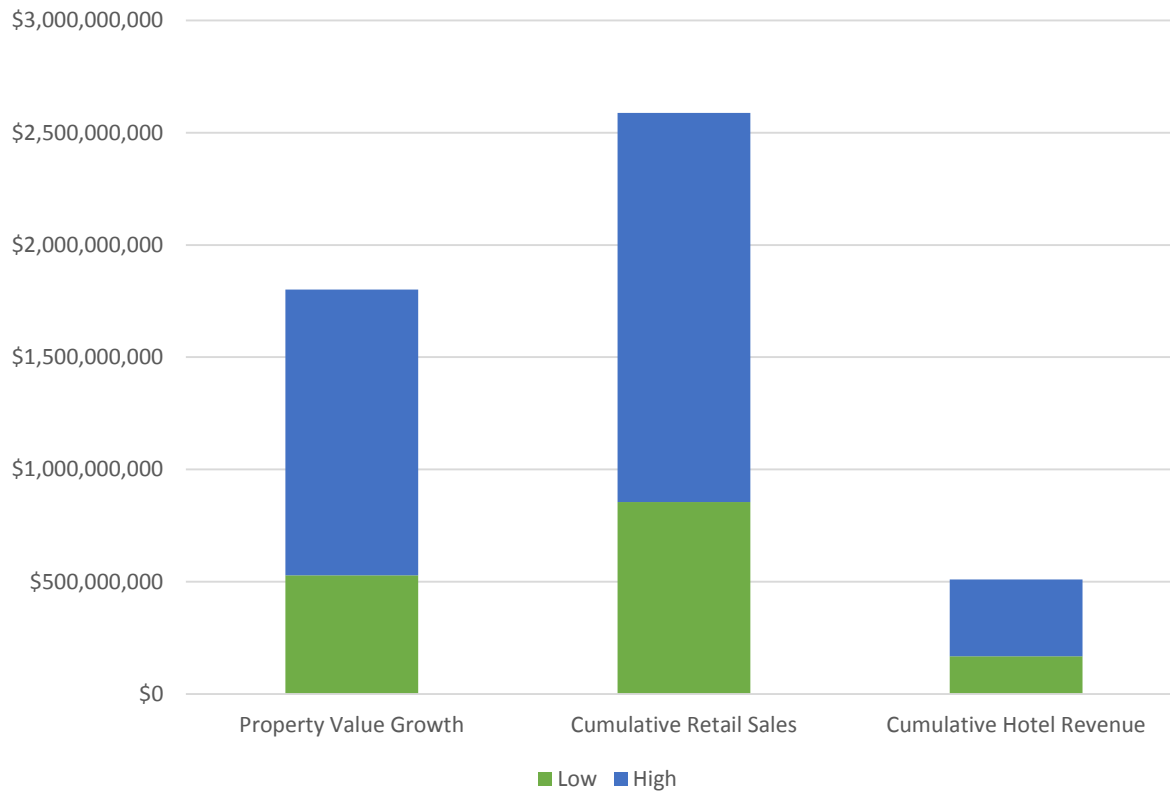
Resulting Parcels by Tax Zone





Economic Benefits

2017 - 2040



Source: Strategic Economics, 2017

Estimated Benefit of the Downtown/Riverfront Streetcar to Commercial Uses
Return on Investment (ROI) Calculation Assuming a Range of Rents

April 2017

AVERAGE MONTHLY RENT PER NET LEASED SF BEFORE STREETCAR	\$1.75	\$2.50	\$3.00
ESTIMATED SPECIAL TAX - INCLUDES LAND (SF) AND BUILDING (GSF)			
Annual Tax per Gross SF	\$0.14	\$0.14	\$0.14
Monthly Tax per Gross SF	\$0.01	\$0.01	\$0.01
Monthly Special Tax per Net Square Foot (Leased) ¹	\$0.02	\$0.02	\$0.02
<i>Assumed FAR for Combined Land and Building Tax Rate²</i>	2.0	2.0	2.0
<i>Special Tax Rate is \$.12 per Building GSF and \$.043 per Land SF</i>			
BREAK EVEN RENT INCREASE			
Monthly Rent per Net SF Required to Break Even After Special Tax	\$1.77	\$2.52	\$3.02
Minimum % Increase Required to Break Even	0.9%	0.6%	0.5%
ANNUAL RETURN ON INVESTMENT WITH ESTIMATED STREETCAR PREMIUMS			
Monthly Rent per Net SF with Streetcar Premium³			
@ 2% Rent Premium	\$1.79	\$2.55	\$3.06
@ 5% Rent Premium	\$1.84	\$2.63	\$3.15
@ 7% Rent Premium	\$1.87	\$2.68	\$3.21
Monthly Increase in Income per Net SF (after Special Tax)			
@ 2% Rent Premium	\$0.02	\$0.04	\$0.05
@ 5% Rent Premium	\$0.08	\$0.11	\$0.14
@ 7% Rent Premium	\$0.11	\$0.16	\$0.20
Return on Investment⁴			
@ 2% Rent Premium	148%	243%	307%
@ 5% Rent Premium	482%	720%	879%
@ 7% Rent Premium	704%	1038%	1261%

¹ Building area/land area; excludes parking. Calculation assumes property is in zone 1; assessment for zones 2 and 3 would be lower (80% and 60% of zone 1, respectively).

² Net Leased SF assumed to be 75% of Gross SF to account for vacancy and common areas. Excludes parking.

³ 2-7% chosen as a conservative expected range. Recent research has found a range of 6 to 15% for rail transit projects (see "The Streetcar Value Proposition for Office Properties," Strategic Economics).

⁴ Increase in Rent/Special Tax.

Questions?

