

Preliminary Review of Proposed Tax Increment Project

Applicant: Kent Hagg for Alta Terra Development, LLC

Proposed Project Title: Tax Increment District #70 - Highway 16 Sewer

Purpose of Tax Increment District: The purpose of this Tax Increment District Project Plan is to assist in the development of commercial property located along South US Highway 16 and Moon Meadows Drive through the development of public infrastructure improvements. The Tax Increment Funds will be utilized for a sanitary sewer main, turn lanes, Moon Meadows Drive, water main at South US Hwy 16 crossing, a traffic signal, engineering and contingency costs. The Project Plan will be funded by the developer.

The anticipated commercial development in the area will generate revenues to repay the costs of the identified improvements. Property zoned General Commercial District is included in the boundary of this District and commercial construction is anticipated. As such, this is an economic development Tax Increment District.

Existing Boundaries: The TID #70 boundaries are located along Catron Boulevard from Fifth Street to South US Highway 16, then south along South US Highway 16 to Sammis Trail, and then east to Hyland Crossing Subdivision.

Existing Base Valuation: \$22,894,000

2010 Tax Rate: .021709 Non-Agriculture Tax Levy

Current Revenue Received: \$148,944

Anticipated Increment:

2012	\$	2,072,100
2013	\$	2,072,100
2014	\$	2,072,100
2015	\$	7,572,100
2016	\$	15,072,100
2017	\$	26,572,100
2018	\$	35,672,100
2019	\$	48,172,100
2020	\$	58,974,140
2021	\$	67,974,140
2022	\$	72,974,140
2023	\$	74,974,140
2024	\$	76,974,140

Anticipated Increment Revenue:*

2014	\$	44,983
2015	\$	44,983
2016	\$	44,983
2017	\$	164,382
2018	\$	327,200
2019	\$	576,853
2020	\$	774,405
2021	\$	1,045,768
2022	\$	1,280,269
2023	\$	1,475,650
2024	\$	1,584,195
2025	\$	1,627,613
2026	\$	1,671,031

2025	\$	78,974,140	2027	\$	1,714,449
2026	\$	80,974,140	2028	\$	1,757,867
2027	\$	82,974,140	2029	\$	1,801,285
2028	\$	86,974,140	2030	\$	1,888,121

*Revenue based on applicant's estimated increment at build out

Proposed TID Project Costs – Phase I

12" Sanitary Sewer Main	\$	264,000
Grading	\$	1,000,000
Salvage and Place Top Soil	\$	137,500
Mobilization	\$	10,000
Sewer Manholes	\$	63,200
Surveying	\$	10,000
Testing	\$	5,000
Engineering	\$	73,560
Necessary and Convenient Costs	\$	46,898
Contingency	\$	<u>109,428</u>
Total	\$	1,719,586

Proposed TID Project Costs – Phase II

Mobilization	\$	10,000
Turn Lanes at Moon Meadows Drive	\$	200,000
Traffic Signal	\$	250,000
Water Main at Hwy 16 Crossing	\$	100,000
Moon Meadows Drive	\$	792,000
Surveying	\$	10,000
Testing	\$	5,000
Engineering	\$	105,360
Necessary and Convenient Costs	\$	44,171
Contingency	\$	<u>103,065</u>
Total	\$	1,619,596

Total Proposed TID Project Costs for Phase I and Phase II

12" Sanitary Sewer Main	\$	264,000
Grading	\$	1,000,000
Salvage and Place Top Soil	\$	137,500
Mobilization	\$	20,000
Sewer Manholes	\$	63,200
Turn Lanes at Moon Meadows Drive	\$	200,000
Traffic Signal	\$	250,000
Water Main at Hwy 16 Crossing	\$	100,000
Moon Meadows Drive	\$	792,000
Surveying	\$	20,000

Testing	\$	10,000
Engineering	\$	178,920
Necessary and Convenient Costs	\$	91,069
Contingency	\$	<u>212,493</u>
Total	\$	3,339,182

Identified Funding Sources: Funding will be financed by Alta Terra Development, LLC

Anticipated Time Frame: 11 years at 9%, 10 years at 7.5%

Comments: Anticipated interest rate is 7.5%. Staff has prepared a 9% interest rate as specified in the Tax Increment Financing Guidelines adopted by City Council. Both amortization schedules are attached.

Initial Data

LOAN DATA

Loan amount: **\$3,339,182.00**
 Annual interest rate: **7.50%**
 Term in years: **20**
 Payments per year: **2**
 First payment due: **6/1/2012**

TABLE DATA

Table starts at date:
 or at payment number: **1**

PERIODIC PAYMENT

Entered payment: **\$5,002.00**
 Calculated payment: **\$5,002.00**
 The table uses the calculated periodic payment amount, unless you enter a value for "Entered payment."

CALCULATIONS

Use payment of: **\$5,002.00**
 t payment in table: **1**
 Beginning balance at payment 1: **\$34,426.00**
 Cumulative interest prior to payment 1: **\$0.00**

TABLE

No.	Payment Date	Beginning Balance	Interest	Total Due	Capital Int Payment	Tax Inc Payment	Total Pay	Loan Balance	Cumulative Interest
1			0.00	0.00	0.00		0.00	0.00	0.00
2		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	6/1/2012	3,339,182.00	125,219.33	3,464,401.33	0.00	171,435.61	171,435.61	3,292,965.72	125,219.33
4	12/1/2012	3,292,965.72	123,486.21	3,416,451.93	100,994.60	22,491.61	123,486.21	3,393,960.32	248,705.54
5	6/1/2013	3,393,960.32	127,273.51	3,521,233.83	104,781.90	22,491.61	127,273.51	3,498,742.22	375,979.05
6	12/1/2013	3,498,742.22	131,202.83	3,629,945.05	108,711.22	22,491.61	131,202.83	3,607,453.44	507,181.88
7	6/1/2014	3,607,453.44	135,279.50	3,742,732.95	112,787.89	22,491.61	135,279.50	3,720,241.34	642,461.39
8	12/1/2014	3,720,241.34	139,509.05	3,859,750.39	117,017.44	22,491.61	139,509.05	3,837,258.78	781,970.44
9	6/1/2015	3,837,258.78	143,897.20	3,981,155.98	61,705.84	82,191.36	143,897.20	3,898,964.62	925,867.64
10	12/1/2015	3,898,964.62	146,211.17	4,045,175.80	64,019.81	82,191.36	146,211.17	3,962,984.44	1,072,078.82
11	6/1/2016	3,962,984.44	148,611.92	4,111,596.35	0.00	163,600.11	163,600.11	3,947,996.24	1,220,690.73
12	12/1/2016	3,947,996.24	148,049.86	4,096,046.10	0.00	163,600.11	163,600.11	3,932,445.99	1,368,740.59
13	6/1/2017	3,932,445.99	147,466.72	4,079,912.72	0.00	288,426.86	288,426.86	3,791,485.86	1,516,207.32
14	12/1/2017	3,791,485.86	142,180.72	3,933,666.58	0.00	288,426.86	288,426.86	3,645,239.72	1,658,388.04
15	6/1/2018	3,645,239.72	136,696.49	3,781,936.21	0.00	387,202.81	387,202.81	3,394,733.40	1,795,084.53
16	12/1/2018	3,394,733.40	127,302.50	3,522,035.90	0.00	387,202.81	387,202.81	3,134,833.09	1,922,387.03
17	6/1/2019	3,134,833.09	117,556.24	3,252,389.33	0.00	522,884.06	522,884.06	2,729,505.27	2,039,943.27
18	12/1/2019	2,729,505.27	102,356.45	2,831,861.72	0.00	522,884.06	522,884.06	2,308,977.66	2,142,299.72
19	6/1/2020	2,308,977.66	86,586.66	2,395,564.32	0.00	640,134.80	640,134.80	1,755,429.52	2,228,886.38
20	12/1/2020	1,755,429.52	65,828.61	1,821,258.13	0.00	640,134.80	640,134.80	1,181,123.33	2,294,714.99
21	6/1/2021	1,181,123.33	44,292.12	1,225,415.45	0.00	737,825.30	737,825.30	487,590.15	2,339,007.11
22	12/1/2021	487,590.15	18,284.63	505,874.78	0.00	505,874.78	505,874.78	0.00	2,357,291.74
23	6/1/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,357,291.74
24	12/1/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,357,291.74
25	6/1/2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,357,291.74
26	12/1/2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,357,291.74

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 Annual interest rate: **9.00%**
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3	6/1/2012	3,339,182.00	150,263.19	3,489,445.19	0.00	171,435.61	171,435.61	3,318,009.58	150,263.19
4	12/1/2012	3,318,009.58	149,310.43	3,467,320.01	126,818.82	22,491.61	149,310.43	3,444,828.40	299,573.62
5	6/1/2013	3,444,828.40	155,017.28	3,599,845.68	132,525.67	22,491.61	155,017.28	3,577,354.07	454,590.90
6	12/1/2013	3,577,354.07	160,980.93	3,738,335.00	138,489.32	22,491.61	160,980.93	3,715,843.39	615,571.83
7	6/1/2014	3,715,843.39	167,212.95	3,883,056.34	144,721.34	22,491.61	167,212.95	3,860,564.73	782,784.78
8	12/1/2014	3,860,564.73	173,725.41	4,034,290.15	151,233.80	22,491.61	173,725.41	4,011,798.54	956,510.20
9	6/1/2015	4,011,798.54	180,530.93	4,192,329.47	98,339.57	82,191.36	180,530.93	4,110,138.11	1,137,041.13
10	12/1/2015	4,110,138.11	184,956.22	4,295,094.33	102,764.86	82,191.36	184,956.22	4,212,902.97	1,321,997.35
11	6/1/2016	4,212,902.97	189,580.63	4,402,483.60	25,980.52	163,600.11	189,580.63	4,238,883.49	1,511,577.98
12	12/1/2016	4,238,883.49	190,749.76	4,429,633.25	27,149.65	163,600.11	190,749.76	4,266,033.14	1,702,327.74
13	6/1/2017	4,266,033.14	191,971.49	4,458,004.63	0.00	288,426.86	288,426.86	4,169,577.77	1,894,299.23
14	12/1/2017	4,169,577.77	187,631.00	4,357,208.77	0.00	288,426.86	288,426.86	4,068,781.91	2,081,930.23
15	6/1/2018	4,068,781.91	183,095.19	4,251,877.09	0.00	387,202.81	387,202.81	3,864,674.28	2,265,025.41
16	12/1/2018	3,864,674.28	173,910.34	4,038,584.63	0.00	387,202.81	387,202.81	3,651,381.82	2,438,935.76
17	6/1/2019	3,651,381.82	164,312.18	3,815,694.00	0.00	522,884.06	522,884.06	3,292,809.94	2,603,247.94
18	12/1/2019	3,292,809.94	148,176.45	3,440,986.39	0.00	522,884.06	522,884.06	2,918,102.33	2,751,424.39
19	6/1/2020	2,918,102.33	131,314.60	3,049,416.93	0.00	640,134.80	640,134.80	2,409,282.13	2,882,738.99
20	12/1/2020	2,409,282.13	108,417.70	2,517,699.83	0.00	640,134.80	640,134.80	1,877,565.03	2,991,156.69
21	6/1/2021	1,877,565.03	84,490.43	1,962,055.45	0.00	737,825.30	737,825.30	1,224,230.15	3,075,647.11
22	12/1/2021	1,224,230.15	55,090.36	1,279,320.51	0.00	737,825.30	737,825.30	541,495.21	3,130,737.47
23	6/1/2022	541,495.21	24,367.28	565,862.49	0.00	565,862.49	565,862.49	0.00	3,155,104.75
24	12/1/2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,155,104.75
25	6/1/2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,155,104.75
26	12/1/2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,155,104.75