

Preliminary Review of Proposed Tax Increment Project

Applicant: Dream Design International, Inc for President's Plaza, LLC

Proposed Project Title: St. Joseph Street Parking Revised

Purpose of Tax Increment District: The purpose of this proposed Tax Increment District is to assist in the revitalization of Downtown Rapid City through the development of a parking structure on St. Joseph Street. The Tax Increment Funds would be utilized for the parking structure, relocating power lines in the alley, and removing contaminated soil. 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 improvement. This is an economic development Tax Increment District.

Proposed Boundaries: The proposed boundaries are located between St. Joseph Street and Quincy Street and 5th Street to 6th Street.

Existing Base Valuation: \$3,583,600

2011 Tax Rate: .021711 Non-Agriculture Tax Levy

Anticipated Increment:

2012	\$	0
2013	\$	36,500,000
2014	\$	36,500,000
2015	\$	65,500,000
2016	\$	74,000,000
2017	\$	74,000,000
2018	\$	74,000,000
2019	\$	74,000,000
2020	\$	74,000,000
2021	\$	74,000,000
2022	\$	74,000,000
2023	\$	74,000,000
2024	\$	74,000,000
2025	\$	74,000,000
2026	\$	74,000,000
2027	\$	74,000,000
2028	\$	74,000,000
2029	\$	74,000,000

Anticipated Increment Revenue:*

2014	\$	0
2015	\$	396,225
2016	\$	396,225
2017	\$	711,035
2018	\$	803,307
2019	\$	803,307
2020	\$	803,307
2021	\$	803,307
2022	\$	803,307
2023	\$	803,307
2024	\$	803,307
2025	\$	803,307
2026	\$	803,307
2027	\$	803,307
2028	\$	803,307
2029	\$	803,307
2030	\$	803,307
2031	\$	803,307

2030	\$	74,000,000	2030	\$	803,307
2031	\$	74,000,000	2031	\$	803,307

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

Proposed Project Costs:

Parking Spaces	\$	9,242,500
Private Structure	\$	37,741,882
Soil Removal	\$	247,500
Alley Power Relocation	\$	<u>300,000</u>
Total	\$	47,531,882

Total Proposed TID Project Costs

Public parking structure costs	\$	9,242,500
Engineering and design costs	\$	924,250
Alley Power Relocation	\$	300,000
Soil Removal	\$	247,500
Contingency	\$	462,125
Necessary and Convenient Costs	\$	<u>500,000</u>
Total	\$	11,676,375

Identified Funding Sources:

Financed by the developer

Anticipated Time Frame: 19 years

Comments: The applicant has indicated that the anticipated interest rate will be **7.0%**. The Tax Increment Financing Guidelines adopted by the City Council indicates that a 9% interest rate must be included in the Project Plan. However, using a 9% interest rate will not allow the project to be paid out in 20 years.

St Joe Parking 7 0%

Initial Data

LOAN DATA

Loan amount:	\$11,676,375.00
Annual interest rate:	7.00%
Term in years:	20
Payments per year:	2
First payment due:	12/1/2006

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
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	6/1/2012		0.00	0.00		0.00	0.00	0.00	0.00
2	12/1/2012	5,000,000.00	175,000.00	5,175,000.00	175,000.00	0.00	175,000.00	5,175,000.00	175,000.00
3	6/1/2013	11,851,375.00	414,798.13	12,266,173.13	414,798.13	0.00	414,798.13	12,266,173.13	589,798.13
4	12/1/2013	12,266,173.13	429,316.06	12,695,489.18	429,316.06	0.00	429,316.06	12,695,489.18	1,019,114.18
5	6/1/2014	12,695,489.18	444,342.12	13,139,831.31	444,342.12	0.00	444,342.12	13,139,831.31	1,463,456.31
6	12/1/2014	13,139,831.31	459,894.10	13,599,725.40	459,894.10	0.00	459,894.10	13,599,725.40	1,923,350.40
7	6/1/2015	13,599,725.40	475,990.39	14,075,715.79	475,990.39	396,225.00	872,215.39	13,679,490.79	2,399,340.79
8	12/1/2015	13,679,490.79	478,782.18	14,158,272.97	478,782.18	396,225.00	875,007.18	13,762,047.97	2,878,122.97
9	6/1/2016	13,762,047.97	481,671.68	14,243,719.65	481,671.68	396,225.00	877,896.68	13,847,494.65	3,359,794.65
10	12/1/2016	13,847,494.65	484,662.31	14,332,156.96	484,662.31	396,225.00	880,887.31	13,935,931.96	3,844,456.96
11	6/1/2017	13,935,931.96	487,757.62	14,423,689.58	487,757.62	711,035.00	1,200,792.62	13,712,654.58	4,332,214.58
12	12/1/2017	13,712,654.58	479,942.91	14,192,597.49	479,942.91	711,035.00	1,190,977.91	13,481,562.49	4,812,157.49
13	6/1/2018	13,481,562.49	471,854.69	13,953,417.18	471,854.69	803,307.00	1,275,161.69	13,150,110.18	5,284,012.18
14	12/1/2018	13,150,110.18	460,253.86	13,610,364.03	460,253.86	803,307.00	1,263,560.86	12,807,057.03	5,744,266.03
15	6/1/2019	12,807,057.03	448,247.00	13,255,304.03	448,247.00	803,307.00	1,251,554.00	12,451,997.03	6,192,513.03
16	12/1/2019	12,451,997.03	435,819.90	12,887,816.92	435,819.90	803,307.00	1,238,126.90	12,084,509.92	6,628,332.92
17	6/1/2020	12,084,509.92	422,957.85	12,507,467.77	422,957.85	803,307.00	1,225,264.85	11,704,160.77	7,051,290.77
18	12/1/2020	11,704,160.77	409,645.63	12,113,806.40	409,645.63	803,307.00	1,212,952.63	11,310,499.40	7,460,936.40
19	6/1/2021	11,310,499.40	395,867.48	11,706,366.88	395,867.48	803,307.00	1,200,174.48	10,903,059.88	7,856,803.88
20	12/1/2021	10,903,059.88	381,607.10	11,284,666.97	381,607.10	803,307.00	1,187,914.10	10,481,359.97	8,238,410.97
21	6/1/2022	10,481,359.97	366,847.60	10,848,207.57	366,847.60	803,307.00	1,175,154.60	10,044,900.57	8,605,258.57
22	12/1/2022	10,044,900.57	351,571.52	10,396,472.09	351,571.52	803,307.00	1,161,878.52	9,593,165.09	8,956,830.09
23	6/1/2023	9,593,165.09	335,760.78	9,928,925.87	335,760.78	803,307.00	1,148,067.78	9,125,618.87	9,292,590.87
24	12/1/2023	9,125,618.87	319,396.66	9,445,015.53	319,396.66	803,307.00	1,134,703.66	8,641,708.53	9,611,987.53
25	6/1/2024	8,641,708.53	302,459.80	8,944,168.33	302,459.80	803,307.00	1,121,766.80	8,140,861.33	9,914,447.33
26	12/1/2024	8,140,861.33	284,930.15	8,425,791.48	284,930.15	803,307.00	1,109,237.15	7,622,484.48	10,199,377.48
27	6/1/2025	7,622,484.48	266,786.96	7,889,271.43	266,786.96	803,307.00	1,097,088.96	7,085,964.43	10,466,164.43
28	12/1/2025	7,085,964.43	248,008.76	7,333,973.19	248,008.76	803,307.00	1,085,295.76	6,530,666.19	10,714,173.19
29	6/1/2026	6,530,666.19	228,573.32	6,759,239.50	228,573.32	803,307.00	1,074,016.32	5,955,932.50	10,942,746.50
30	12/1/2026	5,955,932.50	208,457.64	6,164,390.14	208,457.64	803,307.00	1,063,223.64	5,361,083.14	11,151,204.14
31	6/1/2027	5,361,083.14	187,637.91	5,548,721.05	187,637.91	803,307.00	1,053,034.91	4,745,414.05	11,338,842.05
32	12/1/2027	4,745,414.05	166,089.49	4,911,503.54	166,089.49	803,307.00	1,043,421.49	4,108,196.54	11,504,931.54
33	6/1/2028	4,108,196.54	143,786.88	4,251,983.42	143,786.88	803,307.00	1,034,290.42	3,448,676.42	11,648,718.42
34	12/1/2028	3,448,676.42	120,703.67	3,569,380.10	120,703.67	803,307.00	1,025,687.10	2,766,073.10	11,769,422.10
35	6/1/2029	2,766,073.10	96,812.56	2,862,885.66	96,812.56	803,307.00	1,017,594.66	2,059,578.66	11,866,234.66
36	12/1/2029	2,059,578.66	72,085.25	2,131,663.91	72,085.25	803,307.00	1,010,509.41	1,328,356.91	11,938,319.91
37	6/1/2030	1,328,356.91	46,492.49	1,374,849.40	46,492.49	803,307.00	1,004,546.90	571,542.40	11,984,812.40
38	12/1/2030	571,542.40	20,003.98	591,546.38	20,003.98	591,546.38	591,546.38	0.00	12,004,816.38
39	6/1/2031	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,004,816.38
40	12/1/2031	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,004,816.38
41	6/1/2032	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,004,816.38

Initial Data

LOAN DATA

Loan amount: **\$11,676,375.00**
 Annual interest rate: **9.00%**
 Term in years: **20**
 Payments per year: **2**
 First payment due: **12/1/2006**

TABLE DATA

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

PERIODIC PAYMENT

Entered payment: **\$5,002.00**
 Calculated payment: **\$5,002.00**

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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	6/1/2012		0.00	0.00		0.00	0.00	0.00	0.00
2	12/1/2012	5,000,000.00	225,000.00	5,225,000.00	225,000.00	0.00	225,000.00	5,225,000.00	225,000.00
3	6/1/2013	11,901,375.00	535,561.88	12,436,936.88	535,561.88	0.00	535,561.88	12,436,936.88	760,561.88
4	12/1/2013	12,436,936.88	559,662.16	12,996,599.03	559,662.16	0.00	559,662.16	12,996,599.03	1,320,224.03
5	6/1/2014	12,996,599.03	584,846.96	13,581,445.99	584,846.96	0.00	584,846.96	13,581,445.99	1,905,070.99
6	12/1/2014	13,581,445.99	611,165.07	14,192,611.06	611,165.07	0.00	611,165.07	14,192,611.06	2,516,236.06
7	6/1/2015	14,192,611.06	638,667.50	14,831,278.56	242,442.50	396,225.00	638,667.50	14,435,053.56	3,154,903.56
8	12/1/2015	14,435,053.56	649,577.41	15,084,630.97	253,352.41	396,225.00	649,577.41	14,688,405.97	3,804,480.97
9	6/1/2016	14,688,405.97	660,978.27	15,349,384.24	15,349,384.24	264,753.27	396,225.00	14,953,159.24	4,465,459.24
10	12/1/2016	14,953,159.24	672,892.17	15,626,051.40	276,667.17	396,225.00	672,892.17	15,229,826.40	5,138,351.40
11	6/1/2017	15,229,826.40	685,342.19	15,915,168.59	0.00	711,035.00	711,035.00	15,204,133.59	5,823,693.59
12	12/1/2017	15,204,133.59	684,186.01	15,888,319.60	0.00	711,035.00	711,035.00	15,177,284.60	6,507,879.60
13	6/1/2018	15,177,284.60	682,977.81	15,860,262.41	0.00	803,307.00	803,307.00	15,056,955.41	7,190,857.41
14	12/1/2018	15,056,955.41	677,562.99	15,734,518.40	0.00	803,307.00	803,307.00	14,931,211.40	7,868,420.40
15	6/1/2019	14,931,211.40	671,904.51	15,603,115.92	0.00	803,307.00	803,307.00	14,799,808.92	8,540,324.92
16	12/1/2019	14,799,808.92	665,991.40	15,465,800.32	0.00	803,307.00	803,307.00	14,662,493.32	9,206,316.32
17	6/1/2020	14,662,493.32	659,812.20	15,322,305.52	0.00	803,307.00	803,307.00	14,518,998.52	9,866,128.52
18	12/1/2020	14,518,998.52	653,354.93	15,172,353.45	0.00	803,307.00	803,307.00	14,369,046.45	10,519,483.45
19	6/1/2021	14,369,046.45	646,607.09	15,015,653.54	0.00	803,307.00	803,307.00	14,212,346.54	11,166,090.54
20	12/1/2021	14,212,346.54	639,555.59	14,851,902.13	0.00	803,307.00	803,307.00	14,048,595.13	11,805,646.13
21	6/1/2022	14,048,595.13	632,186.78	14,680,781.92	0.00	803,307.00	803,307.00	13,877,474.92	12,437,832.92
22	12/1/2022	13,877,474.92	624,486.37	14,501,961.29	0.00	803,307.00	803,307.00	13,698,654.29	13,062,319.29
23	6/1/2023	13,698,654.29	616,439.44	14,315,093.73	0.00	803,307.00	803,307.00	13,511,786.73	13,678,758.73
24	12/1/2023	13,511,786.73	608,030.40	14,119,817.13	0.00	803,307.00	803,307.00	13,316,510.13	14,286,789.13
25	6/1/2024	13,316,510.13	599,242.96	13,915,753.09	0.00	803,307.00	803,307.00	13,112,446.09	14,886,032.09
26	12/1/2024	13,112,446.09	590,060.07	13,702,506.16	0.00	803,307.00	803,307.00	12,899,199.16	15,476,092.16
27	6/1/2025	12,899,199.16	580,463.96	13,479,663.12	0.00	803,307.00	803,307.00	12,676,356.12	16,056,556.12
28	12/1/2025	12,676,356.12	570,436.03	13,246,792.15	0.00	803,307.00	803,307.00	12,443,485.15	16,626,992.15
29	6/1/2026	12,443,485.15	559,956.83	13,003,441.98	0.00	803,307.00	803,307.00	12,200,134.98	17,186,948.98
30	12/1/2026	12,200,134.98	549,006.07	12,749,141.06	0.00	803,307.00	803,307.00	11,945,834.06	17,735,955.06
31	6/1/2027	11,945,834.06	537,562.53	12,483,396.59	0.00	803,307.00	803,307.00	11,680,089.59	18,273,517.59
32	12/1/2027	11,680,089.59	525,604.03	12,205,693.62	0.00	803,307.00	803,307.00	11,402,386.62	18,799,121.62
33	6/1/2028	11,402,386.62	513,107.40	11,915,494.02	0.00	803,307.00	803,307.00	11,112,187.02	19,312,229.02
34	12/1/2028	11,112,187.02	500,048.42	11,612,235.43	0.00	803,307.00	803,307.00	10,808,928.43	19,812,277.43
35	6/1/2029	10,808,928.43	486,401.78	11,295,330.21	0.00	803,307.00	803,307.00	10,492,023.21	20,298,679.21
36	12/1/2029	10,492,023.21	472,141.04	10,964,164.26	0.00	803,307.00	803,307.00	10,160,857.26	20,770,820.26
37	6/1/2030	10,160,857.26	457,238.58	10,618,095.83	0.00	803,307.00	803,307.00	9,814,788.83	21,228,058.83
38	12/1/2030	9,814,788.83	441,665.50	10,256,454.33	0.00	803,307.00	803,307.00	9,453,147.33	21,669,724.33
39	6/1/2031	9,453,147.33	425,391.63	9,878,538.96	0.00	803,307.00	803,307.00	9,075,231.96	22,095,115.96
40	12/1/2031	9,075,231.96	408,385.44	9,483,617.40	0.00	803,307.00	803,307.00	8,680,310.40	22,503,501.40
41	6/1/2032	8,680,310.40	390,613.97	9,070,924.37	0.00	0.00	0.00	9,070,924.37	22,894,115.37