

### 3172 Morgan Ford Financial Impact Report

Market Average Rate of Return		Project 10 Year Rate of Return	
Low End of Range	High End of Range	No Incentives	w/ Incentives
5.7%	9.8%	11.0%	11.3%

10-Year Revenues to the City	
Gross City Revenue Generated by Project*	\$ 1,074,175
City Portion of Incentive	\$ 182,605
Revenue Lost to Substitution Effect	\$ 583,229
<b>Net Revenue to the City</b>	<b>\$ 308,341</b>
Baseline Revenue (If No Project)	\$ 43,223
<b>Net New Revenue to City</b>	<b>\$ 265,118</b>
<b>Net New Revenue to School District</b>	<b>\$ 14,736</b>

30 Year Return on Investment to the City	
Opportunity Cost/Investment	\$ 632,967
Average Commercial Cost	\$ 1,109,112
Net Return After Incentive	\$ 1,611,909
<b>30 Year ROI (Opp. Cost)</b>	<b>154.7%</b>
<b>30 Year ROI (Avg. Cost)</b>	<b>45.3%</b>

	Project Score
Value Score	19.00
Tax Revenue Score	19.00
Increment Score	1.76
<b>Total Score</b>	<b>39.76</b>
 <b>Project Grade</b>	 ☆☆☆☆3/4

TIF Capture Percentages	
Property Tax PILOTS	N/A
Sales Tax	N/A
Food & Beverage Tax	N/A
Earnings & Payroll Tax	N/A
Parking Tax	N/A
Utility Tax	N/A

Project Financing	Amount	Percent
Federal Historic Tax Credits	\$ -	
State Historic Tax Credits	\$ -	
State Brownfields Tax Credits	\$ -	
New Market Tax Credits	\$ -	
TIF	\$ -	
Hotel Sales Tax Rebate	\$ -	
CID/TDD	\$ -	
Permanent Loan--1st Mortgage:	\$ 5,277,756	80%
Mezzanine Loan:	\$ -	
Equity:	\$ 1,319,439	20%
Deferred Developer Fee:	\$ -	
Other:	\$ -	
<b>Total Project Sources--Permanent:</b>	<b>\$ 6,597,195</b>	<b>100.0%</b>
Uses of Funds		
Land/Building Acquisition	\$ 215,000	3%
Construction Hard Costs	\$ 5,249,119	80%
Infrastructure Hard Costs	\$ 100,000	2%
Development Soft Costs	\$ 361,088	5%
Financing Costs	\$ 448,323	7%
Developer's Fee	\$ 223,665	3%
Total Reserves	\$ -	
<b>Total Project Uses</b>	<b>\$ 6,597,195</b>	<b>100.0%</b>

% Public to Private Investment 11%

Substitution Rates	
Payroll	0%
Retail Sales	33%
Restaurant	85%
Residents	83%
Hotel	N/A

TIF Payoff Year	N/A
Break Even Year	2018
Years to Break Even (from project completion)	0

\* City Revenue projections excludes personal property, parking and utility tax estimates.

**Estimated Fiscal Impact of Tax Abatement  
3172 Morgan Ford 3172 Morgan Ford**

	Residential rate=\$8.3818/\$100** Commercial rate=\$10.0218**	Est. Annual Share of Property Tax Fractions	Total Nominal Abatement Value	Average Annual Abatement Value (1st 5 Years)	Revenue Collected During
State - Blind Pension		\$0.0300	\$3,041	\$324	\$565
School District - General Fund		\$5.1211	\$519,078	\$55,305	\$96,381
Community College District		\$0.2185	\$22,147	\$2,360	\$4,112
Metropolitan Sewer District (MSD)		\$0.1196	\$12,123	\$1,292	\$2,251
Library District		\$0.5600	\$56,762	\$6,048	\$10,539
Zoo, Museum, & Botanical Garden		\$0.2795	\$28,330	\$3,018	\$5,260
Community Mental Health District		\$0.0900	\$9,122	\$972	\$1,694
Sheltered Workshop District		\$0.1500	\$15,204	\$1,620	\$2,823
Community Children Service Fund		\$0.1900	\$19,259	\$2,052	\$3,576
City of St. Louis					
Municipal Operation		\$1.4900	\$151,027	\$16,091	\$28,042
Interest and Public Debt		\$0.1331	\$13,491	\$1,437	\$2,505
M & M Surtax (Commercial Only)		\$1.6400	\$78,742	\$8,368	\$20,264
<b>Total Nominal Values</b>			<b>\$928,327</b>	<b>\$98,886</b>	<b>\$178,013</b>
<b>Net Present Value of the Tax Abatement</b>					<b>\$706,647</b>

**ASSUMPTIONS:**  
 Estimate based on Net Operating Income projections from developer. Assumes that tax rates stay constant over the entire period. Discounted at 6%. Uses cap rate tables established to determine estimated market value of property. 1% annual property value growth rate assumed.

\*\*Tax rates are subject to change