

BOARD BILL NUMBER 129
FISCAL NOTE

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Bill Sponsor Alderman Joseph Roddy

Bill Synopsis:	This Board Bill seeks to approve a Chapter 99 Amended Redevelopment Plan and Blighting Study for the 300 South Broadway Redevelopment Area. This Board Bill will allow ten (10) years of tax abatement based on 90% of the assessed value of the incremental improvements; renovation of a commercial building will occur.
Type of Impact:	None this year. Scorecard presented to LCRA on August 25, 2020 is attached.
Agencies Affected:	None

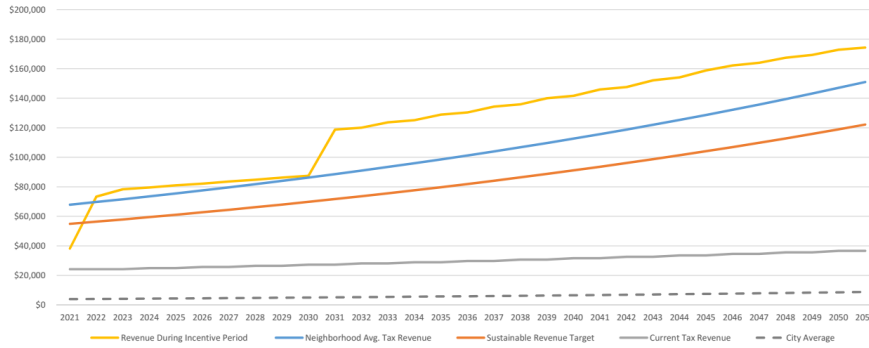
SECTION A

Does this bill authorize:

- An expansion of services which entails additional costs beyond that approved in the current adopted city budget? ___Yes __X__No.
- An undertaking of a new service for which no funding is provided in the current adopted city budget? ___Yes __X__No.
- A commitment of city funding in the future under certain specified conditions? ___Yes __X__No.
- An issuance of bonds, notes and lease-purchase agreements which may require additional funding beyond that approved in the current adopted city budget? ___Yes __X__No.
- An execution or initiation of an activity as a result of federal or state mandates or requirements? ___Yes __X__No.
- A capital improvement project that increases operating costs over the current adopted city budget? ___Yes __X__No.

- A capital improvement project that requires funding not approved in the current adopted city budget or that will require funding in future years? Yes X No.

Ballpark Flats Financial Impact Report



Incentive Summary

TIF	
TIF Utilized	0
Value of TIF Request	\$0
Tax Abatement	
Abatement Utilized	Yes
Tax Abatement Type	Ch. 99
How many Years of Tax Abatement?	10
Percentage of Abatement Years 1-5	90%
Percentage of Abatement Years 6-10	90%
Percentage of Abatement Years 11-15	0%
Percentage of Abatement Years 16-20	0%
Percentage of Abatement Years 21-25	0%
Tax Assurance	
Tax Assurance Utilized	No
Start Year	
Length (in Years)	
Growth Rate	
New CID/TDD	
New Sales Tax CID?	0
New CID Percentage	0.00%
New Sales Tax TDD?	0
New TDD Percentage	0.00%
New Property Tax CID/TDD Assessment	No
Applies to	
% subject to the special assessment	

Break-Even Analysis

	Year of Operation
Neighborhood Average Break-even*	6
Sustainable Revenue Target Achieved	1
Replacement Project Window	1
TIF Payoff Year	N/A

* Year accumulated tax benefits of the incentivized project surpasses those of an average un-incentivized project in the neighborhood

Fiscal Benefit	10-year	20-year
<i>Benefit Over Base (if no project)</i>		
Fiscal Benefit to City	\$504,000	\$1,153,000
Fiscal Benefit to School District	\$19,000	\$799,000
<i>Benefit Over Neighborhood Average</i>		
Fiscal Advantage to City	\$183,000	\$243,000
Fiscal Advantage to School District	\$7,000	\$168,000
<i>Incentive Value to Project</i>		
Present Value of Incentive	\$739,000	\$739,000
% of Project Costs	3.5%	3.5%

Property Status

MVA Category	B
Existing and/or Historical	Y/N
Strategic Land Use Plan Category	SMUA

Tax Performance (per SF of parcel area)

	Stabilization	Year 5	Year 10
Ballpark Flats	\$5.09	\$5.43	\$7.80
Neighborhood Average	5.18	6.00	6.96
Sustainable Revenue Target	4.19	4.85	5.63

Developer Return Analysis

Market Average Rate of Return (RERC)	Low End of Range	High End of Range
	6.2%	9.2%
Project 10-Year Rate of Return	No Incentives	w/ Incentives
	4.3%	4.7%

Project Score

	Score
Value Score	17.0
Tax Revenue Score	18.1
Increment Score	0.5
Total Score	35.6/40
Project Grade	4.25/5

Sources and Uses Summary

Project Financing	Amount
Federal Historic Tax Credits	\$ -
State Historic Tax Credits	\$ -
State Brownfields Tax Credits	\$ -
New Market Tax Credits	\$ -
Local Incentive Amount (TIF, etc.)	\$ -
Monetized CID/TDD Values	\$ -
Primary Debt	\$ -
Secondary Debt	\$ 15,000,000.00
Developer/Investor Equity	\$ -
Deferred Developer Fee	\$ 6,000,000.00
Other	\$ 300,000.00
Total Project Sources--Permanent	\$21,300,000
Uses of Funds	
Acquisition	\$ 3,600,000.00
Hard Costs (Construction)	\$ 14,900,000.00
Soft Costs	\$ -
Financing Costs	\$ 1,192,500.00
Reserves	\$ 882,500.00
Developer Fee	\$ 600,000.00
Other	\$ 125,000.00
Total Project Uses	\$21,300,000