

BOARD BILL NUMBER 137

FISCAL NOTE

Preparer's Name Zachary Wilson

Phone Number or Email Address (will be available publicly) wilsonz@stlouis-mo.gov

Bill Sponsor Alderwoman Cara Spencer

Bill Synopsis:	This Board Bill seeks to approve a Chapter 99 Redevelopment Plan and Blighting Study for the 4021 Iowa Ave. Redevelopment Area. This Board Bill will allow a 10-year tax abatement @ 95%.; renovation of a institutional building into residential will occur.
Type of Impact:	None this year. Scorecard presented to LCRA on September 22, 2020 is attached.
Agencies Affected:	None

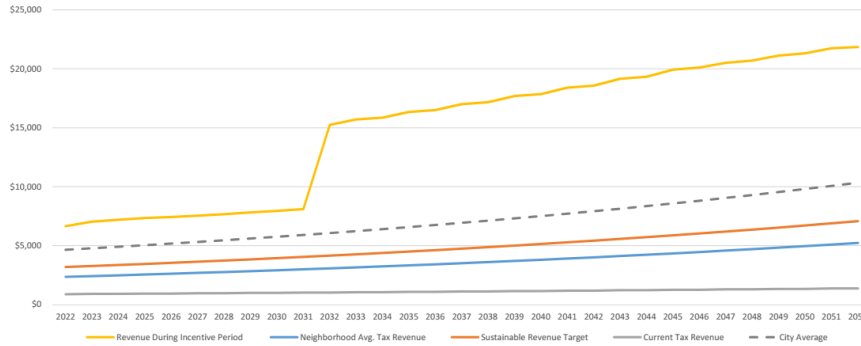
SECTION A

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.

4021 Iowa - Former St. Thomas of Aquinas School Financial Impact Report



Break-Even Analysis

	Year of Operation
Neighborhood Average Break-even*	1
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

	10-year	20-year
Fiscal Benefit		
Benefit Over Base (if no project)		
Fiscal Benefit to City	\$62,000	\$163,000
Fiscal Benefit to School District	\$3,000	\$160,000
Benefit Over Neighborhood Average		
Fiscal Advantage to City	\$39,000	\$132,000
Fiscal Advantage to School District	\$2,000	\$130,000
Incentive Value to Project		
Present Value of Incentive	\$234,000	\$234,000
% of Project Costs	4.6%	4.6%

Property Status

MVA Category	G
Existing and/or Historical	Yes
Strategic Land Use Plan Category	NPA

Tax Performance (per SF of parcel area)

	Stabilization	Year 5	Year 10
4021 Iowa - Former St. Thomas of Aquinas	\$0.32	\$0.35	\$0.71
Neighborhood Average	0.12	0.14	0.17
Sustainable Revenue Target	0.17	0.19	0.23

Developer Return Analysis

	Low End of Range	High End of Range
Market Average Rate of Return (RERC)	6.1%	9.1%
Project 10-Year Rate of Return	No Incentives	w/ Incentives
	5.9%	6.7%

Project Score

	Score
Value Score	19.0
Tax Revenue Score	19.0
Increment Score	2.0
Total Score	40/40
Project Grade	5.0 / 5

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	95%
Percentage of Abatement Years 6-10	95%
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	

Sources and Uses Summary

	Amount
Project Financing	
Federal Historic Tax Credits	\$ 707,460.00
State Historic Tax Credits	\$ 982,560.00
State Brownfields Tax Credits	\$ -
New Market Tax Credits	\$ -
Local Incentive Amount (TIF, etc.)	\$ -
Monetized CID/TDD Values	\$ -
Primary Debt	\$ -
Secondary Debt	\$ 2,785,607.00
Developer/Investor Equity	\$ -
Deferred Developer Fee	\$ 275,000.00
Other	\$ 382,225.00
Total Project Sources--Permanent	\$5,132,852
Uses of Funds	
Acquisition	\$ 254,000.00
Hard Costs (Construction)	\$ 3,989,111.00
Soft Costs	\$ -
Financing Costs	\$ 158,500.00
Reserves	\$ 140,000.00
Developer Fee	\$ 591,242.00
Other	\$ -
Total Project Uses	\$5,132,853