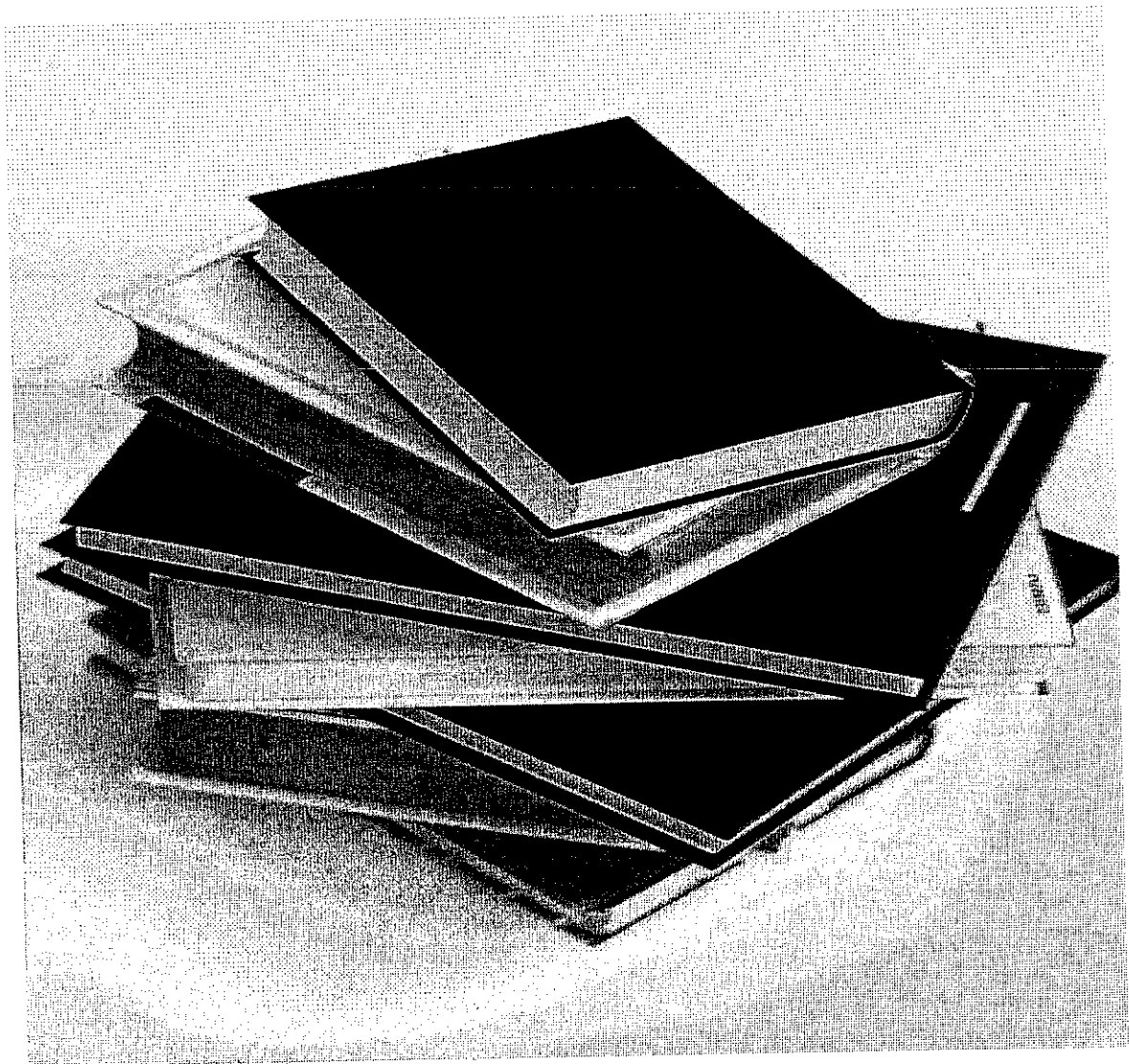


# **APPENDIX A**

## **TAX ALLOCATION FEASIBILITY STUDY**

### **Center Point Business Park**



**TAX ALLOCATION FINANCING  
FEASIBILITY STUDY  
FOR  
CENTER POINT BUSINESS PARK**

**PREPARED BY  
GREENSTONE DEVELOPMENT, L.L.C.**

Version 10/Nov 18, 2002

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Version 8 5/31/02

# **Tax Allocation Financing Feasibility Study For Center Point Business Park**

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- II Tax Allocation District Project Additional Improvement Valuation Estimates  
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# Tax Allocation Feasibility Study For Center Point Business Park

## Executive Summary

The use of the Tax Allocation Financing Provision (TAF) within the proposed Center Point Urban Renewal Area (Area) is provided for under the existing law of the State of Idaho. The public improvements within the Area, which will be constructed in six phases, can be paid for with increased tax revenues resulting from the increased tax base within the Area.

The project developers, Greenstone Developments, L.L.C. (Greenstone\*), have agreed to the reimbursement method for the cost of designing and constructing public improvements with the Post Falls Urban Renewal Agency (Agency). This method is for Greenstone to pay cash and/or use private source financing to pay for the costs of improvements and for the Agency to use the subsequent tax increment created to reimburse Greenstone its costs. The traditional finance method of issuing bonds would occur only after there has been enough investment in the Area to provide the tax increment necessary to repay the bonds, and Greenstone so requests. In this way, the City of Post Falls and the Agency will minimize the risk related to issuing bonds to finance the Urban Renewal Plan. It also insures that the investment necessary to foster new industrial development will be introduced to the marketplace

The Urban Renewal Plan calls for improvements to be installed in six phases. The following table shows the dollar amount of improvements that are to be made in each phase.

TABLE 1  
SUMMARY OF INFRASTRUCTURE INVESTMENT

<u>Improvement Project by Phase</u>	<u>Estimated Cost</u>
Phase 1 Improvements	\$1,854,644
Phase 2 Improvements	607,070
Phase 3 Improvements	2,242,419
Phase 4 Improvements	700,249
Phase 5 Improvements	773,035
Phase 6 Improvements	444,821
<b>Total</b>	<b><u>\$6,622,238</u></b>

\*Greenstone shall include Assigns and Successors to Greenstone Developments, L.L.C.

# **Tax Allocation Feasibility Study For Center Point Business Park**

## **Methodology**

Tax allocation financing is a method of providing revenue for economic development projects in urban renewal areas. As part of an urban renewal plan, a revenue tax allocation financing provision is approved. Within the urban renewal area, a tax allocation district is created. Within the tax allocation district, a base assessment roll is established which is equal to the assessment rolls for all classes of taxable property as of January 1st of the year the urban renewal plan is adopted. As new investment increases the assessed value within the tax allocation area, the increase in tax revenues (increment) is allocated to reimbursing Greenstone, and/or repayment of bonds issued, for public improvements. By using this form of financing, local taxing districts make a short-term sacrifice in receipt of added tax revenues, in exchange for a long-term tax revenue increase due to added investment in the urban renewal area. This is partly mitigated by caps on increases in spending for tax districts. However, the beneficiaries are taxpayers. With added revenues and a ceiling on increased spending, the result for taxpayers is a reduction in the levy rate and decreased taxes. The proposed Center Point Urban Renewal Area has the same boundaries as the Center Point Tax Allocation District (District)

To determine the feasibility of a tax increment financing provision for improving the Center Point Area is the purpose of this study. The first task is to list all real property within the District by parcel number. Then for each parcel the assessed market value and exemptions are listed to determine the taxable valuation.

With the complete inventory of parcels and their existing taxable values, a baseline projection of tax revenues was created. This projection assumed that growth trends would continue as they have in the past with no sudden increase in investment activity in the area. This forecast provides an understanding of what tax the taxing districts from the tax allocation area can expect revenue if no project is completed.

Next, a projection of tax revenue was prepared assuming that a tax allocation provision is approved and that new investment is drawn to the Area by the infrastructure improvements put in place. This projection assumes a "freeze" on the amount of revenue each taxing district (except for School District 273) will receive while the development costs are being repaid. It also shows the tax increases that will result when the bonds are paid and the entire tax revenue amount is allocated to reduce tax levy rate.

This feasibility study affirms that the tax allocation provision is financially feasible.

## Urban Renewal Area Improvements

Improvements will be thoroughly described in the Urban Renewal Plan, These improvements include curbs and gutters, sidewalks, streets, water and sewer systems, drainage, traffic controls, landscaping, and street trees.

### Baseline Projection

The first step in preparing the baseline projection is to determine the actual assessed valuation of that has been made in the District The following table shows the assessment valuation in the District.

TABLE 2  
BASE VALUATION OF THE URBAN RENEWAL AREA/TAX ALLOCATION DISTRICT

Parcel Number	Market Valuation		Less Exemptions	Taxable Valuation
	Land	Building	Agricultural	
P-0000-012-0300	\$1,007,991	--	\$938,552	\$ 69,439
P-0000-001-9300	\$972,927	--	\$905,903	\$ 67,647
P-0000-006-6200	\$555,174	--	\$516,929	\$ 38,245
P-0000-007-3200	\$35,793	--	\$33,327	\$ 2,466
			<b>Total</b>	<b><u>\$177,797</u></b>

Should the Urban Renewal Area be formed, additional tax revenues generated by increased taxable valuation would be allocated to paying for new infrastructure improvements.

The baseline projection evaluates the growth of the area as if the tax allocation project was not built. The existing base of \$177,174 is the starting-point for this growth estimate. The baseline projection provides a realistic view of the growth trends, investment levels and other growth factors in the area. Since the Urban Renewal Project is not dependent upon projections (new investment/taxable valuation will be in-place prior to issuing bonds) the baseline projection is merely for comparing growth in the tax base with growth resulting from the Urban Renewal District investment. To prepare the baseline projection, we have estimated stabilized agricultural land growth rates based on estimated historical trends of 3.5% growth per annum. Tax revenues are calculated using the levy rates shown in Table 4 totaling \$18.17 per \$1,000 of assessed valuation. The following table shows the projected baseline growth in assessed valuation and tax revenue in the Urban Renewal Area/Tax Allocation District.

TABLE 3  
 BASELINE PROJECTION OF THE AREA/DISTRICT

Year	Assessed Valuation (3.5% increase per annum)	Tax Revenue
2002	\$177,174	\$3,219
2003	\$183,375	\$3,331
2004	\$189,793	\$3,448
2004	\$196,435	\$3,569
2006	\$203,311	\$3,694
2007	\$210,427	\$3,823
2008	\$217,792	\$3,957
2009	\$225,414	\$4,095
2010	\$233,304	\$4,239
2011	\$241,469	\$4,387
2012	\$249,921	\$4,541
2013	\$258,668	\$4,700
2014	\$267,722	\$4,864
2015	\$277,092	\$5,034
2016	\$286,790	\$5,210
2017	\$296,828	\$5,393
2018	\$307,217	\$5,582
2019	\$317,969	\$5,777
2020	\$329,098	\$5,979
2021	\$340,617	\$6,189

This table demonstrates that growth in the Urban Renewal Area would be relatively slow; sufficient investment in the Urban Renewal District to finance the first level of improvements would not be in place in the foreseeable future. With new investment made in the Urban Renewal District, this rate of growth will accelerate.

### **Tax Allocation District Projection**

The tax allocation district covers the Center Point project of approximately 287 acres of property.

Rates of growth were estimated for the Tax Allocation District. This area's land and improvement values were projected for the term of the Area Plan based upon the assumption that land absorption would be 10 acres per year for the first 10 years of the Plan and 20 acres per year for the second 10 years of the Plan. A land value of \$1.50/S.F. at the time of the absorption is estimated for the first 10 years of the Plan. A land value of \$2.00/S.F. at the time of absorption is estimated for the second 10 years of the Plan. An average building coverage ratio of 20% is applied to the land absorbed in each year to estimate the square footage of building

improvements constructed in that year. An overall building valuation of \$35/S.F. is then applied to estimate the assessed valuation of the improvements. The total assessed valuation is then multiplied by the 2001 levy rate to estimate tax revenue for the year.

This projection assumes the improvements are made in the amounts shown in Table 1 allowing growth to occur as required to meet market demands. Actual absorption is anticipated to vary significantly from year-to-year. A stabilized annual absorption rate was used for projection purposes and should reflect actual absorption within the 10 year sub-parts of the Plan.

This projection period provides a detailed analysis of the financial feasibility and impact during and after the reimbursement period.

### Projection Assumptions

Several Assumptions have been made regarding the future. These assumptions are described in the following paragraphs.

#### Levy Rates

It is assumed that levy rates for all taxing districts affected by the Tax Allocation District will remain constant. These 2001 levy rates are shown in the following table.

TABLE 4  
LEVY RATES

<u>Taxing Entity</u>	<u>2001 Rate Per \$1,000</u>
City of Post Falls	5.34
North Idaho College	0.15
Kootenai County	3.43
Kootenai Ambulance District	0.85
School District #273	6.08
Post Falls Highway District #1	7.65
Post Falls Fire District	1.67
<b>Total</b>	<b>18.17</b>

Source: City of Post Falls

#### Personal Property Investment

No value is added for personal property (equipment, fixtures, etc.). This property is also taxed and is subject to the tax increment but has been omitted from the projections to provide an added measure of margin.

#### School Payments

Tax law assigns a percentage of new tax increment revenues to the school districts. For our projection the amount will be 79% of the total market value of the tax allocation area. 79% is the actual percentage for the year 2001 (taxes collected in 2002). The percentage varies from year to year has historically fallen in the range of 78 to 81%.



**Administrative Fee:**

The Urban Renewal Agency will receive an annual management fee to be paid from the tax increment. The fee will be 15% of the tax increment, provided the Agency will receive:

a) the first \$10,000 of increment available per year, and b) a maximum fee to be negotiated in the future.

**TABLE 5  
TAX ALLOCATION PROJECTION OF THE AREA/DISTRICT**

Year	Assessed Valuation	Incremental Tax Revenue
2002	\$2,940,300	\$40,069
2003	\$5,880,600	\$80,138
2004	\$8,820,900	\$120,207
2005	\$11,761,200	\$160,276
2006	\$14,701,500	\$200,345
2007	\$17,641,800	\$240,414
2008	\$20,582,100	\$280,483
2009	\$23,522,400	\$320,552
2010	\$26,462,700	\$360,620
2011	\$29,403,000	\$400,689
2012	\$35,719,200	\$486,763
2013	\$42,035,400	\$572,837
2014	\$48,351,600	\$658,911
2015	\$54,667,800	\$744,985
2016	\$60,984,000	\$831,059
2017	\$67,300,200	\$917,133
2018	\$73,616,400	\$1,003,207
2019	\$79,932,600	\$1,089,282
2020	\$86,248,800	\$1,175,356
2021	\$88,459,470	\$1,205,481

See Appendix I for detailed worksheet.

**Determination of Required Investment**

Determination of the amount of investment in the Urban Renewal Area required to service bonds or reimburse Greenstone for the costs of installing infrastructure is dependent upon the payback period and financing costs, if any. Tables 6, 7, and 8 show the amount of additional investment required to service the bonds or reimburse Greenstone for Phases 1, 2, 3, 4, 5 & 6 assuming 7, 10, and 15 year reimbursement periods. 6% is the assumed interest rate used to determine bond debt service payments. Greenstone is ineligible to be reimbursed financing costs thus no financing cost is included in calculating the reimbursement of Greenstone.

TABLE 6  
INVESTMENT REQUIRED FOR SEVEN YEAR PAY BACK PERIOD

PHASE	ESTIMATED COST OF IMPROVEMENTS	<u>SERVICE BONDS</u>		<u>REIMBURSE GREENSTONE</u>	
		ANNUAL DEBT SERVICE	REQUIRED IMPROVEMENT VALUATION *	ANNUAL PAYMENTS	REQUIRED IMPROVEMENT VALUATION
1	\$1,854,644	\$353,370	\$24,617,689	\$289,949	\$20,199,462
2	\$607,070	\$107,483	\$7,487,887	\$86,724	\$6,041,694
3	\$2,242,419	\$397,026	\$27,659,049	\$320,345	\$22,317,046
4	\$700,249	\$123,981	\$8,637,200	\$100,036	\$6,969,032
5	\$773,035	\$136,868	\$9,534,977	\$110,434	\$7,693,414
6	\$444,821	\$78,757	\$5,486,631	\$63,546	\$4,426,956
Total	\$6,622,238	\$1,197,485	\$83,423,432	\$971,034	\$67,647,604

\* See Appendix II for detailed worksheet

TABLE 7  
INVESTMENT REQUIRED FOR TEN YEAR PAY BACK PERIOD

PHASE	ESTIMATED COST OF IMPROVEMENTS	<u>SERVICE BONDS</u>		<u>REIMBURSE GREENSTONE</u>	
		ANNUAL DEBT SERVICE	REQUIRED IMPROVEMENT VALUATION *	ANNUAL PAYMENTS	REQUIRED IMPROVEMENT VALUATION
1	\$1,854,644	\$274,322	\$19,110,818	\$210,464	\$14,662,115
2	\$607,070	\$81,609	\$5,685,354	\$60,707	\$4,229,186
3	\$2,242,419	\$301,452	\$21,000,784	\$224,242	\$15,621,932
4	\$700,249	\$94,135	\$6,557,998	\$70,025	\$4,878,322
5	\$773,035	\$103,920	\$7,239,656	\$77,303	\$5,385,390
6	\$444,821	\$59,798	\$4,165,854	\$44,482	\$3,098,869
Total	\$6,622,238	\$915,237	\$63,760,464	\$687,224	\$47,875,814

• See Appendix II for detailed worksheet

TABLE 8  
INVESTMENT REQUIRED FOR FIFTEEN YEAR PAY BACK PERIOD

PHASE	ESTIMATED COST OF IMPROVEMENTS	<u>SERVICE BONDS</u>		<u>REIMBURSE GREENSTONE</u>	
		ANNUAL DEBT SERVICE	REQUIRED IMPROVEMENT VALUATION *	ANNUAL PAYMENTS	REQUIRED IMPROVEMENT VALUATION
1	\$1,854,644	\$214,245	\$14,925,502	\$148,643	\$10,355,290
2	\$607,070	\$61,945	\$4,315,398	\$40,471	\$2,819,457
3	\$2,242,419	\$228,813	\$15,940,388	\$149,495	\$10,414,621
4	\$700,249	\$71,452	\$4,977,768	\$46,683	\$3,252,215
5	\$773,035	\$78,879	\$5,495,172	\$51,536	\$3,590,260
6	\$444,821	\$45,389	\$3,162,040	\$29,655	\$2,065,913
Total	\$6,622,238	\$700,723	\$48,816,268	\$466,483	\$32,497,756

\*See Appendix II for detailed worksheet

The "Required Improvement Valuation" amount becomes a "trigger," should Greenstone so request, to activate the sale of bonds to reimburse Greenstone the costs of the installed public infrastructure improvements. This investment will be created by new development in the Center Point Area. Note the total investment required to generate the tax increment necessary to amortize repayment of bonds for the costs of all six phases is obtained in Phase 3 of the project if the Fifteen Year Reimbursement/Bond period is applied. At that point there is sufficient investment in the project to reimburse the costs of all 6 Phases and further investment would create additional tax increment that could be used to accelerate reimbursement/bond repayment or be otherwise used as the Board would direct.

### **Improvement Financing**

The interest rates established for the payment of interest to Greenstone, or to the bondholders in the event bonds are issued, will vary over the life of Plan according to the then current market conditions. Bond interest rates will be established at the time the bonds are sold. For purposes of this projection interest payments were estimated using an interest rate of 6.0% per annum.

### **Fiscal Impact on Taxing Districts and Taxpayers**

The fiscal impact on taxing districts will be to increase available revenue to the districts by collection of forgone taxes and a reduction in the levy rate applied to the valuation of their property.

## **Limits on Budget Increases**

Limits are placed on the increase in budget a taxing district can spend even with a substantial increase in the tax base. This limitation on receipt of additional revenue is partially mitigated by the collection of "Foregone Taxes"; taxes which the district has a right to collect but has not. These taxes, which would normally be collected during the tax increment financing period, may be collected after the bonds have been paid, assuming the law remains the same. The amount of foregone taxes for any given year can be obtained by requesting the Dollar Certification of Budget Request to Board of County Commissions L-2, for the year in question.

Taxing districts can recover foregone taxes if they have a sufficient source of tax revenues. The Urban Renewal Project can create these sources of additional tax revenue.

## **Levy Rate Reduction**

Idaho State law limits the increase in budgets of each taxing district and there is a limit on the amount of foregone taxes a district can collect. However, the result of an increased tax base is a decrease in the levy rate for each taxing district. This reduces taxes for each individual taxpayer within the taxing district.

## **Feasibility of Tax Increment Financing of Improvements**

This study concludes the feasibility of using the Tax Allocation Financing Provision for infrastructure improvements on the Center Point project are positive given the assumptions included in this study. Since investment will be in place prior to the issuing of bonds, the City of Post Falls and the Urban Renewal Agency face minimal risk. This risk is further mitigated by not including personal property as part of the investment totals. Unless significant property damage occurs on the site after the bonds have been issued, the availability of sufficient revenues to service the debt is guaranteed.

The impact on taxing districts is also likely to be positive. While there is a limit on the increase in budgets of the taxing districts, forgone taxes can be used to increase district activity to accommodate the new growth.

Taxpayers could also experience a reduction in levy rates and their tax bill as investment in the taxing districts increases without a proportionate increase in taxing district budgets.

CUMULATIVE VALUATION      CUMULATIVE TAX REVENUE  
( per year)

2002	\$2,940,300	\$40,069
2003	\$5,880,600	\$80,138
2004	\$8,820,900	\$120,207
2005	\$11,761,200	\$160,276
2006	\$14,701,500	\$200,345
2007	\$17,641,800	\$240,414
2008	\$20,582,100	\$280,483
2009	\$23,522,400	\$320,552
2010	\$26,462,700	\$360,620
2011	\$29,403,000	\$400,689
2012	\$35,719,200	\$486,763
2013	\$42,035,400	\$572,837
2014	\$48,351,600	\$658,911
2015	\$54,667,800	\$744,985
2016	\$60,984,000	\$831,059
2017	\$67,300,200	\$917,133
2018	\$73,616,400	\$1,003,207
2019	\$79,932,600	\$1,089,282
2020	\$86,248,800	\$1,175,356
2021	\$88,459,470	\$1,205,481

*\$10,888,807*

## CENTER POINT BUSINESS PARK

### Tax Allocation District Assessed Valuation Estimates

YEAR	PHASE #	ACRES	ABSORPTION ACRES	CUMU- LATIVE ( 20% Coverage)	S.F. IMPRVMENTS	LAND VALUE/S.F.	BUILDING VALUE/S.F.	LAND VALUATION	IMPRVMENT VALUATION	TOTAL VALUATION	CUMULATIVE VALUATION	TAX LEVY	INCREMENTAL TAX REVENUE ( 79% of levy)	CUMULATIVE TAX REVENUE ( per year)
2002	1	86	10	10	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$2,940,300	\$18.17	\$40,069	\$40,069
2003	1		10	20	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$5,880,600	\$18.17	\$40,069	\$80,138
2004	1		10	30	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$8,820,900	\$18.17	\$40,069	\$120,207
2005	1		10	40	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$11,761,200	\$18.17	\$40,069	\$160,276
2006	1		10	50	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$14,701,500	\$18.17	\$40,069	\$200,345
2007	1		10	60	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$17,641,800	\$18.17	\$40,069	\$240,414
2008	1		10	70	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$20,582,100	\$18.17	\$40,069	\$280,483
2009	1		10	80	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$23,522,400	\$18.17	\$40,069	\$320,552
2010	2	34	10	90	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$26,462,700	\$18.17	\$40,069	\$360,620
2011	2		10	100	65340	\$1.50	\$35.00	\$653,400	\$2,286,900	\$2,940,300	\$29,403,000	\$18.17	\$40,069	\$400,689
2012	2		20	120	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$35,719,200	\$18.17	\$86,074	\$486,763
2013	3	59	20	140	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$42,035,400	\$18.17	\$86,074	\$572,837
2014	3		20	160	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$48,351,600	\$18.17	\$86,074	\$658,911
2015	4	41	20	180	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$54,667,800	\$18.17	\$86,074	\$744,985
2016	4		20	200	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$60,984,000	\$18.17	\$86,074	\$831,059
2017	5	42	20	220	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$67,300,200	\$18.17	\$86,074	\$917,133
2018	5		20	240	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$73,616,400	\$18.17	\$86,074	\$1,003,207
2019	5		20	260	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$79,932,600	\$18.17	\$86,074	\$1,089,282
2020	6	25	20	280	130680	\$2.00	\$35.00	\$1,742,400	\$4,573,800	\$6,316,200	\$86,248,800	\$18.17	\$86,074	\$1,175,356
2021	6		7	287	45738	\$2.00	\$35.00	\$609,840	\$1,600,830	\$2,210,670	\$88,459,470	\$18.17	\$30,126	\$1,205,481

**CENTER POINT BUSINESS PARK**

Tax Allocation District Additional Improvement Valuation Estimates

SERVICE BONDS

PHASE	ESTIMATED COST OF IMPROVEMENTS	<u>7 YEAR BOND</u>		<u>10 YEAR BOND</u>		<u>15 YEAR BOND</u>	
		ANNUAL DEBT SERVICE	1) REQUIRED IMPROVEMENT VALUATION *	ANNUAL DEBT SERVICE	1) REQUIRED IMPROVEMENT VALUATION *	ANNUAL DEBT SERVICE	1) REQUIRED IMPROVEMENT VALUATION *
1	\$1,854,644	\$353,370 2)	\$24,617,689	\$274,322 2)	\$19,110,818	\$214,245 2)	\$14,925,502
2	\$607,070	\$107,483	\$7,487,887	\$81,609	\$5,685,354	\$61,945	\$4,315,398
3	\$2,242,419	\$397,026	\$27,659,049	\$301,452	\$21,000,784	\$228,813	\$15,940,388
4	\$700,249	\$123,981	\$8,637,200	\$94,135	\$6,557,998	\$71,452	\$4,977,768
5	\$773,035	\$136,868	\$9,534,977	\$103,920	\$7,239,656	\$78,879	\$5,495,172
6	\$444,821	\$78,757	\$5,486,631	\$59,798	\$4,165,854	\$45,389	\$3,162,040
<b>Total</b>	<b>\$6,622,238</b>	<b>\$1,197,485</b>	<b>\$83,423,432</b>	<b>\$915,237</b>	<b>\$63,760,464</b>	<b>\$700,723</b>	<b>\$48,816,268</b>
	Interest Rate:	6%		6%		6%	
	Number of Payments:	14		20		30	

1) Assumes full amortization over the prescribed term, semi-annual payments, and an interest rate of 6%.

2) Plus estimated \$25,000 administrative fee

\* Calculated as follows: Annual Debt Service/ ( Levy Rate(18.17) x 79% ); 79% was 2001 Tax increment allocation; allocation typically is between 78% and 81%

Updated 11/18/02

**CENTER POINT BUSINESS PARK**  
Tax Allocation District Additional Improvement Valuation Estimates

GREENSTONE REIMBURSEMENT

PHASE	ESTIMATED COST OF IMPROVEMENTS	<u>7 YEAR REIMBURSEMENT</u>		<u>10 YEAR REIMBURSEMENT</u>		<u>15 YEAR REIMBURSEMENT</u>	
		ANNUAL REIMBURSEMENT	1) REQUIRED IMPROVEMENT VALUATION*	ANNUAL REIMBURSEMENT	1) REQUIRED IMPROVEMENT VALUATION*	ANNUAL REIMBURSEMENT	1) REQUIRED IMPROVEMENT VALUATION*
1	\$1,854,644	\$289,949	\$20,199,462	\$210,464	\$14,662,115	\$148,643	\$10,355,290
2	\$607,070	\$86,724	\$6,041,694	\$60,707	\$4,229,186	\$40,471	\$2,819,457
3	\$2,242,419	\$320,346	\$22,317,046	\$224,242	\$15,621,932	\$149,495	\$10,414,621
4	\$700,249	\$100,036	\$6,969,032	\$70,025	\$4,878,322	\$46,683	\$3,252,215
5	\$773,035	\$110,434	\$7,693,414	\$77,304	\$5,385,390	\$51,536	\$3,590,260
6	\$444,821	\$63,546	\$4,426,956	\$44,482	\$3,098,869	\$29,655	\$2,065,913
<b>Total</b>	<b>\$6,622,238</b>	<b>\$971,034</b>	<b>\$67,647,604</b>	<b>\$687,224</b>	<b>\$47,875,814</b>	<b>\$466,483</b>	<b>\$32,497,756</b>
Interest Rate:		0%		0%		0%	
Number of Payments:		14		20		30	