

**City of Appleton – US Venture
FAQ
September 18, 2019**

1. If the City was to construct a stand-alone parking ramp with 642 spaces, what would an estimated total cost be? Above ground, standard structure.

Based on feedback received from Walker Consultants, the estimated construction cost of a basic above ground ramp for 642 spaces would be \$16,050,000 (642 stalls @ \$25,000/stall) plus an estimated \$6 million for soft costs for a total of \$22,050,000.

2. Please share a matrix/spreadsheet that shows the revised estimated total (all-in) City of Appleton contribution cost to this project. Not limited to land acquisition, site cleanup and demolition, infrastructure improvements, ramp construction, interest, TIF incentives, Mosaic move/relocation, all other.

Please see attached. The total estimate is a little over \$76.5 million not including the acquisition, demolition and potential remediation costs associated with purchasing the South Oneida Street extension property.

3. Define cash flow and explain usual standard calculation vs. some sort of creative calculation. It's my understanding the original estimated amount (\$26) barely "cash flowed" using standard calculating.

In regards to this project, my observations is that the term "cash flow" has been used to indicate that there are available revenues, other than taxpayer dollars, to pay the entire cost of the project within the statutory life of the TIF. As you mentioned, using that definition, this project did "cash flow" when the estimated cost of the parking ramp was \$27 million. The revenues used were a combination of tax increment, parking utility revenues (including an expected payback from TIF 3 to the parking utility in future years, and parking pass revenue from USV), and general fund advances (which would be able to be paid back with interest prior to the closing of the TIF). These revenue sources were sufficient to pay the debt service on the ramp and the TIF incentive payment, as well as interest on the general fund advances, but required the full life of the TIF (2045) to accomplish this.

When the cost of the ramp increased to \$35 million, since no additional revenue was added to fund the project, the project no longer "cash flowed". Under this scenario, the TIF would close in 2045 owing the general fund approximately \$9.2 million. Since the project no longer "cash-flowed", the task was to come up with other options. These were the options the Mayor presented to Council on 9/4/19.

The first option (a) abandoned the concept of paying off the project within the statutory life of the TIF. So, the TIF was extended 3 years (which is allowed by the State) to 2048 to allow three additional years to collect tax increment as well as contributions from the Parking Utility. At the end of that time period, the TIF would still owe the general fund approximately \$2.5 million. Since the TIF could no longer be extended, the assumption was made to transfer the \$2.5 million liability to the Parking Utility in 2049. It was estimated that it would take the Parking Utility an additional three years to pay back the general fund concluding with a final payment in 2051. So, in total, it would take approximately 31 years to pay off all expenses related to the project.

The second option (b) assumed that a future Council would amend the TIF policy and forego charging the TIF's 5% interest on any advances made to it. Under this assumption, since the TIF was no longer liable for interest on the money loaned from the general fund, the TIF was able to pay back the general fund at the end of the three-year TIF extension (2048), or approximately 28 years. However, it is important to understand that, under this scenario, the general fund advances (loans) are projected to rise to approximately \$8.4 million in the later stages of the life of the TIF. This is money that would be invested in the TIF rather than in an investment or bank account earning interest. So, the general fund would most likely lose significant interest income during this time due to not having those funds available for investment.

Please see the attached Sources & Uses statement for a summary of each option.

4. Please explain/estimate the long-term impact to the parking utility if any if the new financial models (1, 2, or 3) are utilized. It seems to me these models have potentially significant long-term impacts on the enterprise fund and future parking needs and projects.

The Walker Consultants' parking study recommended allocating approximately \$170,000 - \$200,000 annually for ramp maintenance. Although we may not be funding to that level at this point, it is felt that the commitment to fund the new ramp under the US Venture building will not severely hamper the Parking Utility's ability to continue to adequately maintain the ramps on an annual basis. However, the funding commitment for the new ramp (without a significant increase in parking rates) will inhibit the Parking Utility's ability to build up reserves for future replacement or major capital repairs of the existing ramps. If you look at the attached Sources and Uses Statement, you will note that the under option (a), the Parking Utility is committing almost \$38 million to the USV project over the next 31 years; under option (b), the commitment is in excess of \$33 million over the 28 years. Obviously, if that money is invested in this project, it will not be available for the replacement of the existing Red, Green or Yellow ramp, or any future new ramp.

5. We heard from Sam from Hoffman the new estimated total cost of the ramp is about \$37 million. If we proceed by accepting one of the models the Mayor proposed, what happens if/when the actual costs come in much higher...say for example \$40 or \$42 million? At this point, what protections do we have in place to limit our exposure to cost overruns or new cost increases?

There really are no protections. That risk, unfortunately, falls entirely on the City. Once the bids are issued and returned, the Council would have a better idea of the project costs and would have a say on the approval of the resulting contracts, but the City would still be bound by the terms of the development agreement.

6. Is there any new financial model that “cash flows” and builds this without TIF life extension and/or a general fund advancement? I think I already know the answer to this.

Based on the current terms of the agreement, there is no model that “cash flows” within the life of the TID.

The model is relatively simple. There are three variables: revenues, expenses, and time. If the time is fixed at 25 years (the remaining life of the TID), then the only variables are revenues and expenses. The primary revenues assumed for this project are property taxes generated by the new building and Parking Utility revenues. Increases in either of these sources (ie. an increase in the building value or an increase in parking rates, for example) or additional revenue sources (general property taxes, grants, or developer contribution, for example) would have a positive impact. On the flipside, decreases in expenses (ramp cost, City TIF investment payment, or interest rates on the bonds) would also have a positive effect.

7. What number is currently being used as the guaranteed value of the USV complex? Is it \$54.5m or higher? I understand the estimated assessed value is \$57m

The value guaranteed in the development agreement is \$54.5 million however the financing options presented by the Mayor were based on \$57.4 million value. The higher amount was an estimate provided by the City Assessor after reviewing construction documents and other information related to the US Venture building.

8. How is this (spending/borrowing for) a prudent use tax and rate payer dollars? We build a \$37 million dollar parking ramp/building foundation for a private (for profit company) and eventually sell them permits for all 642 stalls and still want to call this a public parking garage. I get the revenue generation piece from selling permits but I’m missing something on what makes this a good/smart investment...at this new estimated cost level that requires a general fund advancement at some point in the future.

This project is one project in TID #11. We have discussed in the past the potential positive impact of a major project like this on the future of TID #11 as well as the future of downtown. There are other potential projects in TID #11 that are waiting and anticipating the commencement of this project. We are not using

any tax increment from any future projects in TID #11 in the current financial projections.

The original cash flow projections for a project cost of \$25 million and later \$27 million each included general fund advances. The difference between those projections and the current scenario showing a project cost of \$35 million is that the \$25 million scenario had a guaranteed minimum value of the building at \$49.5 million and the \$27 million scenario had a guaranteed minimum building value of \$54.5 million. Under those scenarios the advances would be repaid with interest by the end of the TIF district.

It should be understood that almost every newly created TIF district requires general fund advances to cover the costs of infrastructure needed to accommodate future projects. These advances are then repaid to the general fund as increment is generated through increased property values due to new projects or increases just due to increased economic activity within the district. TID #3 for example incurred a heavy dose of infrastructure early in its existence including both the Green and the Yellow parking ramps. Over its existence TID #3 has been supported by over \$14 million in general fund advances. Those advances are currently being repaid with interest and should be fully reimbursed by 2024. (You can find this information on page 180 of the 2019 budget.) TID #6 which is primarily the Southeast Business Park has had advances of over \$6 million since inception with a current balance of \$4.7 million. The projection is to have that balance repaid through increment by the time the district closes in 2023. (Page 184 of 2019 budget)

As far as the ramp itself, I believe we need to look at this as serving this entire neighborhood. We are looking at taxable projects on the existing Trinity site that could easily take advantage of the parking available in this ramp. Also, we have potential projects pending on Bluff II and the current Soldier's Square site that have potential to utilize some of this parking.

Some additional thoughts: How do we measure the economic impact of a major corporation relocating to our downtown? We know that the estimated economic impact of a business similar in kind and size to USV generates an annual economic impact of \$770 million. This information comes from JobsEQ, a third-party analytic used by economic development professionals to estimate direct, indirect and induced economic impact. I think it is safe to assume that some of that impact will have a more direct impact in their new neighborhood. Even if we assume 5% of that impact would more directly impact the new neighborhood, that's \$35 million of impact in our downtown on an annual basis.

The presence of a major employer with initially 400 employees and eventually 700 – 1000 employees in the downtown will have an impact on current businesses as well as help create a market for future businesses. Add that to the market created when the housing units that have already been approved as well

as the ones on the horizon are occupied and we will see a maturing, different, yet vibrant downtown for our City.

9. If the structure USV builds on top of the ramp does not meet the \$54M assessed value, then what happens?

Per the Development Agreement, USV has guaranteed an annual property tax payment of \$1,274,755 which equate to the property taxes on a property valued at \$54.5 million. If, for any year the building value drops below the \$54.5 million assessed valuation, USV will pay the City the difference between the guaranteed valuation and the actual valuation multiplied by the City's mill rate (basically paying the taxes for the shortfall).

10. What was the total cost of unanticipated repairs to parking ramps due to vandalism?

We typically incur about \$2,000 - \$3,000 in vandalism annually and budget for this accordingly. The elevator fire cost the Parking Utility a \$10,000 deductible plus about \$5,000 in expenses not covered by our insurance.

11. What is the cost of maintenance and repairs that have been delayed in order to fund the vandalism repairs?

None. In fact we went to Finance Committee and Council in May 2019 to use fund balance to complete unanticipated ramp maintenance and construction projects.

12. What is the cost of necessary parking maintenance projects that cannot be delayed in the next 5 years?

We cannot delay our ramp structural repairs of \$120,000 - \$150,000 annually. We also should not delay ramp sealing, stall painting, purchasing of additional security cameras, etc. that equates to approximately \$30,000 annually. Obviously on-going operational costs such as electricity, snow removal, elevator service contract, etc. must also be adequately funded annually.

13. When USV adds growth to downtown, can we be certain that we can still oversell our parking passes as much as our current model? Especially if parking pass rates increase at all in the future?

No. Under the current agreement, we need to sign stalls equivalent to the number of permits they are issued as "USV parking only M-F 8:00 – 5:00". These stalls will be available to the general public after hours and on weekends. We hope to gain the comfort of USV over time to be able to oversell permits to their employees without signing additional stalls. For example, sell USV 450 permits, but only sign 400 stalls.

14. Could you please send me an updated list of expected expenses for the entire project? Please separate the ramp from the building expenses?

Please see Exhibit A, Estimate of City Costs.

15. Please include where each expense is being paid from: CIP, tax levy, TIF.

Please see Exhibit B, Estimated Sources and Uses.

16. I remember from the first agreement that the investors bought the land for the ramp and then we were going to pay them once built. This has changed and I know that the land cost may have increased adjustments due to the delay. If so what is the projected total? Is that included in the total price projected for the ramp Construction?

The purchase price of the property was to be \$1,802,887.99 plus a per diem cost of \$171.67 from August 1, 2018 to the date of closing. That would equate to the following amounts based on closing dates of:

October 1, 2019	\$1,876,019
November 1, 2019	\$1,881,341
December 1, 2019	\$1,886,491
January 1, 2020	\$1,891,813

The total property acquisition cost included in Hoffman's total cost of ramp construction was \$1,860,000.

17. When is the 8 million for US Venture building incentive due? Is that coming out of the TIF too?

The investment payment will be coincide with the attainment of the occupancy permit for the US Venture building. The debt service payments on the bonds issued for this payment are planned to be paid with tax increment generated by the project.

18. Several times I have heard the mayor refer to contract with Hoffman. I would like to see this contract, I would like to know who approved it and what the financial implications are to the city. I have searched committee and council minutes but have found nothing.

The Common Council approved the Development Agreement with US Venture which entailed retaining Hoffman as the architect. Based on this approval, a contract was entered into with Hoffman for the design of the ramp. A copy of the contract is available for review.

19. Regarding the cash flow statement:

Why would we Pay 5% interest to the general fund when we are estimating paying a much lower rate for the bonds?

The interest rates for the bonds are estimated to range from 3 to 4%, so the rate is not significantly lower. Issuing additional bonds on an annual basis to make up the shortfall in TID revenues could be an option. However, the administrative time and resulting annual issuance costs would most likely consume any interest rate savings that might be experienced. Additionally, it would be challenging to issue bonds or notes on an annual basis whose payback would be deferred until the final year of the TIF when revenues would be available. General fund advances provide the flexibility necessary to allow the obligation to be paid back when revenues become available. G.O. bonds or notes do not have this flexibility.

Why aren't we including at least a conservative estimate of increased revenue due to parking rates going up?

It was felt that any additional revenue generated by future parking rate increases would provide a cushion to pay for increased parking ramp maintenance costs. The new ramp, as well as the existing ramps, will be depreciating and increased maintenance costs can be expected. Projecting parking rate increases and committing those additional revenues to fund the new ramp would preclude these funds from being used for future maintenance needs.

Why are we not showing an estimate for parking revenue that will generated from sources other than the USV monthly passes. We continue to say this is a public ramp, so it is a safe assumption to include some revenue from both daily parking and others purchasing passes.

Same reason as the previous question. We know that ramp maintenance costs will increase as the ramps age. We know other operating costs will increase as well. If we commit all additional revenue generated from future rate increases, and from public use of the new ramp, to pay the debt service on the new ramp, this would leave no additional revenue to pay for future increased operation and maintenance needs. So estimates of parking revenue from the public were intentionally excluded from the projections with the thought that this revenue would help defray increased operating and maintenance costs.

20. I would like the actual estimate of the increased costs being incurred due to the USV changes, ie elevator, roof deck plaza and any others.

USV had requested the City of Appleton to provide USV employee only elevators and to allow for the upper level of the parking ramp not covered by their building to be a rooftop terrace for USV usage only.

Hoffman has provided estimates of \$300,000 for additional structural sheer walls that are required and \$770,000 for the public elevator relocation. The only way to truly know the cost impact would be to bid the requested changes separately.

21. Has the presentation shown at Council been distributed electronically? If not, please do. I'd like to get all slides but more specifically the one that shows the breakdown of cost increases which got it to the new estimated total. Additionally, I'd like to get the slides showing the 3 new financing models that were presented by the Mayor.

Attached are the 3 financing models presented by the Mayor.

22. I understand this question was asked (by Alderperson Van Zeeland) at the Finance Committee meeting but the answer (by the Mayor) was so short and quite concerning that I'm asking it again a little different way. What would be the plan be if the bids come in higher than estimated and/or the actual construction costs are millions over using up all contingency funds? We can't just say "no" to the question of was this discussed.

We would have options if the bids come in higher than estimated. We could reject the bids and rescope the project to try to lower the cost. Depending on the disparity we could revise our financial projections based on more concrete information. Once the bids are accepted contracts are written to reflect the bid prices. Once the contract is in place the price is locked in and the contractor would not be able to tap into our contingency because their costs went up. Construction contracts contain specific language governing when and how contingency must be approved and used.

Exhibit A

City of Appleton
 US Venture Project
 Estimate of City Costs
 As of 9/11/19

Description	Source	Amount	Notes
1 Ramp Construction Cost	Hoffman 9/14/19 Council Presentation	\$ 34,816,274	(a) Includes "soft" costs such as land acquisition, professional services, insurance and contingency
2 City TIF Investment Payment	Development Agreement	8,000,000	
3 Relocating Mosaic Clinic	Estimate	4,648,000	Based on discussions with potential developer of Bluff Site #2
4 S Oneida Street Ramp Entrance:			
4a Land for road		See below*	
4b Contaminated soil remediation		See below*	
4c Church demolition		See below*	
4d Infrastructure improvements	Estimate	378,000	Concrete and stormwater improvements for S Oneida Street extension
Total Estimated Project Costs		47,842,274	
5 Interest on Debt Issues for #1 & #2	RW Baird (Financial Advisors)	28,967,884	Does not include interest paid to general fund for any potential advances
Total Project Costs with Interest		<u>\$ 76,810,158</u>	

*Since the cost of these items are subject to negotiation, it is in the City's best interest to not disclose estimates at this time.

(a) Although the best estimate at this time, actual costs incurred may vary based on bids received, inflation and other factors.

City of Appleton
 US Venture Project
 Estimated Sources and Uses
 As of 9/11/19

Exhibit B

	<u>Estimated Sources and Uses</u>	
	Question #3 <u>Option (a)</u>	Question #3 <u>Option (b)</u>
<u>Sources of Funds</u>		
Property Tax Increment	\$ 35,661,002	\$ 35,661,002
Parking Utility Revenue	37,819,111	33,483,976
Capitalized interest	<u>2,822,906</u>	<u>2,822,906</u>
Total Sources of Funds	<u><u>\$ 76,303,019</u></u>	<u><u>\$ 71,967,884</u></u>
<u>Uses of Funds</u>		
Debt Service on Parking Ramp and Incentive Payment	\$ 71,967,884	\$ 71,967,884
Interest charges on general fund advances	<u>4,335,135</u>	<u>-</u>
Total Uses of Funds	<u><u>\$ 76,303,019</u></u>	<u><u>\$ 71,967,884</u></u>
Final Payment Year	2051	2048

US Venture Building & Parking Ramp

Taxable Value of Project	\$ 57,405,000	Total Term of Debt Issues	25 Years
Tax Rate	\$ 23.39	Percent Public/Private	100% Private
Inflationary adj to increment	0.50%	Interest Rate on Bonds	3.07% - 3.92%

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Year	Debt Service on Ramp	Debt Service on Incentive	Total Debt Service	Tax Increment 100%	Transfer From Parking Utility	USV Parking Permits	TIF 3 Transfer to Parking	Use of Debt Proceeds	Total Funding	Annual Over (Short)	Cumulative Over/Short	Annual Advance from General Fund	5.00% Interest on Advance	Total General Fund Advance
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	580,500	580,500	580,500	580,500	-	-	-
2020	(738,731)	-	(738,731)	-	-	-	-	2,242,406	2,242,406	1,503,675	2,084,175	-	-	-
2021	(1,187,213)	-	(1,187,213)	-	650,000	-	-	-	650,000	(537,213)	1,546,962	-	-	-
2022	(1,187,213)	-	(1,187,213)	-	650,000	75,600	-	-	725,600	(461,613)	1,085,349	-	-	-
2023	(1,187,213)	(271,015)	(1,458,228)	-	650,000	160,650	-	-	810,650	(647,578)	437,771	-	-	-
2024	(1,222,524)	(271,015)	(1,493,539)	1,342,703	650,000	170,100	900,000	-	3,062,803	1,569,264	2,007,035	-	-	-
2025	(4,764,795)	(271,015)	(5,035,810)	1,349,416	650,000	179,550	1,200,000	-	3,378,966	(1,656,844)	350,191	-	-	-
2026	(2,602,798)	(271,015)	(2,873,813)	1,356,164	650,000	189,000	1,200,000	-	3,395,164	521,351	871,542	-	-	-
2027	(2,604,135)	(1,161,015)	(3,765,150)	1,362,944	650,000	198,450	1,200,000	-	3,411,394	(353,756)	517,786	-	-	-
2028	(2,603,851)	(588,023)	(3,191,874)	1,369,759	650,000	207,900	1,200,000	-	3,427,659	235,785	753,571	-	-	-
2029	(2,601,385)	(585,071)	(3,186,456)	1,376,608	650,000	217,350	1,300,000	-	3,543,958	357,502	1,111,073	-	-	-
2030	(2,606,105)	(585,273)	(3,191,378)	1,383,491	650,000	226,800	1,300,000	-	3,560,291	368,913	1,479,986	-	-	-
2031	(2,602,846)	(584,975)	(3,187,821)	1,390,408	650,000	236,250	1,356,337	-	3,632,995	445,174	1,925,161	-	-	-
2032	(2,601,511)	(584,023)	(3,185,534)	1,397,360	650,000	245,700	-	-	2,293,060	(892,474)	1,032,687	-	-	-
2033	(2,601,837)	(587,316)	(3,189,153)	1,404,347	650,000	255,150	-	-	2,309,497	(879,656)	153,031	-	-	-
2034	(2,603,547)	(584,834)	(3,188,381)	1,411,369	650,000	264,600	-	-	2,325,969	(862,412)	(709,381)	(709,381)	(17,735)	(727,115)
2035	(2,601,441)	(586,548)	(3,187,989)	1,418,426	650,000	274,050	-	-	2,342,476	(845,513)	(1,554,894)	(845,513)	(57,494)	(1,630,122)
2036	(2,605,213)	(587,349)	(3,192,562)	1,425,518	650,000	283,500	-	-	2,359,018	(833,544)	(2,388,438)	(833,544)	(102,345)	(2,566,011)
2037	(2,604,551)	(587,208)	(3,191,759)	1,432,646	650,000	292,950	-	-	2,375,596	(816,163)	(3,204,602)	(816,163)	(148,705)	(3,530,879)
2038	(2,604,357)	(586,094)	(3,190,451)	1,439,809	650,000	302,400	-	-	2,392,209	(798,242)	(4,002,844)	(798,242)	(196,500)	(4,525,621)
2039	(2,604,817)	(588,884)	(3,193,701)	1,447,008	650,000	311,850	-	-	2,408,858	(784,843)	(4,787,687)	(784,843)	(245,902)	(5,556,367)
2040	(2,606,003)	(585,545)	(3,191,548)	1,454,243	650,000	321,300	-	-	2,425,543	(766,005)	(5,553,692)	(766,005)	(296,968)	(6,619,340)
2041	(2,607,634)	(586,168)	(3,193,802)	1,461,514	650,000	330,750	-	-	2,442,264	(751,538)	(6,305,230)	(751,538)	(349,755)	(7,720,634)
2042	(2,604,523)	(585,755)	(3,190,278)	1,468,822	650,000	340,200	-	-	2,459,022	(731,256)	(7,036,487)	(731,256)	(404,313)	(8,856,203)
2043	(2,601,477)	(584,288)	(3,185,765)	1,476,166	650,000	349,650	-	-	2,475,816	(709,949)	(7,746,436)	(709,949)	(460,559)	(10,026,711)
2044	(2,603,091)	(586,644)	(3,189,735)	1,483,547	650,000	359,100	-	-	2,492,647	(697,088)	(8,443,524)	(697,088)	(518,763)	(11,242,563)
2045	Final TIF Year	-	-	1,490,964	650,000	368,550	-	-	2,509,514	2,509,514	(5,934,010)	2,509,514	(499,390)	(9,232,439)
2046	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ (59,758,811)</u>	<u>\$ (12,209,073)</u>	<u>\$ (71,967,884)</u>	<u>\$ 31,143,231</u>	<u>\$ 16,250,000</u>	<u>\$ 6,161,400</u>	<u>\$ 9,656,337</u>	<u>\$ 2,822,906</u>	<u>\$ 66,033,874</u>	<u>\$ (5,934,010)</u>		<u>\$ (5,934,010)</u>	<u>\$ (3,298,429)</u>	<u>(9,232,439)</u>

US Venture Building & Parking Ramp

(a) Current scenario - Extending unpaid balance to the Parking Utility at close of TIF

Taxable Value of Project	\$ 57,405,000	Total Term of Debt Issues	25 Years
Tax Rate	\$ 23.39	Percent Public/Private	100% Private
Inflationary adj to increment	0.50%	Interest Rate on Bonds	3.07% - 3.92%

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Year	Taxable \$ 35,000,000 Debt Service on Ramp	Taxable \$8,000,000 Debt Service on Incentive	Total Debt Service	Tax Increment 100%	Transfer From Parking Utility	USV Parking Permits	TIF 3 Transfer to Parking	Use of Debt Proceeds	Total Funding	Annual Over (Short)	Cumulative Over/Short	Annual Advance from General Fund	5.00% Interest on Advance	Total General Fund Advance
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	580,500	580,500	580,500	580,500	-	-	-
2020	(738,731)	-	(738,731)	-	-	-	-	2,242,406	2,242,406	1,503,675	2,084,175	-	-	-
2021	(1,187,213)	-	(1,187,213)	-	650,000	-	-	-	650,000	(537,213)	1,546,962	-	-	-
2022	(1,187,213)	-	(1,187,213)	-	650,000	75,600	-	-	725,600	(461,613)	1,085,349	-	-	-
2023	(1,187,213)	(271,015)	(1,458,228)	-	650,000	160,650	-	-	810,650	(647,578)	437,771	-	-	-
2024	(1,222,524)	(271,015)	(1,493,539)	1,342,703	650,000	170,100	900,000	-	3,062,803	1,569,264	2,007,035	-	-	-
2025	(4,764,795)	(271,015)	(5,035,810)	1,349,416	650,000	179,550	1,200,000	-	3,378,966	(1,656,844)	350,191	-	-	-
2026	(2,602,798)	(271,015)	(2,873,813)	1,356,164	650,000	189,000	1,200,000	-	3,395,164	521,351	871,542	-	-	-
2027	(2,604,135)	(1,161,015)	(3,765,150)	1,362,944	650,000	198,450	1,200,000	-	3,411,394	(353,756)	517,786	-	-	-
2028	(2,603,851)	(588,023)	(3,191,874)	1,369,759	650,000	207,900	1,200,000	-	3,427,659	235,785	753,571	-	-	-
2029	(2,601,385)	(585,071)	(3,186,456)	1,376,608	650,000	217,350	1,300,000	-	3,543,958	357,502	1,111,073	-	-	-
2030	(2,606,105)	(585,273)	(3,191,378)	1,383,491	650,000	226,800	1,300,000	-	3,560,291	368,913	1,479,986	-	-	-
2031	(2,602,846)	(584,975)	(3,187,821)	1,390,408	650,000	236,250	1,356,337	-	3,632,995	445,174	1,925,161	-	-	-
2032	(2,601,511)	(584,023)	(3,185,534)	1,397,360	650,000	245,700	-	-	2,293,060	(892,474)	1,032,687	-	-	-
2033	(2,601,837)	(587,316)	(3,189,153)	1,404,347	650,000	255,150	-	-	2,309,497	(879,656)	153,031	-	-	-
2034	(2,603,547)	(584,834)	(3,188,381)	1,411,369	650,000	264,600	-	-	2,325,969	(862,412)	(709,381)	(709,381)	(17,735)	(727,115)
2035	(2,601,441)	(586,548)	(3,187,989)	1,418,426	650,000	274,050	-	-	2,342,476	(845,513)	(1,554,894)	(845,513)	(57,494)	(1,630,122)
2036	(2,605,213)	(587,349)	(3,192,562)	1,425,518	650,000	283,500	-	-	2,359,018	(833,544)	(2,388,438)	(833,544)	(102,345)	(2,566,011)
2037	(2,604,551)	(587,208)	(3,191,759)	1,432,646	650,000	292,950	-	-	2,375,596	(816,163)	(3,204,602)	(816,163)	(148,705)	(3,530,879)
2038	(2,604,357)	(586,094)	(3,190,451)	1,439,809	650,000	302,400	-	-	2,392,209	(798,242)	(4,002,844)	(798,242)	(196,500)	(4,525,621)
2039	(2,604,817)	(588,884)	(3,193,701)	1,447,008	650,000	311,850	-	-	2,408,858	(784,843)	(4,787,687)	(784,843)	(245,902)	(5,556,367)
2040	(2,606,003)	(585,545)	(3,191,548)	1,454,243	650,000	321,300	-	-	2,425,543	(766,005)	(5,553,692)	(766,005)	(296,968)	(6,619,340)
2041	(2,607,634)	(586,168)	(3,193,802)	1,461,514	650,000	330,750	-	-	2,442,264	(751,538)	(6,305,230)	(751,538)	(349,755)	(7,720,634)
2042	(2,604,523)	(585,755)	(3,190,278)	1,468,822	650,000	340,200	-	-	2,459,022	(731,256)	(7,036,487)	(731,256)	(404,313)	(8,856,203)
2043	(2,601,477)	(584,288)	(3,185,765)	1,476,166	650,000	349,650	-	-	2,475,816	(709,949)	(7,746,436)	(709,949)	(460,559)	(10,026,711)
2044	(2,603,091)	(586,644)	(3,189,735)	1,483,547	650,000	359,100	-	-	2,492,647	(697,088)	(8,443,524)	(697,088)	(518,763)	(11,242,563)
2045	-	Final TIF Year	-	1,490,964	650,000	368,550	-	-	2,509,514	2,509,514	(5,934,010)	2,509,514	(499,390)	(9,232,439)
2046	-	TIF Extension	-	1,498,419	650,000	378,000	-	-	2,526,419	2,526,419	(3,407,591)	2,526,419	(398,461)	(7,104,481)
2047	-	↓	-	1,505,911	650,000	378,000	-	-	2,533,911	2,533,911	(873,680)	2,533,911	(291,876)	(4,862,446)
2048	-	↓	-	1,513,441	650,000	378,000	-	-	2,541,441	2,541,441	1,667,761	2,541,441	(179,586)	(2,500,591)
2049	-	Parking Utility payoff to General Fund	-	-	650,000	378,000	-	-	1,028,000	1,028,000	2,695,761	1,028,000	(99,330)	(1,571,921)
2050	-	↓	-	-	650,000	378,000	-	-	1,028,000	1,028,000	3,723,761	1,028,000	(52,896)	(596,817)
2051	-	↓	-	-	-	611,374	-	-	611,374	611,374	4,335,135	611,374	(14,557)	0
	<u>\$ (59,758,811)</u>	<u>\$ (12,209,073)</u>	<u>\$ (71,967,884)</u>	<u>\$ 35,661,002</u>	<u>\$ 20,111,374</u>	<u>\$ 8,051,400</u>	<u>\$ 9,656,337</u>	<u>\$ 2,822,906</u>	<u>\$ 76,303,019</u>	<u>\$ 4,335,135</u>		<u>\$ 4,335,135</u>	<u>\$ (4,335,135)</u>	

US Venture Building & Parking Ramp

(b) Current scenario with no interest being charged on GF advances

Taxable Value of Project	\$ 57,405,000	Total Term of Debt Issues	25 Years
Tax Rate	\$ 23.39	Percent Public/Private	100% Private
Inflationary adj to increment	0.50%	Interest Rate on Bonds	3.07% - 3.92%

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
Year	Debt Service on Taxable Ramp	Debt Service on Taxable Incentive	Total Debt Service	Tax Increment 100%	Transfer From Parking Utility	USV Parking Permits	TIF 3 Transfer to Parking	Use of Debt Proceeds	Total Funding	Annual Over (Short)	Cumulative Over/Short	Annual Advance from General Fund	5.00% Interest on Advance	Total General Fund Advance
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	580,500	580,500	580,500	580,500	-	-	-
2020	(738,731)	-	(738,731)	-	-	-	-	2,242,406	2,242,406	1,503,675	2,084,175	-	-	-
2021	(1,187,213)	-	(1,187,213)	-	650,000	-	-	-	650,000	(537,213)	1,546,962	-	-	-
2022	(1,187,213)	-	(1,187,213)	-	650,000	75,600	-	-	725,600	(461,613)	1,085,349	-	-	-
2023	(1,187,213)	(271,015)	(1,458,228)	-	650,000	160,650	-	-	810,650	(647,578)	437,771	-	-	-
2024	(1,222,524)	(271,015)	(1,493,539)	1,342,703	650,000	170,100	900,000	-	3,062,803	1,569,264	2,007,035	-	-	-
2025	(4,764,795)	(271,015)	(5,035,810)	1,349,416	650,000	179,550	1,200,000	-	3,378,966	(1,656,844)	350,191	-	-	-
2026	(2,602,798)	(271,015)	(2,873,813)	1,356,164	650,000	189,000	1,200,000	-	3,395,164	521,351	871,542	-	-	-
2027	(2,604,135)	(1,161,015)	(3,765,150)	1,362,944	650,000	198,450	1,200,000	-	3,411,394	(353,756)	517,786	-	-	-
2028	(2,603,851)	(588,023)	(3,191,874)	1,369,759	650,000	207,900	1,200,000	-	3,427,659	235,785	753,571	-	-	-
2029	(2,601,385)	(585,071)	(3,186,456)	1,376,608	650,000	217,350	1,300,000	-	3,543,958	357,502	1,111,073	-	-	-
2030	(2,606,105)	(585,273)	(3,191,378)	1,383,491	650,000	226,800	1,300,000	-	3,560,291	368,913	1,479,986	-	-	-
2031	(2,602,846)	(584,975)	(3,187,821)	1,390,408	650,000	236,250	1,356,337	-	3,632,995	445,174	1,925,161	-	-	-
2032	(2,601,511)	(584,023)	(3,185,534)	1,397,360	650,000	245,700	-	-	2,293,060	(892,474)	1,032,687	-	-	-
2033	(2,601,837)	(587,316)	(3,189,153)	1,404,347	650,000	255,150	-	-	2,309,497	(879,656)	153,031	-	-	-
2034	(2,603,547)	(584,834)	(3,188,381)	1,411,369	650,000	264,600	-	-	2,325,969	(862,412)	(709,381)	(709,381)	-	(709,381)
2035	(2,601,441)	(586,548)	(3,187,989)	1,418,426	650,000	274,050	-	-	2,342,476	(845,513)	(1,554,894)	(845,513)	-	(1,554,894)
2036	(2,605,213)	(587,349)	(3,192,562)	1,425,518	650,000	283,500	-	-	2,359,018	(833,544)	(2,388,438)	(833,544)	-	(2,388,438)
2037	(2,604,551)	(587,208)	(3,191,759)	1,432,646	650,000	292,950	-	-	2,375,596	(816,163)	(3,204,602)	(816,163)	-	(3,204,602)
2038	(2,604,357)	(586,094)	(3,190,451)	1,439,809	650,000	302,400	-	-	2,392,209	(798,242)	(4,002,844)	(798,242)	-	(4,002,844)
2039	(2,604,817)	(588,884)	(3,193,701)	1,447,008	650,000	311,850	-	-	2,408,858	(784,843)	(4,787,687)	(784,843)	-	(4,787,687)
2040	(2,606,003)	(585,545)	(3,191,548)	1,454,243	650,000	321,300	-	-	2,425,543	(766,005)	(5,553,692)	(766,005)	-	(5,553,692)
2041	(2,607,634)	(586,168)	(3,193,802)	1,461,514	650,000	330,750	-	-	2,442,264	(751,538)	(6,305,230)	(751,538)	-	(6,305,230)
2042	(2,604,523)	(585,755)	(3,190,278)	1,468,822	650,000	340,200	-	-	2,459,022	(731,256)	(7,036,487)	(731,256)	-	(7,036,487)
2043	(2,601,477)	(584,288)	(3,185,765)	1,476,166	650,000	349,650	-	-	2,475,816	(709,949)	(7,746,436)	(709,949)	-	(7,746,436)
2044	(2,603,091)	(586,644)	(3,189,735)	1,483,547	650,000	359,100	-	-	2,492,647	(697,088)	(8,443,524)	(697,088)	-	(8,443,524)
2045	-	-	-	1,490,964	650,000	368,550	-	-	2,509,514	2,509,514	(5,934,010)	2,509,514	-	(5,934,010)
2046	-	-	-	1,498,419	650,000	378,000	-	-	2,526,419	2,526,419	(3,407,591)	2,526,419	-	(3,407,591)
2047	-	-	-	1,505,911	650,000	378,000	-	-	2,533,911	2,533,911	(873,680)	2,533,911	-	(873,680)
2048	-	-	-	1,513,441	-	-	-	-	1,513,441	1,513,441	639,761	639,761	-	639,761
	<u>\$ (59,758,811)</u>	<u>\$ (12,209,073)</u>	<u>\$ (71,967,884)</u>	<u>\$ 35,661,002</u>	<u>\$ 17,550,000</u>	<u>\$ 6,917,400</u>	<u>\$ 9,656,337</u>	<u>\$ 2,822,906</u>	<u>\$ 72,607,645</u>	<u>\$ 639,761</u>		<u>\$ 639,761</u>	<u>\$ -</u>	

639,761



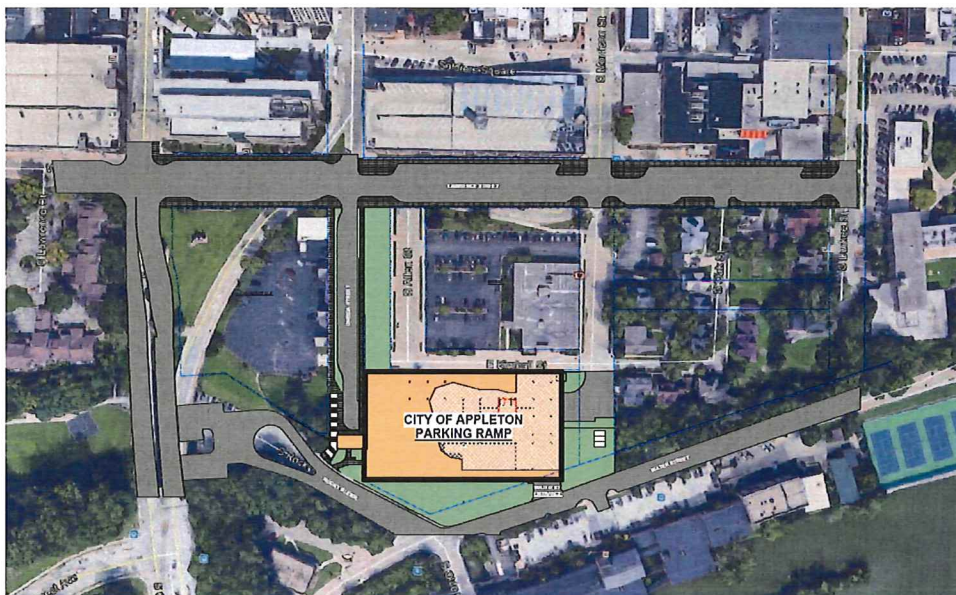
Common Council Presentation

New Parking Ramp
City of Appleton
Appleton, WI 54911

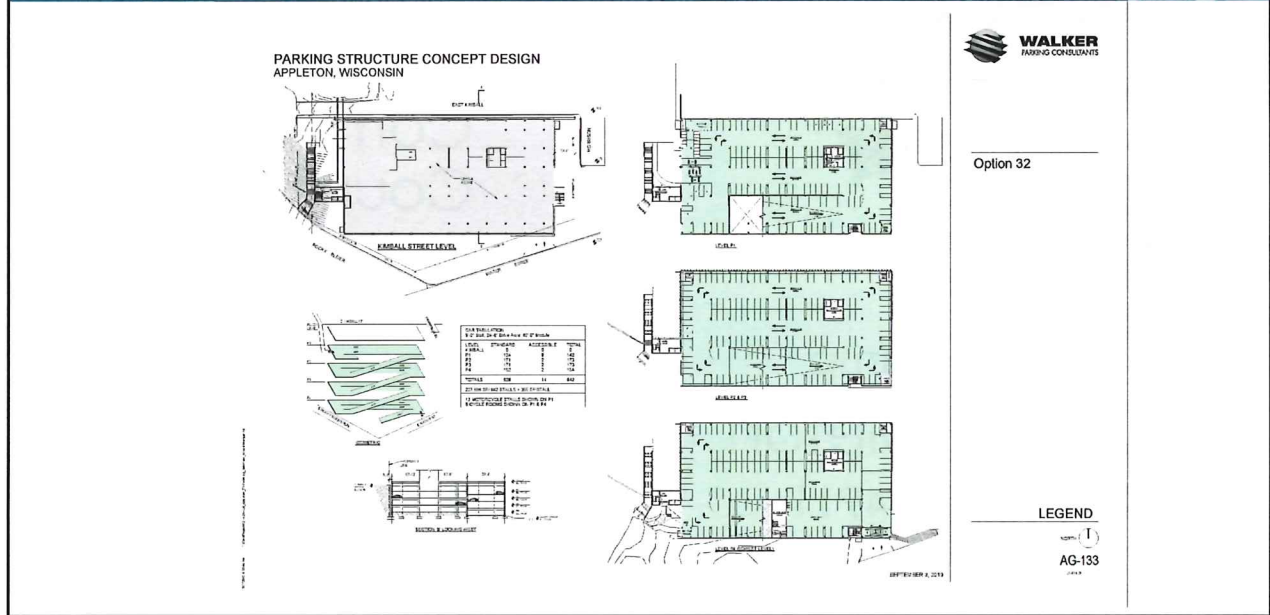
September 4, 2019



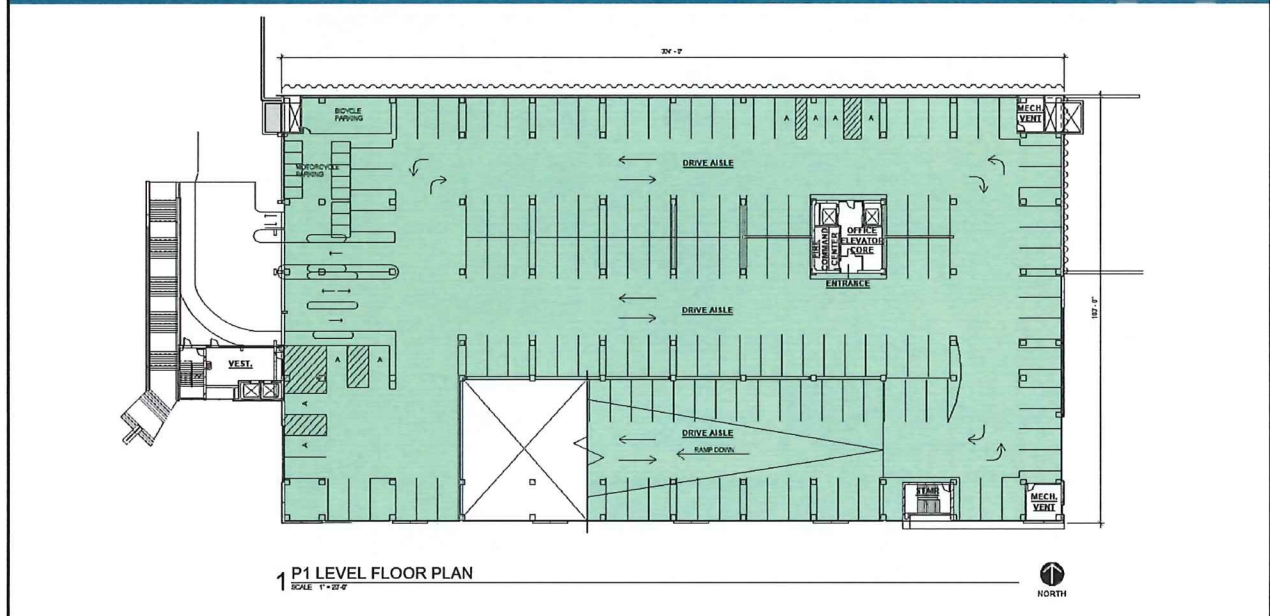
Project Location



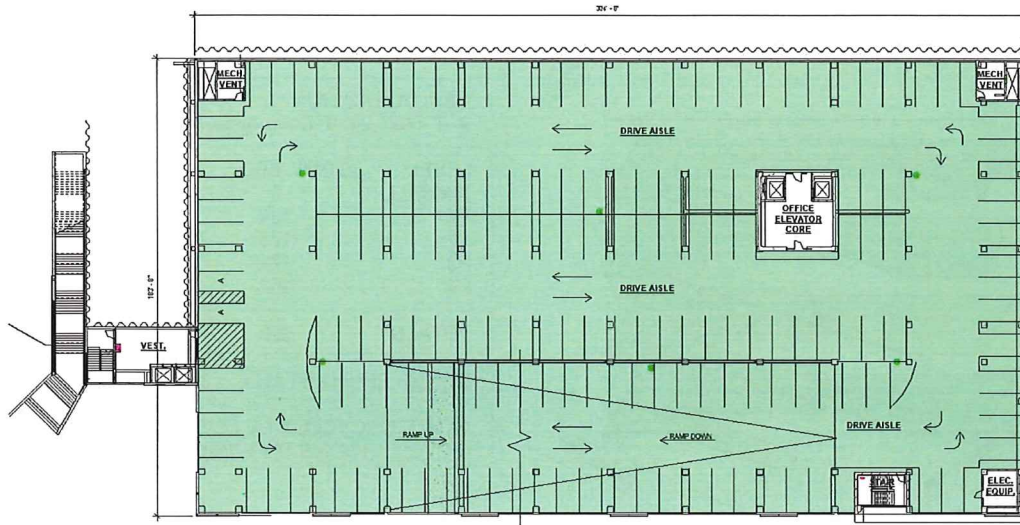
Parking Structure Concept



Oneida Entry Level 1



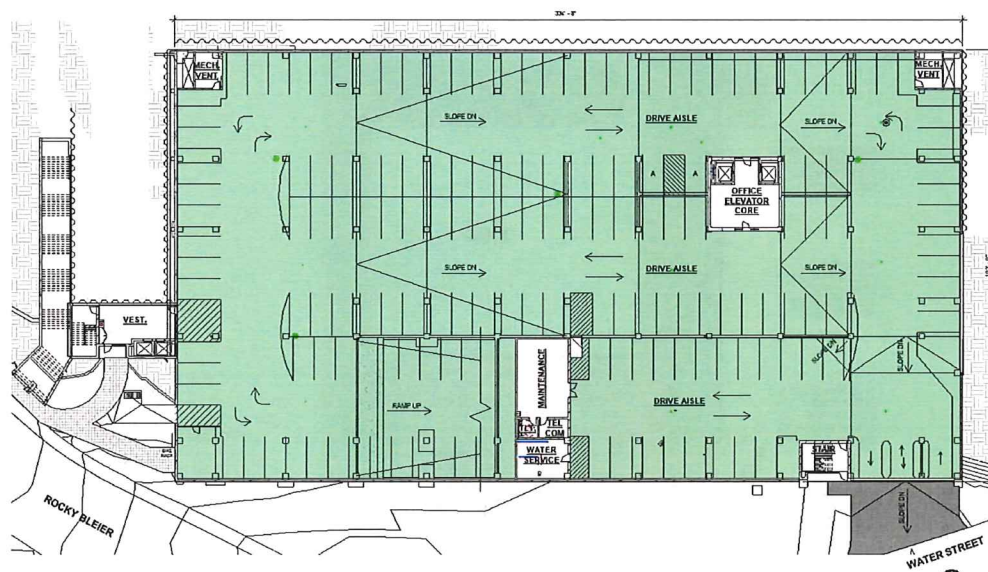
Intermediate Levels 2 & 3



2 TYPICAL PARKING LEVEL PLAN P-2 & P-3
SCALE: 1" = 20'-0"



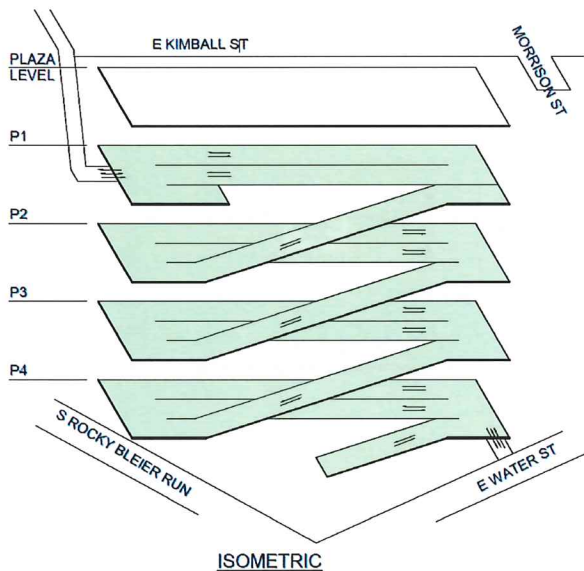
Water Street Entry Level 4



3 P4 LEVEL FLOOR PLAN
SCALE: 1" = 20'-0"



Project Data



CAR TABULATION

9'-0" Stall, 24'-0" Drive Aisle, 60'-0" Module

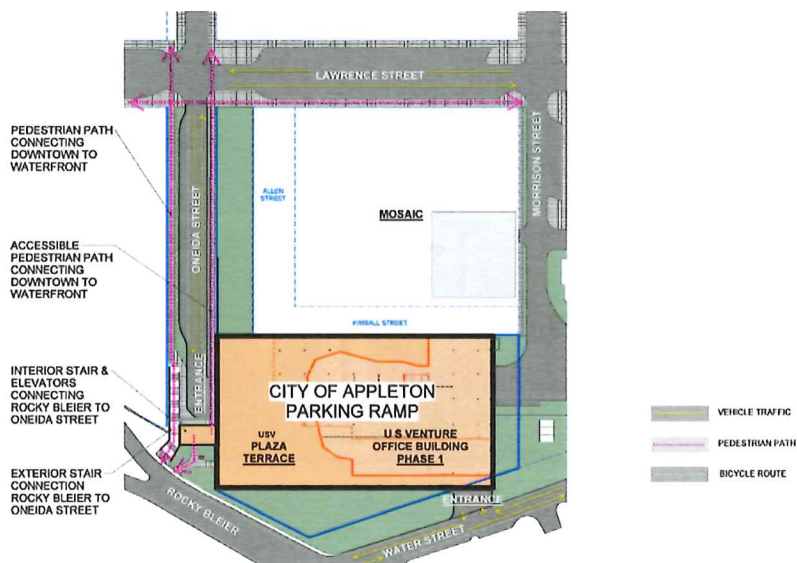
LEVEL	STANDARD	ACCESSIBLE	TOTAL
KIMBALL	0	0	0
P1	134	8	142
P2	171	2	173
P3	171	2	173
P4	152	2	154

TOTALS 628 14 642

227,696 SF/ 642 STALLS = 355 SF/STALL

12 MOTORCYCLE STALLS SHOWN ON P1
BICYCLE ROOMS SHOWN ON P1 & P4

Site Plan



Parking Ramp Overall View



Oneida Street Entry



Oneida Looking North



Rocky Bleier View



Water Street View



Schedule

Milestone Schedule:

- Closing on property – Fall 2019
- Finalize Construction Documents – Fall 2019
- Bidding – Late Fall 2019
- Contract Award – Winter 2019/2020
- Construction Start – 1st Quarter of 2020
- Construction Duration – 13-14 months from start

Budget

Development Agreement Budget	\$ 27,000,000
Primary cost increase factors Include:	
Environmental Impacts, Structural Requirements, Inflation, Increased Parking Count, All Stalls Located Underground, Entrance Moved to Oneida Street, Elevator/Stair Lobby Relocation.	
Total Estimated Added Cost =	\$ 9,938,274
Subtotal =	\$ 36,938,274
US Venture Shared Costs for stairs and terrace requirements	\$ (582,000)
US Venture Contribution for 4 Story Ramp	\$ (1,000,000)
Eliminate Metal Cladding and Reduced Parking Metering Scope	\$ (540,000)
Current Budgeted Amount to be Financed by City of Appleton = \$ 34,816,274	



Cost Increase Factors - Updated 7-10-19

	Binder Tab & Date of Discussion	City	Cost Responsibility			Notes
			USV	Alternate	Eliminate	
Uncontrollable Impacts						
1 Environmental impacts	Tab #5 8/31/2018	\$200,000				Mitigate environmental impacts that were discovered after the original estimate was established. (PAHs)
2 Additional shear walls are required based on current structural calculations	Tab #6	\$300,000				Design has advanced further and shifted the elevator core from a central location. This requires additional shear walls be included.
3 Construction Inflation since 2017	Tab #7	\$1,731,713				5-1% - 2018, 1-125% - 1st quarter of the 2019
4 Original estimate was based on Hoffman constructing the parking structure and not utilizing a General Contractor.	Tab #9 9/15/2018	\$1,200,000				This was discussed early on but due to risk concerns this delivery method was accepted.
5 Added cost of fiber installation	1/16/2019 Tab #10	\$100,000				Add per city communication - Pending final cost
6 Added OH power line relocation for WE Energies	1/16/2019 Tab #19	\$35,000	\$35,000			Ramp portion of relocation / Split with USV - \$70,000 total
7 Add for winter heat	7/1/2018	\$70,000				Original estimate included limited winter heat for 2 months - \$35,000 for 2 months
8 Provide 90-degree parking in lieu of angled parking as indicated in Option 21 that the development agreement was based on.	Tab #11 10/24/2018	\$504,000				Option adds approximately 8,400 sf. This was reviewed in depth with Walker, Hoffman and City Officials. Will need to be reviewed to determine impacts to current design.
9 All public parking to be placed on the 4 below grade levels of the parking structure.	Tab #12 10/31/2018	\$2,857,400				Increase to the overall size of the parking garage as compared to Option 21.
10 Moved vehicle entrance from Morrison to Oneida St	Tab #13 10/31/2018 Tab #14	\$625,000				Morrison was the original location of the entrance and this changed to Oneida St. based on the mobility study. Added retaining wall. Assumes 3,000 sf retaining wall system
11 Public Elevator Lobby Relocation to West Entry	10-10-18 thru 1-9-19	\$385,000	\$385,000			Additional Concrete, Curtain Wall, Retaining Walls, Roof Structure, Additional Floor - Split 50/50
12 Relocate Public Interior Egress Stair to West Entry	Tab #15 11/14/2018			\$335,000		Original stair well was inboard of the parking ramp with no brick, curtain wall glazing or roofing required. Additional Concrete, Curtain Wall, Retaining Walls, Roof Structure, Additional Floor
13 Exterior Public Connecting Stair West of Public Elevator Lobby	Tab #16 12/5/2018			\$275,000		Connecting stairs were part of a different city project previously and now have been included with this project.
14 Exterior Metal Cladding	Tab #17 2/6/2019 Tab #18		\$400,000			Option 21 has no metal infill. Precast only. This could be an alternate bid.
15 Increased Scope of PARCS system	4/26/2019		\$140,000			Original budget is at \$180k, current estimate \$320k, per Walkers estimate
16 Premium to design the plaza level to accommodate the landscaping design			\$162,000			Premium includes a thicker plaza slab, additional columns, additional reinforcing, 30% of \$40/sf for 13,500 sf.
17	Subtotal of Added Improvements =	\$8,008,113	\$582,000	\$540,000	\$610,000	
18	Increased Construction Contingency =	\$550,000				
19	Total of Improvements =	\$8,558,113	\$582,000	\$540,000	\$610,000	

Overall Budget Summary:

Current Total Project Budget \$	37,548,274
US Venture Contribution for 4 Story Ramp \$	(1,582,000)
Alternate Bid Line Items 14 & 15 above \$	(540,000)
Eliminate Line Items 12 & 13 above \$	(610,000)

Current Budgeted Amount to be Financed by City of Appleton = \$ 34,816,274

