CAPITAL CITY DEVELOPMENT CORPORATION

State Street Urban Renewal District Feasibility Study

FINAL REPORT | August 2, 2021

SBFRIEDMAN

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1. Executive Summary

Urban Renewal and Economic Development Law Requirements

Idaho Code 50-2905 provides that the urban renewal agency shall prepare and adopt a plan for each revenue allocation area. The agency shall submit the plan and recommendation for approval thereof to the local governing body. Among the plan requirements listed in Idaho Code 50-2905, the plan shall include an economic feasibility study. Idaho Code 50-2905 also articulates the economic feasibility study must be held to a standard of specificity. The following State Street Urban Renewal District Feasibility Study ("Feasibility Study") sets forth findings for the proposed plan.

SB Friedman Development Advisors ("SB Friedman") was retained by the Urban Renewal Agency of the city of Boise City, Idaho, also known as Capital City Development Corporation ("CCDC" or "Agency"), to prepare an economic feasibility study pursuant to the Local Economic Development Act, Chapter 29, Title 50, Idaho Code (the "Act") for the Urban Renewal Plan ("Plan") for the State Street District Urban Renewal Project Area ("District").

Economic feasibility is an analysis of a scenario of revenues that could be generated by an urban renewal district based upon a market assessment, and the future costs required to make necessary improvements supported by those revenues. SB Friedman evaluated projected revenues for the District against projected costs associated with the District planned improvements ("District Project Costs") to ensure economic feasibility of the Plan. While feasibility findings refer to specific outlined District Project Costs (which include Feasible Capital Project Costs, Operations Costs and Other Financing Costs), currently Unfunded Capital Project Costs could be paid for if the District generates more revenues than projected, if additional funding sources are leveraged, or if Agency prioritization of Project Costs change.

Findings of Feasibility

The incremental taxable values and resulting incremental property tax revenues over the 20-year term of the proposed District (fiscal years 2023-2042) are summarized in Appendix III. Incremental property tax revenues are based on increases in taxable value for existing properties in the proposed District related to assumed appreciation and increases in taxable value resulting from development and/or redevelopment of portions of the District over the 20-year term. Adjustments were made to account for the recent high rate of growth in property values. The total projected incremental property tax revenues for the District over the 20-year Plan period amount to approximately $178.6 million undiscounted, or approximately $103.1 million in present value (discounted at 4% to 2021 dollars).

Feasible Capital Project Costs were provided to SB Friedman by CCDC, in four five-year periods, also referred to as "quarters"[1]. Appendix V shows a scenario which demonstrates the ability of the District to fund approximately $122.0 million in present value District Project Costs over the 20-year term. The District Project Costs exceed the present value of District Revenues due to an assumed 3% cost escalation rate. These District

[1] Quarters are associated with the years that the URD is projected to collect revenue. Quarter 1 begins in Fiscal Year 2023.

Project Costs include $93.6 million in Feasible Capital Project Costs, $12.4 million in Operations Costs and $16.0 million in Other Financing Costs. The scenario includes Feasible Capital Project Costs and Operations Costs paid out of incremental property tax revenue cash flow in the first quarter, followed by three bond issuances – one in each of the remaining three quarters.

Projected Other Financing Costs include the assumed interest payments for each of the bond issuances (assumed to be 4% annually). According to these projections, CCDC would be capable of assuming approximately $117.2 million in debt in the final three quarters of the life of the District (undiscounted), all of which could be paid off prior to the expiration of the District. The projected revenues and District Project Costs result in a cumulative fund balance of approximately $517,000 in 2042, or approximately $227,000 in present value. Any surplus remaining after termination of the URD would be submitted to Ada County for distribution to local taxing bodies.

Other Considerations

Funding sources in addition to incremental property taxes may be available or be feasible for CCDC to use in financing District Project Costs and Unfunded Capital Project Costs. Other revenues could include private, federal, state and/or local government funding sources that may become available to assist in the financing of future projects.

2. Introduction

The City of Boise (the "City") identified approximately 577 acres along the State Street Corridor in northeast Boise as eligible for designation as an urban renewal district in May 2019 (the "District"). Implementing an urban renewal district provides the opportunity for the City to utilize revenue allocation funds, also known as tax increment financing (TIF) revenues, as a means of funding geographically targeted public improvements. As permitted by Idaho law, TIF can improve the ability of an urban renewal district to assist in economic development projects, make infrastructure improvements and implement mobility initiatives and placemaking projects which benefit the area.

Idaho Code 50-2905 requires CCDC to evaluate the economic feasibility of a proposed district and include economic feasibility findings within the Plan which shall be held to a standard of specificity. This Feasibility Study evaluates the existing status of the District and reviews a development scenario and the resulting impact on the revenue generation capability of the District. In the process of satisfying the requirements, CCDC coordinated with City staff and three consulting firms that developed key inputs to the Feasibility Study. SB Friedman led the financial analyses while MIG and Quadrant Consulting ("Quadrant") coordinated on the design, physical planning and cost estimating, and developed a Corridor Framework Plan.

The following key documents and models were developed and serve as key inputs into this Feasibility Study and will be referenced throughout the report:

1. **Market Assessment |** Real estate development projections over the 20-year term of the District, based on market research and trend data.
2. **Revenue Model |** Projections of District incremental property tax revenues building on the Market Assessment and other key assumptions.
3. **Corridor Framework Plan |** A design plan which expands upon the Market Assessment, identifying necessary and desired public improvements, as well as existing infrastructure deficiencies and estimated costs.
4. **Capital Project Costs |** Projected costs associated with the desired improvements referenced in the Corridor Framework Plan that could be incurred by the URD.
5. **Feasibility Model |** A financial model prepared by SB Friedman which reconciles the Revenue Model and Project Costs, which then identifies specific costs which are projected to be supportable based on the results of the Revenue Model (District Project Costs).

State Street Urban Renewal District Boundary

The proposed District, which was established following State Street Corridor Transit Oriented Development planning efforts conducted in 2018, extends approximately six miles along State Street and is bounded by Horseshoe Bend Road and the City of Eagle to the northwest and 27th Street on the southeast. The southwest portion of the District is bounded by the City of Garden City. State Street is the local name for the portion of Idaho State Highway 44 that connects downtown Boise with the City of Eagle to the northwest.

There are 668 parcels in the District encompassing approximately 577 acres (inclusive of public right-of-way). Major land uses present within the District include residential (402 parcels, including multifamily), retail (134), office (34) and public/institutional (5). The majority of remaining parcels are currently vacant or are utilized as surface parking. Right-of-way accounts for 137 acres, or approximately 24% of the District.

The proposed District includes 5 publicly owned parcels that encompass 60 acres, or approximately 10% of the District. Publicly owned parcels are predominately located near the southern end of the District, including the Idaho Transportation Department Headquarters (ITD Headquarters) and William Howard Taft and Lowell Elementary Schools, and have no taxable value. Many of the publicly owned sites are either listed on the National Register of Historic Places (NRHP) or were identified as eligible to be listed in the NRHP according to a Cultural Resource Survey Report produced in support of the District formation process.. It is assumed that any private improvements made on land currently in public ownership will be taxable moving forward, regardless of land disposition strategy.

Existing Valuation of the Urban Renewal District

The proposed District had a taxable value of approximately $324,350,600 as of 2021. Classification of parcels by Ada County Assessor use category is included in **Figure 1**.

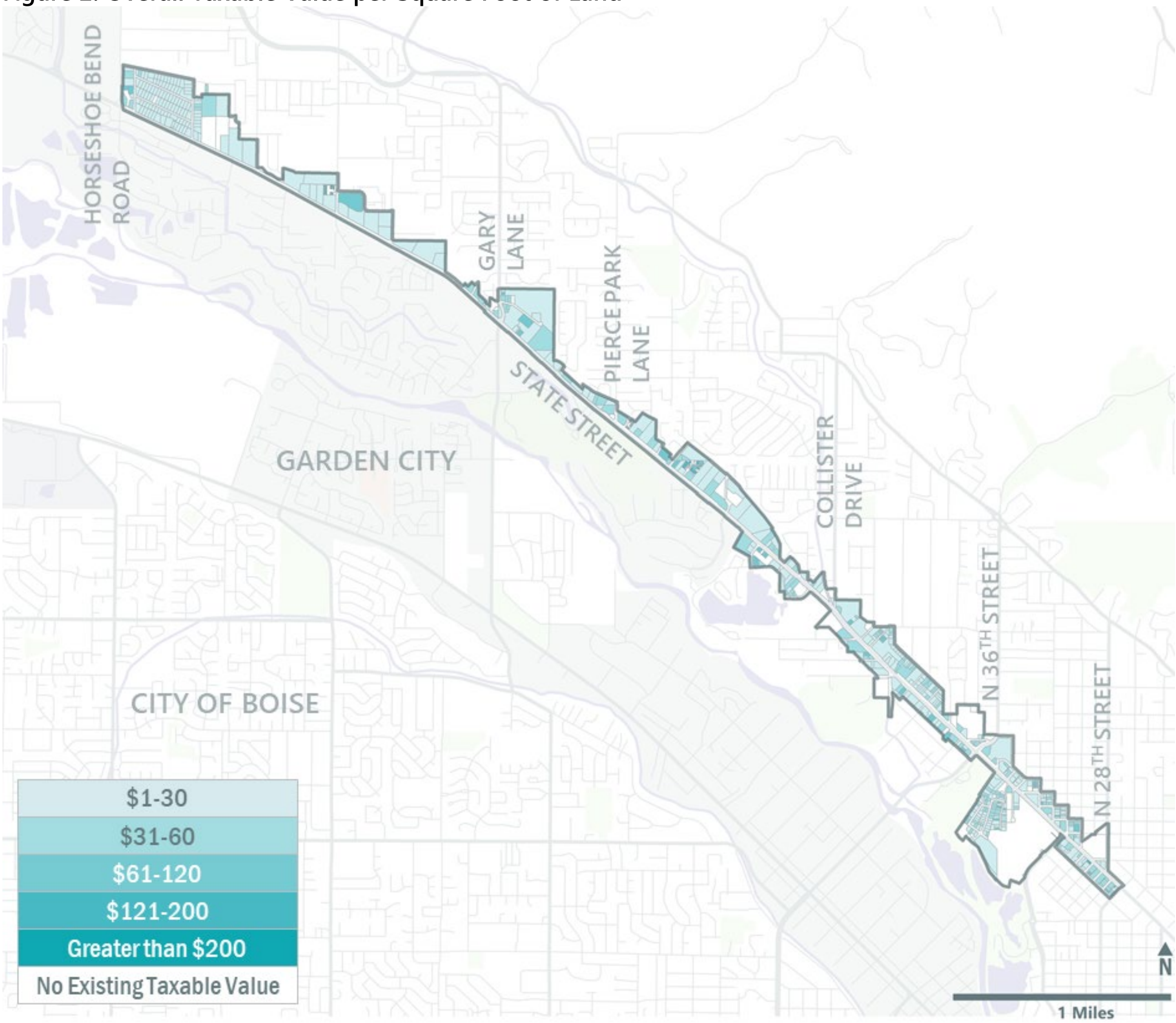
Figure 1. 2021 Taxable Value by Assessor Use Category

Land Use Category	Taxable Value [1]
Residential	$132,714,700
Commercial/Retail	$178,797,700
Public/Institutional	$0
Other	$12,838,200
Total	**$324,350,600**

[1] Based on preliminary 2021 values
Source: Ada County Assessor, City of Boise, SB Friedman

Existing taxable value was also analyzed spatially to identify lower value nodes within the proposed District. **Figure 2** on the following page displays taxable value per land square foot throughout the proposed District. Most properties with a higher existing taxable value per square foot are located in recent residential developments.

Figure 2. Overall Taxable Value per Square Foot of Land



Source: Ada County Assessor, CCDC, City of Boise, Esri, SB Friedman

3. Development Program Projections

According to Idaho Code 50-2903(10) increment value means "the total value calculated by summing the difference between the current equalized value of each taxable property in the revenue allocation area and that property's current base value on the base assessment roll, provided such difference is a positive value." According to Idaho Code 50-2903(4), base value on the "base assessment roll" means the equalized assessment rolls, for all classes of taxable property, on January 1 of the year in which the City Council passes an ordinance adopting the Plan containing a revenue allocation provision. Assuming City Council action before December 31, 2021, the effective date will be January 1, 2021 and the base year will be 2021 ("Base Year"). For the purposes of this Feasibility Study, SB Friedman used the preliminary 2021 taxable values for each parcel in the proposed District reported by Ada County as the estimated base value. Incremental value was calculated on an annual basis by property (interpreted to be parcels) through the termination date, set 20 years from the Base Year of the Plan (50-2903) (December 31, 2041). During the life of an urban renewal district, incremental value of real property is generated as a result of one or both of the following:

1. Increases in taxable value resulting from development or redevelopment over the 20-year term; and
2. Increases in taxable value due to appreciation.

SB Friedman conducted a Market Assessment to inform projections of new development/redevelopment over the 20-year term. The Market Assessment was the result of review of the data sources and planning materials identified in **Figure 3** below. SB Friedman also conducted stakeholder interviews with prospective developers.

Figure 3. Key Market Assessment Data Sources

Data Source	Data Type	
CoStar	• Historic Vacancy • Historic Rents	• Absorption • Existing Supply
Census	• Residential Building Permit Data • Population Estimates	• Public Use Microdata • Longitudinal Employer-Household Dynamics
ESRI Business Analyst	• Historic Sales	
Market Materials	• Leland Consulting Group (Leland) State Street TOD Studies	• Marketing Brochures
Planning Materials	• COMPASS • CCDC Plans	• Boise City Plans • Neighborhood Plans
Ada County	• Assessor Data (Taxable Value, Zoning)	

Projections were based in part on COMPASS-forecasted household and employment growth over the term of the proposed District. SB Friedman converted projected household growth to housing unit change using consumer preference and household size trends. Forecasted employment growth drove projected development of new commercial building square footage using market assumptions founded in historic analysis and development trends. The resulting development program included in the 'new development' revenue projections is 1,100 single-family residential units, 2,600 multifamily residential apartment units, 50,000 square feet of office space, 362,000 square feet of retail space, and 120 hotel units (the "Development Program"). The Development Program is comprised of a few Known Developments (anticipated projects that are very likely to occur) and demand-based development (the remainder of the demand projected in the Market Assessment).

Excluding the Known Developments, the Development Program is projected to phase in evenly over a 19-year period for each land use. The Known Developments are assumed to deliver in 2021 and be fully assessed in 2022.

SB Friedman analyzed competitive new real estate product to derive a series of taxable value assumptions for the Development Program. Due to recent growth in 2021 assessed and taxable values in Ada County, SB Friedman also conducted supplementary analyses and interviews to inform future escalation assumptions. These inputs helped drive the incremental taxable value estimates and thus tax projections in the Revenue Model. Key assumptions include:

- **Taxable Value Escalation Trends |** SB Friedman used median housing values from peer markets as a benchmark for future maximum assessed values in Boise. The recent high rate of growth in housing values is projected to continue in the first two years of the District, decline in the subsequent two years of the District, and then stabilize at a more moderate (2%) growth rate through the remainder of the District.

- **Taxable Value |** SB Friedman generated taxable value assumptions on a per-square-foot or per-unit basis by evaluating comparable new construction projects in and near the District. Estimated taxable values were inflated annually to the year of delivery using the variable taxable value escalation assumptions described above.

- **Absorption of Taxable Value |** For Known Developments, SB Friedman assumed 100% of the projected taxable value will be absorbed in the year after a project delivers.

- **Taxable Value Growth Rate |** Existing property within the District was assumed to appreciate annually using the variable taxable value escalation assumptions described above.

- **Levy Rates |** SB Friedman assumed a variable property tax levy over the life of the District. Levy rates are regulated by statutory requirements, which limit taxing district budgetary growth and typically have an inverse relationship to taxable value growth. Multiplying the estimated levy rate and the projected incremental taxable value in the District results in estimated incremental property tax revenues.

- **Discount Rate/Cost of Borrowing |** Per CCDC, SB Friedman assumed a 4.0% discount rate when discounting projected revenues to calculate present value. Revenues were discounted to 2021 dollars for consistency. Likewise, all bond amortization schedules assume an interest rate on all bonds of 4.0%.

4. Revenue Projection

Figure 4 summarizes the projected incremental property tax generation capability of the proposed District per the Market Assessment program detailed above, realized over the 20-year term of the Plan. The figure is the result of the Revenue Model which accounts for both the Development Program value growth and appreciation of existing real estate.

Figure 4. District Tax Generation Projection

		Sources of Revenue		Combined Revenue
CCDC Fiscal Year [1,2,3]	URD Year	Revenue from Appreciation of the Existing Real Estate [4]	Revenue from Projected Development [4,5]	Combined Growth & Increment Revenue (Gross)
2021	0	$0	$0	$0
2022	1	$0	$0	$0
2023	2	$644,458	$549,132	$1,193,590
2024	3	$1,201,344	$1,094,723	$2,296,067
2025	4	$1,472,447	$1,656,853	$3,129,300
2026	5	$1,731,555	$2,240,378	$3,971,933
2027	6	$1,804,103	$2,836,960	$4,641,063
2028	7	$1,877,447	$3,450,896	$5,328,342
2029	8	$1,951,674	$4,082,673	$6,034,347
2030	9	$2,026,797	$4,732,690	$6,759,487
2031	10	$2,102,833	$5,401,359	$7,504,192
2032	11	$2,179,797	$6,089,098	$8,268,895
2033	12	$2,257,705	$6,796,332	$9,054,037
2034	13	$2,336,609	$7,523,619	$9,860,228
2035	14	$2,416,450	$8,271,167	$10,687,617
2036	15	$2,497,285	$9,039,549	$11,536,834
2037	16	$2,579,127	$9,829,221	$12,408,347
2038	17	$2,661,993	$10,640,655	$13,302,648
2039	18	$2,745,902	$11,474,340	$14,220,241
2040	19	$2,830,974	$12,331,216	$15,162,190
2041	20	$2,917,020	$13,210,895	$16,127,915
2042	--	$3,004,160	$14,114,329	$17,118,489
Total Undiscounted Revenues, 2023-2042				**$178,605,763**
Total Revenues, Present Value 2023-2042 (2021$)				**$103,098,000**

[1] Assumes the URD is approved in 2021, with the first increment realized in 2022.
[2] Taxes are collected one year in arrears: incremental property taxes in year 2022 are modeled to be collected in year 2023.
[3] The URD will receive collections from the 20th and last year of the URD in calendar year 2042.
[4] Based on SB Friedman's forecasted annual levy rate.
[5] Revenue from the Development Program includes all inflationary increment on previous year additions.

In total, the proposed District is anticipated to generate approximately $178.6 million in incremental property tax revenue over the life of the proposed District, undiscounted. Discounted at 4.0%, these revenues are approximately $103.1 million in 2021 dollars. In the development scenario detailed above, the proposed District generates more incremental revenue each quarter: rising from $15.2 million in the first quarter to $75.9 million in the last quarter (undiscounted). Revenues by quarter are summarized in **Figure 5**.

Figure 5. Projected District Revenues by Quarter

	Undiscounted	Discounted
First Quarter (2023-2027)	$15,232,000	$12,752,000
Second Quarter (2028-2032)	$33,895,000	$23,648,000
Third Quarter (2033-2037)	$53,547,000	$30,780,000
Fourth Quarter (2038-2042)	$75,931,000	$35,918,000
Total [1]	**$178,606,000**	**$103,098,000**

[1] Numbers may not add due to rounding
Source: SB Friedman

5. Project Costs

Idaho Code 50-2905 requires a detailed list of estimated project costs the urban renewal district is likely to incur in the revenue allocation area. Idaho Code 50-2905 also requires improvements be provided with specificity, including the kind, number and location of all proposed public works or improvements in addition to the estimated costs of each. In creating the kind, number and location of projects, CCDC worked with City of Boise staff, MIG, Quadrant and SB Friedman to develop a Corridor Framework Plan for the proposed District.

The Corridor Framework Plan is a design concept for the proposed District. The Corridor Framework Plan reflects public and private development projected to occur over the next 20 years. Private real estate development in the plan is based on the Development Program from the Market Assessment. Development is assumed to occur on sites susceptible to change, which are sites which could reasonably be expected to develop over the next 20 years. Quadrant used the Market Assessment to identify the utility and infrastructure improvements necessary to support that projected development. The infrastructure improvements, along with other public realm improvements identified by MIG (e.g., parks, public plazas, etc.) were incorporated into the broader Corridor Framework Plan which collectively identifies Capital Project Costs for the District.

The Capital Project Costs included within the Corridor Framework Plan were then combined with Operations Costs and Other Financing Costs in order to assess feasibility. Capital Project Costs were further filtered into Feasible Capital Project Costs and Unfunded Capital Project Costs. Feasible Capital Project Costs, Operations Costs and Other Financing Costs collectively comprise the District Project Costs. Each of these primary cost categories, which are included within the Feasibility Model, are detailed further below.

1 FEASIBLE CAPITAL PROJECT COSTS (INCLUDING REPAYMENT OF BOND PRINCIPAL)
+ Economic Development
+ Infrastructure
+ Mobility
+ Placemaking
+ Special Projects

\+

2 OPERATION COSTS
+ Agency Operations
+ Professional Services

\+

3 OTHER FINANCING COSTS
+ Bond interest

DISTRICT PROJECT COSTS

DISTRICT PROJECT COST COMPONENTS

1 Feasible Capital Project Costs

Feasible Capital Project Costs typically advance CCDC's key strategies: Economic Development, Infrastructure, Mobility, Placemaking and Special Projects. A selection of Feasible Capital Project Costs for the proposed District are highlighted below by strategy.

- **Economic Development |** Feasible Capital Project Costs for Economic Development include land acquisition to support mixed-use development in the proposed District.

- **Infrastructure |** Feasible Capital Project Costs for Infrastructure include a variety of street and streetscaping improvements including but not limited to installation of sewer and water mains and curb, gutter and sidewalk improvements.

- **Mobility |** Feasible Capital Project Costs for Mobility include funding for nine Bus Rapid Transit stations along State Street, new local streets, and multi-use pathways.

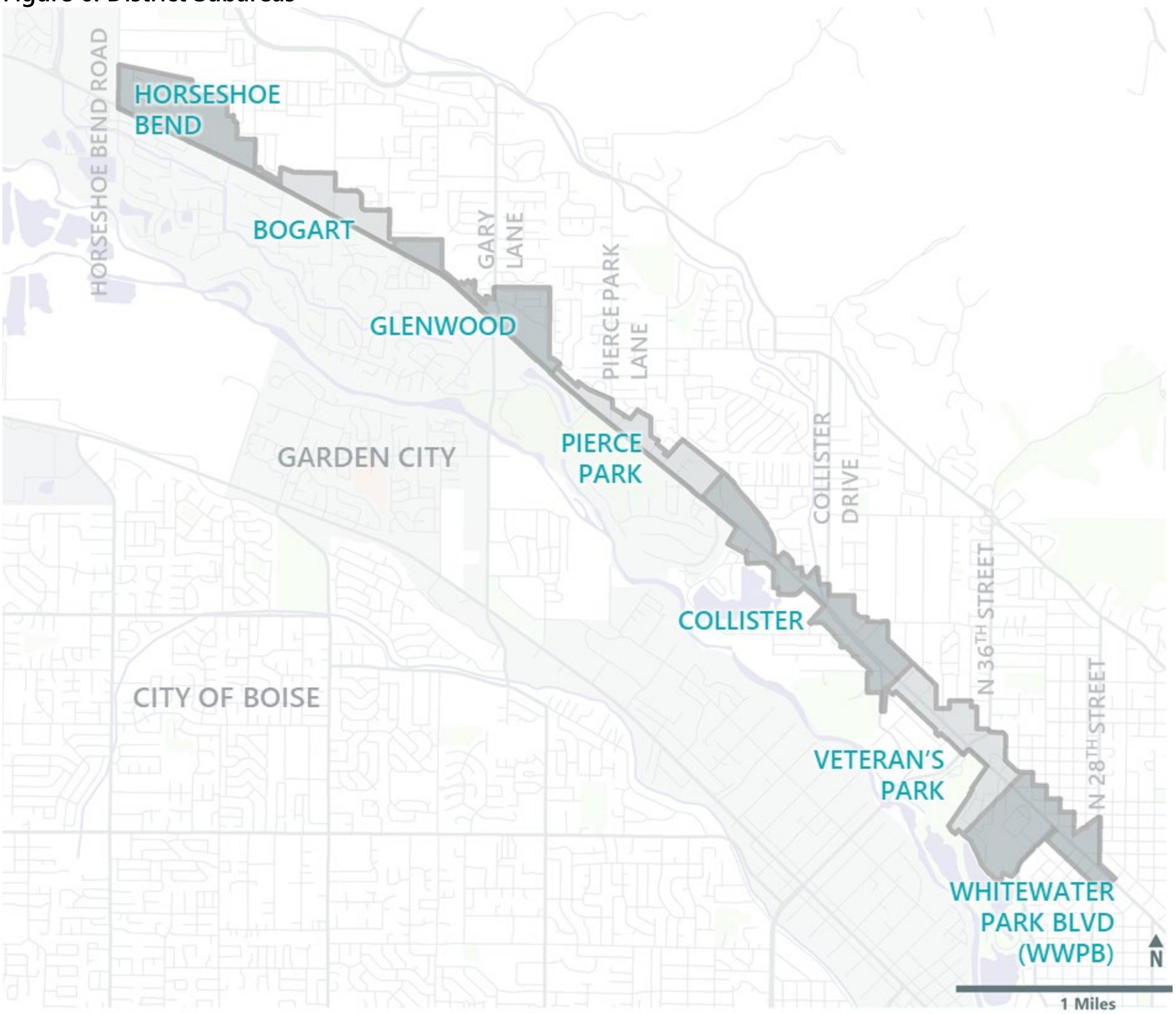
- **Placemaking |** Feasible Capital Project Costs for Placemaking include funding for festival street improvements and land acquisition for the creation of public parks, plazas and public space in the proposed District.

- **Special Projects |** Feasible Capital Project Costs for Special Projects include funding for efforts such as historic preservation and public art.

The Feasible Capital Project Costs included in this Feasibility Study assume CCDC is only responsible for a share of costs, which ranges from 25-100% depending on the line item. Remaining costs are assumed to be provided by grant funding, other public agencies, or private developers. Cost sharing assumptions in the Feasibility Study are non-binding. Estimates are for planning purposes and will require further negotiation and approval by CCDC and its partners, recognizing constitutional and statutory budget limitations of the overlapping taxing districts.

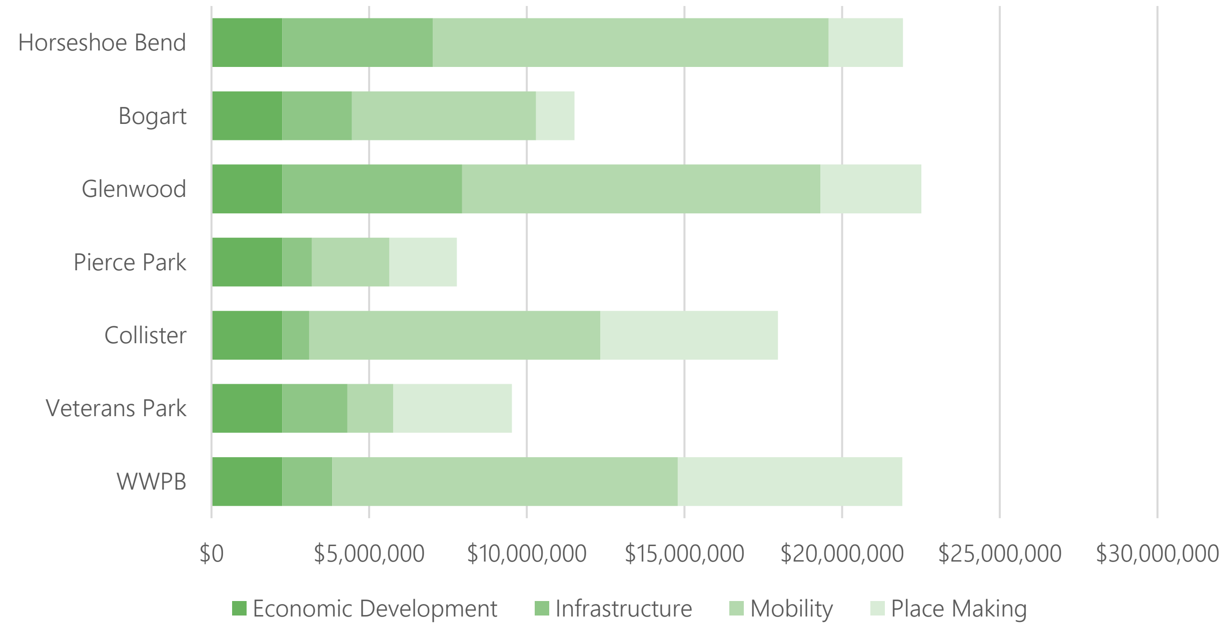
Feasible Capital Project Costs are distributed across seven subareas within the proposed District. The subareas are centered around proposed transit station nodes and are illustrated in **Figure 6** below. The Feasible Capital Project Costs are summarized in **Figure 7** by node and key objective. **Appendix IV** further details both Feasible and Unfunded Capital Project Costs including anticipated timing.

Figure 6: District Subareas



Source: CCDC, City of Boise, Esri, MIG, Quadrant, SB Friedman

Figure 7: Summarized Feasible Capital Project Costs by Subarea



Source: CCDC, City of Boise, Esri, MIG, Quadrant, SB Friedman

2 Operation Costs

Per CCDC direction, SB Friedman assumed 12.0% of incremental property tax revenue will be used to fund CCDC agency initiatives, operations & professional services.

3 Other Financing Costs

Other Financing Costs account for bond interest expected to be required within the proposed District. Financing costs will be discussed further in **Section 8**.

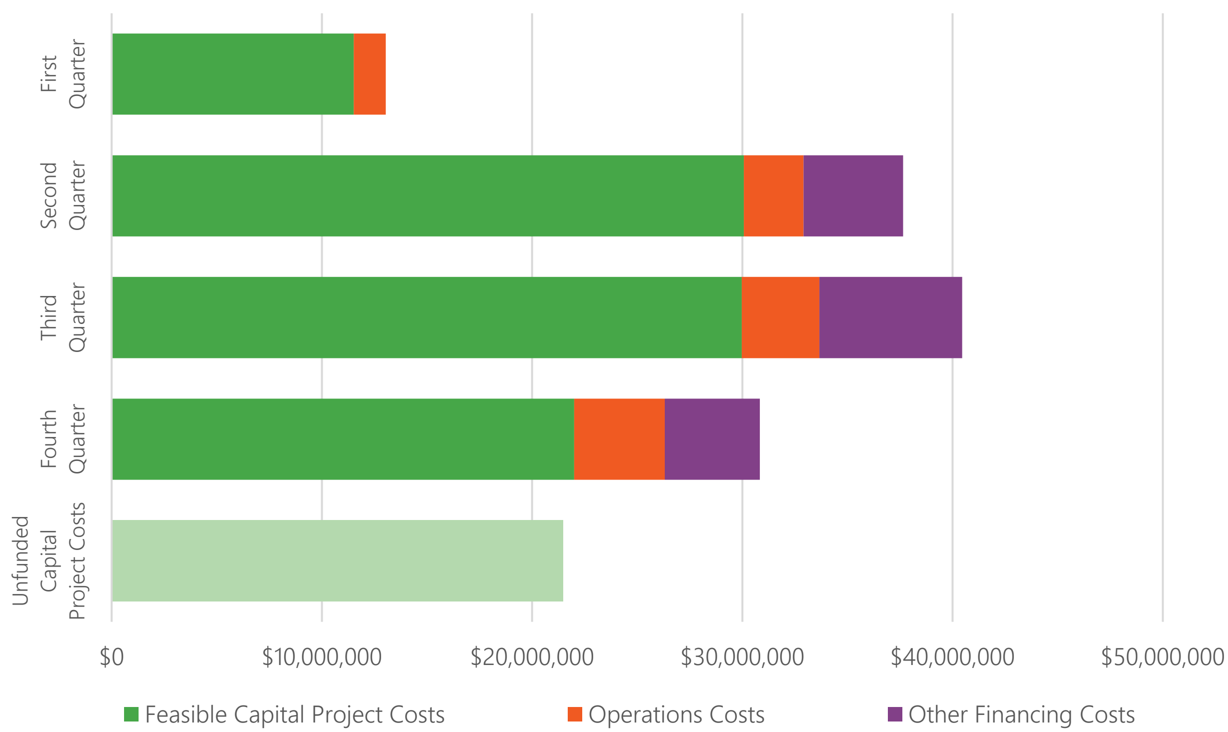
SB Friedman projects that $93.6M in Feasible Capital Project Costs, $12.4M in CCDC Operation Costs and $16.0M in Other Financing Costs could be feasibly funded in Quarters 1-4 (or $122.0M in District Project Costs). CCDC may fund alternative Unfunded Capital Project Costs ($21.5M) if additional sources become available, anticipated Feasible Capital Project Costs reduce or the Agency prioritization of Capital Project Costs shifts. Additional funding sources could include private, federal, state and/or local government funds that may become available to assist in the financing of future projects.

Figure 8: Summarized District Project Costs (2021$) [1]

Feasible Capital Project Costs	77%
Economic Development	$15,750,000
Infrastructure	$17,234,000
Mobility	$35,133,000
Place Making	$23,538,000
Special Projects	$1,900,000
Operation Costs	**10%**
Agency Operations	$8,660,400
Professional Services	$3,711,600
Other Financing Costs	**13%**
Bond Interest	$16,044,000
District Project Costs	**100% $121,971,000**

[1] Does not include Unfunded Capital Project Costs
Source: CCDC, Quadrant, SB Friedman

Figure 9: Summarized Project Costs by Quarter (2021$)



Source: CCDC, Quadrant, SB Friedman

6. Bond Assumptions

Bonds may be issued to fund District Project Costs. CCDC provided SB Friedman with a prioritized list of desired improvements (addressed in **Section 5**). District Project Costs were reconciled with revenue projections to define a financially feasible plan. SB Friedman assumed three bond issuances would occur, one in the first year of quarters two through four. Typically, bonds can be issued to pay for improvements if the amount of incremental property tax revenue is deemed insufficient to fund the project directly or, if applicable, to service the required debt. In evaluating bond feasibility, SB Friedman included the following key assumptions in the Feasibility Model:

- **Interest Rate |** The annual interest rate on all three bond issuances was assumed to be 4%. The rate is reflective of recent CCDC experience with bonding in mature urban renewal districts.

- **Issuance Cost |** Costs of issuance such as legal fees, municipal advisor fees and other costs are assumed to equal 1% of the bond principal amount.

- **Interest Earnings |** Cumulative cash flow not required for debt service, Feasible Capital Project Costs or Operation Costs is assumed to earn 1% interest annually. Interest earnings account for approximately $1.4 million in additional revenue in the scenario below, undiscounted, which helps fund additional Feasible Capital Project Costs.

- **Annual Cost Escalation |** Feasible Capital Project Costs are anticipated to escalate at 3% annually. All Feasible Capital Project Costs paid directly from cash flow in the first quarter are inflated to the year costs are incurred. All Feasible Capital Project Costs not paid directly from cash flow are inflated to the first year of each quarter, or the assumed bond issuance year.

- **Debt Service Structure |** SB Friedman assumed level principal and interest payments for each of the bonds. Bond terms for each of the three bond issuances are the full remaining period of the District (15, 10, and 5 years, respectively).

Figure 10 includes a projected bond scenario that results in an economically feasible District (further detailed in the following section).

Figure 10: Projected Bond Issuances

Assumed Bonds	Assumed Year	Amount [1]	Issuance Costs	Total Issuance
Proposed Second Quarter	2028	$36,986,602	$369,866	$37,356,468
Proposed Third Quarter	2033	$42,731,501	$427,315	$43,158,816
Proposed Fourth Quarter	2038	$36,358,808	$363,588	$36,722,396

[1] Feasible Capital Project Costs not paid directly from cash flow were inflated by 3% annually to the first year of each quarter, or the assumed bond issuance year.
Source: SB Friedman

7. Economic Feasibility

In the scenario described, the proposed District will generate sufficient revenue to retire the three bonds totaling approximately $82.0 million in present value Feasible Capital Project Costs. Additionally, the scenario projects the proposed District can fund approximately $11.5 million (present value) of Feasible Capital Project Costs out of first quarter cash flow, thus no bond issuance is anticipated until year 2028. **Appendix IV** describes the Feasible Capital Project Costs projected to occur in the first quarter. All costs, including costs paid out of cash flow, are assumed to escalate to the year in which costs are paid. First quarter Feasible Capital Project Costs are anticipated to primarily be tax increment-funded reimbursements and matching funds for infrastructure and mobility improvements.

The Feasibility Model results in a cumulative fund balance which would revert to local taxing bodies if not used prior to the expiration of the proposed District in 2042. The scenario detailed in this Feasibility Study has the following key assumptions:

- Projected new residential and commercial development will occur over a 19-year period;
- Bonds are issued at the beginning of quarters two through four, after a mature cash flow is realized from incremental revenue in the first quarter; and
- Bond interest rates will be 4% and saleable in varying term durations.

Appendix V includes the projected revenue and a potential bond amortization schedule for the proposed District, confirming that sufficient revenues are projected to service the bonds (assuming assumptions are realized). While there are a series of years at the end of the proposed District which have negative annual cash flows, the scenario results in a positive cumulative cash flow in every year.

SB Friedman concludes that this Feasibility Study confirms there is a plausible scenario, built upon specific market assumptions and trends, which allows for approximately $93.6 million in Feasible Capital Project Costs to be funded over the life of the proposed District. This Feasibility Study is designed to serve as an attachment to the Plan, satisfying the requirement in Idaho Code 50-2905 that the plan shall include an economic feasibility study with specificity.

8. Alternative Sources of Funds

Funds necessary to pay for redevelopment Project Costs and/or Agency bond obligations, which may be issued or incurred to pay for such costs, are to be derived principally from District revenues and/or proceeds from municipal obligations, which have as a repayment source tax incremental revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the Agency may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The Agency may incur Project Costs that are paid from the funds of the Agency other than incremental taxes, and the Agency then may be reimbursed for such costs from incremental taxes.

The tax incremental revenue, which will be used to fund tax incremental obligations and eligible Project Costs, shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current equalized taxable value of each taxable parcel of real property in the District over and above the certified base taxable value of each such property. Without the use of such incremental revenues, the District is not likely to similarly develop.

Other sources of funds, which may be used to pay for development costs and associated obligations issued or incurred, include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds or developer investment, and other sources of funds and revenues as the Agency from time to time may deem appropriate. In the event alternative sources of funds become available, CCDC may adjust the anticipated funding sources and prioritization of costs outlined above. As currently assumed by this Feasibility Study, CCDC may also enter into funding agreements with overlapping taxing districts or private entities to further reduce Project Costs.

Appendix I: Limitations of Engagement

Our report will be based on estimates, assumptions, and other information developed from research of the market, knowledge of the industry, and meetings during which we will obtain certain information. The sources of information and bases of the estimates and assumptions will be stated in the report. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise the report to reflect events or conditions which occur subsequent to the date of the report. These events or conditions include, without limitation, economic growth trends, governmental actions, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our study will not ascertain the legal and regulatory requirements applicable to this project, including zoning, other State and local government regulations, permits, and licenses. No effort will be made to determine the possible effect on this project of present or future federal, state or local legislation, including any environmental or ecological matters.

Tax increment projections are anticipated to be prepared under this engagement for the purpose of estimating the approximate level of increment that could be generated by proposed projects and other properties within the proposed District boundary and from inflationary increases in value. These projections are intended to provide an estimate of the final taxable value of the District for inclusion in the final report and to provide a level of assurance that the increment to be generated would be sufficient to cover estimated District Project Costs.

As such, our report and the preliminary projections prepared under this engagement are intended solely for your information, for the purpose of establishing a District, and may be reviewed by private institutional lenders in support of potential debt obligations. These projections should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors, without prior written consent.

Appendix II: Development Program by Quarter

	Residential (Units)				
	Single-Family	Multifamily	Office (SF)	Retail (SF)	Hotel Keys
First Quarter	232	797	10,484	76,211	25
Second Quarter	289	601	13,105	95,263	32
Third Quarter	289	601	13,105	95,263	32
Fourth Quarter	289	601	13,105	95,263	32
Total [1]	**1,100**	**2,600**	**49,800**	**362,000**	**120**

[1] Numbers may not add due to rounding

Appendix III: Revenue Model

Base Assumptions	
Base Year	2021
Annual Escalation in Value [1]	Variable Rate
CCDC 2021 Levy Rate [2]	0.01130
Base TV (2021) [3]	$336,599,442
CCDC Discount Rate	4.0%
Avg. TV/Acre	$515,000

Land Use	Timing Assumptions: Known Developments [4]	Timing Assumptions: Remaining Program [5]	Taxable Value Assumptions
Residential MF	1	19	**$175,000 per Unit**
Residential SF	NA	19	**$410,000 per Unit**
Office	NA	19	
Prof. Office			$180 per SF
Med. Office			$380 per SF
Retail	NA	19	
Freestanding			$400 per SF
Big Box			$125 per SF
Hotel (Keys)	NA	19	**$120,000 per Key**

	URA Year [6]	Fiscal Year [7]	Frozen Base TV [3]	Current Inflated TV [8]	Annual TV Additions [9]	Cumulative TV Additions	Annual TV Deductions [10]	Cumulative TV Deductions	Total TV [11]	Incremental TV [12]	CCDC Levy Rate [2]	Incremental Property Tax Revenues [13]	Gross URA Revenue from Proj. New Development [14]
	0	2021	$336,599,442	$336,599,442					$336,599,442	$0	0.01130		
	1	2022	$336,599,442	$403,919,330	$63,780,000	$63,780,000	($6,417,920)	($6,417,920)	$461,281,410	$124,681,968	0.00957		
	2	2023	$336,599,442	$484,703,196	$73,137,903	$149,673,903	($7,013,064)	($14,714,568)	$619,662,532	$283,063,090	0.00811	$1,193,590	$549,132
	3	2024	$336,599,442	$533,173,516	$80,451,693	$245,092,987	($7,714,370)	($23,900,394)	$754,366,109	$417,766,667	0.00749	$2,296,067	$1,094,723
	4	2025	$336,599,442	$586,490,868	$88,496,863	$358,099,148	($8,485,807)	($34,776,241)	$909,813,775	$573,214,333	0.00693	$3,129,300	$1,656,853
	5	2026	$336,599,442	$598,220,685	$90,266,800	$455,527,932	($8,655,523)	($44,127,289)	$1,009,621,328	$673,021,886	0.00690	$3,971,933	$2,240,378
Q1	6	2027	$336,599,442	$610,185,099	$92,072,136	$556,710,626	($8,828,634)	($53,838,468)	$1,113,057,257	$776,457,815	0.00686	$4,641,063	$2,836,960
	7	2028	$336,599,442	$622,388,801	$93,913,579	$661,758,418	($9,005,206)	($63,920,444)	$1,220,226,775	$883,627,333	0.00683	$5,328,342	$3,450,896
	8	2029	$336,599,442	$634,836,577	$95,791,850	$770,785,436	($9,185,310)	($74,384,163)	$1,331,237,850	$994,638,408	0.00680	$6,034,347	$4,082,673
	9	2030	$336,599,442	$647,533,308	$97,707,687	$883,908,832	($9,369,017)	($85,240,863)	$1,446,201,278	$1,109,601,836	0.00676	$6,759,487	$4,732,690
	10	2031	$336,599,442	$660,483,974	$99,661,841	$1,001,248,850	($9,556,397)	($96,502,077)	$1,565,230,748	$1,228,631,306	0.00673	$7,504,192	$5,401,359
Q2	11	2032	$336,599,442	$673,693,654	$101,655,078	$1,122,928,905	($9,747,525)	($108,179,643)	$1,688,442,916	$1,351,843,474	0.00670	$8,268,895	$6,089,098
	12	2033	$336,599,442	$687,167,527	$103,688,180	$1,249,075,663	($9,942,475)	($120,285,712)	$1,815,957,478	$1,479,358,036	0.00667	$9,054,037	$6,796,332
	13	2034	$336,599,442	$700,910,878	$105,761,943	$1,379,819,119	($10,141,325)	($132,832,751)	$1,947,897,246	$1,611,297,804	0.00663	$9,860,228	$7,523,619
	14	2035	$336,599,442	$714,929,095	$107,877,182	$1,515,292,683	($10,344,151)	($145,833,557)	$2,084,388,221	$1,747,788,779	0.00660	$10,687,617	$8,271,167
	15	2036	$336,599,442	$729,227,677	$110,034,726	$1,655,633,263	($10,551,034)	($159,301,263)	$2,225,559,677	$1,888,960,235	0.00657	$11,536,834	$9,039,549
Q3	16	2037	$336,599,442	$743,812,231	$112,235,420	$1,800,981,348	($10,762,055)	($173,249,343)	$2,371,544,236	$2,034,944,794	0.00654	$12,408,347	$9,829,221
	17	2038	$336,599,442	$758,688,475	$114,480,129	$1,951,481,104	($10,977,296)	($187,691,626)	$2,522,477,953	$2,185,878,511	0.00651	$13,302,648	$10,640,655
	18	2039	$336,599,442	$773,862,245	$116,769,731	$2,107,280,457	($11,196,842)	($202,642,301)	$2,678,500,401	$2,341,900,959	0.00647	$14,220,241	$11,474,340
	19	2040	$336,599,442	$789,339,490	$119,105,126	$2,268,531,192	($11,420,779)	($218,115,926)	$2,839,754,755	$2,503,155,313	0.00644	$15,162,190	$12,331,216
	20	2041	$336,599,442	$805,126,279	$121,487,228	$2,435,389,044	($11,649,195)	($234,127,439)	$3,006,387,884	$2,669,788,442	0.00641	$16,127,915	$13,210,895
Q4		2042										$17,118,489	$14,114,329
											Undiscounted Revenues, 2021 - 2042	$178,606,000	$135,366,000
											Total Revenues, 2021 - 2042 (PV at 4.0%)	$103,098,000	$76,526,000

[1] Assumes a variable appreciation rate for the life of the URD based on discussions with the Ada County Assessor's Office and peer market benchmarking.
[2] SB Friedman forecasted the annual levy rate percent change for the City of Boise and applied that factor to the 2020 property tax levy rate provided by CCDC. SB Friedman's levy rate analysis accounted for growing assessed value in Boise, the impacts of HB 389 (which limits local budget growth) and other Urban Renewal District expirations.
[3] 2021 Frozen Base Taxable Value (TV) for the URD is based on the preliminary 2021 assessment data from the Ada County Assessor data.
[4] Known Developments reflect projects proposed or under construction at the time of the revenue projections.
[5] Remaining Program reflects SBF Market Analysis Demand less Known Developments.
[6] Assumes the proposed URD will be approved in 2021 with a 20-year term.
[7] The URD will receive the 20th and final year of collections in Fiscal Year 2042. Note that taxes are collected one year in arrears (e.g., taxes for tax year 2022 are modeled to be collected in Fiscal Year 2023).
[8] Variable property appreciation rate based on discussions with the Ada County Assessor's Office and peer market benchmarking.
[9] Annual TV Additions from Projected New Development are based on comparable development taxable value per unit assumptions and a projected development schedule.
[10] Annual TV Deductions account for taxable value replacement of sites to be redeveloped.
[11] Total TV is equal to Current Inflated TV plus Cumulative TV Additions less Cumulative TV Deductions.
[12] Incremental TV is equal to Total TV less the Frozen Base TV.
[13] Incremental TV multiplied by the Levy Rate, collected in the following year.
[14] Revenue from projected new development per Program Assumptions; does not include projected appreciation of non-development parcels.

Appendix IV: Capital Project Costs

Node	Strategy	Improvement Name	Estimated Cost	URD Share	URD Cost	Quarter	Year
Horseshoe	Mobility	North Ulmer Ln Extension	$427,180	75%	$320,400	1	2023
Horseshoe	Infrastructure	North Ulmer Utilities	$213,590	75%	$160,200	1	2023
WWPB	Mobility	Whitewater Park Blvd Station	$1,000,000	50%	$500,000	1	2023
Horseshoe	Mobility	Horseshoe Bend Station	$1,000,000	50%	$500,000	1	2024
Bogart	Infrastructure	Roe St Utilities	$275,600	75%	$206,700	1	2024
Bogart	Mobility	Limelight Dr Improvements	$104,780	75%	$78,600	1	2024
Glenwood	Mobility	Saxton Station	$1,000,000	50%	$500,000	1	2024
Collister	Mobility	Collister Station	$1,000,000	50%	$500,000	1	2024
Horseshoe	Mobility	Duncan Lane	$123,370	50%	$61,700	1	2025
Bogart	Mobility	Waterlilly-Pocono New Street	$930,150	75%	$697,600	1	2025
Bogart	Infrastructure	Waterlilly-Pocono Utilities	$465,075	75%	$348,800	1	2025
Bogart	Mobility	Roe St Improvements	$187,590	75%	$140,700	1	2025
Glenwood	Mobility	Glenwood Station	$1,000,000	50%	$500,000	1	2025
Pierce Park	Mobility	Pierce Park Station	$1,000,000	50%	$500,000	1	2025
Bogart	Mobility	Bogart Station	$1,000,000	50%	$500,000	1	2026
Collister	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	1	2026
NA	Special Project	Historic Preservation	$400,000	100%	$400,000	1	2026
Horseshoe	Mobility	State-Claudia Cross Access	$2,189,370	98%	$2,142,300	1	2027
Horseshoe	Infrastructure	State-Claudia Cross Access Utilities	$538,720	100%	$538,700	1	2027
Bogart	Mobility	Bogart Ln Improvements	$154,440	75%	$115,800	1	2027
Bogart	Infrastructure	Bogart Ln Utilities	$68,900	75%	$51,700	1	2027
Veterans	Mobility	Veterans Station	$1,000,000	50%	$500,000	1	2027
Horseshoe	Infrastructure	State Street-Jennie Fiber-Optic	$729,300	100%	$729,300	2	
Horseshoe	Infrastructure	State Street Water	$1,040,000	100%	$1,040,000	2	
Horseshoe	Infrastructure	State Street Utilities	$351,000	100%	$351,000	2	
Horseshoe	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	2	
Horseshoe	Mobility	State & Ulmer Signal	$1,300,000	40%	$520,000	2	
Horseshoe	Mobility	Claudia-Sloan Extension	$885,615	85%	$754,600	2	
Horseshoe	Infrastructure	Claudia-Sloan Extension Utilities	$403,065	75%	$302,300	2	
Bogart	Infrastructure	State Street Fiber-Optic	$429,000	100%	$429,000	2	
Bogart	Infrastructure	State Street Water	$780,000	100%	$780,000	2	
Bogart	Infrastructure	State Street Sewer	$390,000	100%	$390,000	2	
Bogart	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	2	
Bogart	Place Making	Parks, Plazas & Public Space	$500,000	100%	$500,000	2	
Glenwood	Infrastructure	State Street Fiber-Optic	$715,000	100%	$715,000	2	
Glenwood	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	2	
Glenwood	Mobility	Bunch Extension to State St	$1,644,500	97%	$1,589,000	2	
Collister	Mobility	Marketplace Station	$1,000,000	50%	$500,000	2	
Collister	Infrastructure	State Street Utilities	$152,295	100%	$152,300	2	
Collister	Place Making	Parks, Plazas & Public Space	$2,000,000	100%	$2,000,000	2	
Collister	Mobility	Farmers Union Canal Pathway	$242,112	100%	$242,100	2	
Collister	Place Making	Sycamore Festival Street	$1,830,400	100%	$1,830,400	2	
Veterans	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	2	
Veterans	Place Making	Sunset Ave Festival Street	$1,497,600	100%	$1,497,600	2	
Veterans	Place Making	Sunset Ave Utilities	$53,625	100%	$53,600	2	
Veterans	Place Making	Taft Community Space	$1,300,000	100%	$1,300,000	2	
Veterans	Infrastructure	Veterans Park Power Upgrades	$1,500,000	100%	$1,500,000	2	
WWPB	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	2	
WWPB	Place Making	Crane Creek Flume Pathway	$147,264	100%	$147,300	2	
WWPB	Place Making	Lowell Community Space	$1,000,000	100%	$1,000,000	2	
NA	Special Project	Historic Preservation	$500,000	100%	$500,000	2	

Node	Strategy	Improvement Name	Estimated Cost	URD Share	URD Cost	Quarter	Year
Horseshoe	Infrastructure	Jennie Utilities	$227,370	100%	$227,400	3	
Horseshoe	Infrastructure	Jennie Improvements	$221,000	100%	$221,000	3	
Bogart	Mobility	State Street ROW (Pathway & Buffer)	$2,808,000	100%	$2,808,000	3	
Bogart	Mobility	State Street Pathway	$1,497,600	100%	$1,497,600	3	
Bogart	Place Making	State Street Buffer	$624,000	100%	$624,000	3	
Glenwood	Infrastructure	State Street Water	$819,000	100%	$819,000	3	
Glenwood	Infrastructure	State Street Sewer	$195,000	100%	$195,000	3	
Glenwood	Mobility	State Street Pathway	$2,496,000	75%	$1,872,000	3	
Glenwood	Mobility	State Street ROW (Pathway & Buffer)	$3,042,000	50%	$1,521,000	3	
Glenwood	Place Making	State Street Buffer	$1,040,000	100%	$1,040,000	3	
Glenwood	Infrastructure	Glenwood Power Upgrades	$3,510,000	100%	$3,510,000	3	
Collister	Place Making	Stewart Gulch Flume Path	$248,676	99%	$246,800	3	
Pierce Park	Mobility	State Street Pathway	$2,376,192	25%	$594,000	3	
Pierce Park	Place Making	State Street Buffer	$990,080	100%	$990,100	3	
Veterans	Infrastructure	State Street Fiber-Optic	$563,420	100%	$563,400	3	
WWPB	Infrastructure	State Street Fiber-Optic	$248,820	100%	$248,800	3	
WWPB	Mobility	State Street Pathway	$1,692,288	50%	$846,100	3	
WWPB	Place Making	State Street Buffer	$705,120	100%	$705,100	3	
WWPB	Mobility	Davis & Cross Streets 27th - WWPB	$442,000	100%	$442,000	3	
WWPB	Mobility	Whitewater Park Public Parking	$13,000,000	50%	$6,500,000	3	
WWPB	Mobility	32nd Street (ITD Campus)	$1,171,300	75%	$878,500	3	
WWPB	Infrastructure	32nd St Utilities (ITD Campus)	$585,650	75%	$439,200	3	
WWPB	Mobility	Jordan Street (ITD Campus)	$640,770	75%	$480,600	3	
WWPB	Infrastructure	Jordan St Utilities (ITD Campus)	$320,385	75%	$240,300	3	
WWPB	Mobility	33rd Street (ITD Campus)	$964,600	75%	$723,500	3	
WWPB	Infrastructure	33rd St Utilities (ITD Campus)	$482,300	75%	$361,700	3	
WWPB	Mobility	Clithero Extension (ITD Campus)	$778,570	75%	$583,900	3	
WWPB	Infrastructure	Clithero Extension Utilities (ITD Campus)	$389,285	75%	$292,000	3	
NA	Special Project	Historic Preservation	$500,000	100%	$500,000	3	
Horseshoe	Place Making	Parks, Plazas & Public Space	$1,300,000	100%	$1,300,000	4	
Horseshoe	Mobility	Claudia Improvements	$331,500	100%	$331,500	4	
Horseshoe	Infrastructure	Claudia Utilities	$235,950	100%	$236,000	4	
Horseshoe	Mobility	Gardner Improvements	$309,400	100%	$309,400	4	
Horseshoe	Infrastructure	Gardner Utilities	$302,445	100%	$302,400	4	
Horseshoe	Mobility	Maymie -Leighton Extension	$763,715	85%	$651,200	4	
Horseshoe	Infrastructure	Maymie -Leighton Extension Utilities	$334,165	75%	$250,600	4	
Glenwood	Place Making	Parks, Plazas & Public Space	$2,000,000	100%	$2,000,000	4	
Collister	Infrastructure	State Street Fiber-Optic	$692,835	100%	$692,800	4	
Collister	Mobility	State Street Pathway	$3,244,800	50%	$1,622,400	4	
Collister	Place Making	State Street Buffer	$1,352,000	100%	$1,352,000	4	
Pierce Park	Infrastructure	State Street Fiber-Optic	$680,680	100%	$680,700	4	
Pierce Park	Economic Development	Mixed-Use Development	$2,250,000	100%	$2,250,000	4	
Pierce Park	Place Making	Parks, Plazas & Public Space	$1,000,000	100%	$1,000,000	4	
Pierce Park	Mobility	Bloom Extension	$1,812,070	75%	$1,359,100	4	
Pierce Park	Infrastructure	Bloom Extension Utilities	$344,500	75%	$258,400	4	
Veterans	Mobility	State Street Pathway	$1,899,456	50%	$949,700	4	
Veterans	Place Making	State Street Buffer	$791,440	100%	$791,400	4	
WWPB	Place Making	Parks, Plazas & Public Space	$1,000,000	100%	$1,000,000	4	
WWPB	Place Making	Davis Festival Street, WWPB - 30th	$4,160,000	100%	$4,160,000	4	
NA	Special Project	Historic Preservation	$500,000	100%	$500,000	4	

Node	Strategy	Improvement Name	Estimated Cost	URD Share	URD Cost	Quarter	Year
Horseshoe	Mobility	State Street ROW (Pathway & Buffer)	$4,118,400	100%	$4,118,400	Unfunded	
Horseshoe	Mobility	State Street Pathway	$2,196,480	100%	$2,196,500	Unfunded	
Horseshoe	Place Making	State Street Buffer	$915,200	100%	$915,200	Unfunded	
Horseshoe	Mobility	Maymie Improvements	$331,500	100%	$331,500	Unfunded	
Horseshoe	Infrastructure	Maymie Utilities	$225,225	100%	$225,200	Unfunded	
Horseshoe	Mobility	Utahna Improvements	$309,400	100%	$309,400	Unfunded	
Horseshoe	Infrastructure	Utahna Utilities	$193,050	100%	$193,100	Unfunded	
Horseshoe	Place Making	State Street Median	$274,560	50%	$137,300	Unfunded	
Bogart	Place Making	State Street Median	$187,200	50%	$93,600	Unfunded	
Glenwood	Mobility	Glenwood Park Public Parking	$6,500,000	50%	$3,250,000	Unfunded	
Glenwood	Mobility	Roe-Kensington Connection	$2,214,095	97%	$2,136,800	Unfunded	
Glenwood	Infrastructure	Roe-Kensington Connection Utilities	$458,185	100%	$458,200	Unfunded	
Glenwood	Place Making	State Street Median	$312,000	50%	$156,000	Unfunded	
Collister	Mobility	Collister Park Public Parking	$6,500,000	50%	$3,250,000	Unfunded	
Collister	Mobility	Private To Public Street Conversion	$1,724,400	50%	$862,200	Unfunded	
Collister	Mobility	Lake Harbor Ln. Reconstruction	$530,530	100%	$530,500	Unfunded	
Collister	Mobility	Harbor Ln. Reconstruction	$413,400	100%	$413,400	Unfunded	
Collister	Mobility	Marketplace Ln. Reconstruction	$137,020	100%	$137,000	Unfunded	
Collister	Mobility	Lake Harbor-Plantation Connection	$926,348	99%	$916,800	Unfunded	
Collister	Mobility	Lake Harbor-Plantation Connection Utilities	$263,575	100%	$263,600	Unfunded	
Collister	Place Making	State Street Median	$405,600	50%	$202,800	Unfunded	
Pierce Park	Place Making	State Street Median	$297,024	50%	$148,500	Unfunded	
Veterans	Place Making	State Street Median	$238,368	50%	$119,200	Unfunded	
WWPB	Place Making	State Street Median	$212,160	50%	$106,100	Unfunded	

Appendix V: Feasibility Model

Funding Structure					
Assumed Bonds	Assumed Year	Amount [4]	Issuance Costs	Total Issuance [5]	Years of URD Before Payment
Proposed Second Quarter	2028	$36,986,602	$369,866	$37,356,468	6
Proposed Third Quarter	2033	$42,731,501	$427,315	$43,158,816	11
Proposed Fourth Quarter	2038	$36,358,808	$363,588	$36,722,396	16

Annual Escalation of Construction Costs [6]	3.0%

Summary	
Cumulative Fund Balance in 2042	$516,800
PV of Cumulative Fund Balance (2021$)	$227,000
Outstanding Debt in 2042	$0
PV of Funded Capital Improvements	$93,555,000
PV of CCDC Program Operations	$12,372,000
PV of Revenues @ 4%	$103,902,000

Projected Bond Terms	
Interest Rate on Bonds [1]	4.0%
Cost of Funds [1]	4.0%
Interest Earnings [2]	1.0%
Issuance Costs [3]	1.0%
CCDC URD Operations	12.0%
Q2 Level P&I Payment Term	15
Q3 Level P&I Payment Term	10
Q4 Level P&I Payment Term	5

	URD Year [7]	Fiscal Year [8]	Gross URD Revenue	CCDC URD Operations	Proposed First Quarter Costs Paid Out of Cash Flow	Proposed Second Quarter Debt Service: URD Backed Bonds Issued	Proposed Second Quarter Debt Service: URD Annual Debt Service	Proposed Second Quarter Debt Service: Principal Balance	Proposed Third Quarter Debt Service: URD Backed Bonds Issued	Proposed Third Quarter Debt Service: URD Annual Debt Service	Proposed Third Quarter Debt Service: Principal Balance	Proposed Fourth Quarter Debt Service: URD Backed Bonds Issued	Proposed Fourth Quarter Debt Service: URD Annual Debt Service	Proposed Fourth Quarter Debt Service: Principal Balance	URD Payoff Analysis: Annual Surplus/Shortfall [9]	URD Payoff Analysis: Cumulative Fund Balance	URD Payoff Analysis: Interest Earnings on Cumulative Balance
	0	2021	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	1	2022	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Q1	2	2023	$1,193,590	$143,231	$1,040,295	$0	$0	$0	$0	$0	$0	$0	$0	$0	$10,064	$10,064	$101
	3	2024	$2,296,067	$275,528	$1,950,829	$0	$0	$0	$0	$0	$0	$0	$0	$0	$69,710	$79,875	$799
	4	2025	$3,129,300	$375,516	$2,531,040	$0	$0	$0	$0	$0	$0	$0	$0	$0	$222,744	$303,418	$3,034
	5	2026	$3,971,933	$476,632	$3,651,713	$0	$0	$0	$0	$0	$0	$0	$0	$0	($156,412)	$150,040	$1,500
	6	2027	$4,641,063	$556,928	$3,998,314	$0	$0	$0	$0	$0	$0	$0	$0	$0	$85,822	$237,363	$2,374
Q2	7	2028	$5,328,342	$639,401		$37,356,468	$3,359,882	$35,490,845	$0	$0	$0	$0	$0	$0	$1,329,059	$1,568,796	$15,688
	8	2029	$6,034,347	$724,122		$0	$3,359,882	$33,550,597	$0	$0	$0	$0	$0	$0	$1,950,343	$3,534,827	$35,348
	9	2030	$6,759,487	$811,138		$0	$3,359,882	$31,532,739	$0	$0	$0	$0	$0	$0	$2,588,467	$6,158,642	$61,586
	10	2031	$7,504,192	$900,503		$0	$3,359,882	$29,434,167	$0	$0	$0	$0	$0	$0	$3,243,807	$9,464,035	$94,640
	11	2032	$8,268,895	$992,267		$0	$3,359,882	$27,251,652	$0	$0	$0	$0	$0	$0	$3,916,746	$13,475,421	$134,754
Q3	12	2033	$9,054,037	$1,086,484		$0	$3,359,882	$24,981,836	$43,158,816	$5,321,091	$39,564,077	$0	$0	$0	($713,421)	$12,896,755	$128,968
	13	2034	$9,860,228	$1,183,227		$0	$3,359,882	$22,621,227	$0	$5,321,091	$35,825,549	$0	$0	$0	($3,973)	$13,021,749	$130,217
	14	2035	$10,687,617	$1,282,514		$0	$3,359,882	$20,166,195	$0	$5,321,091	$31,937,480	$0	$0	$0	$724,130	$13,876,097	$138,761
	15	2036	$11,536,834	$1,384,420		$0	$3,359,882	$17,612,961	$0	$5,321,091	$27,893,888	$0	$0	$0	$1,471,441	$15,486,299	$154,863
	16	2037	$12,408,347	$1,489,002		$0	$3,359,882	$14,957,597	$0	$5,321,091	$23,688,553	$0	$0	$0	$2,238,373	$17,879,535	$178,795
Q4	17	2038	$13,302,648	$1,596,318		$0	$3,359,882	$12,196,019	$0	$5,321,091	$19,315,003	$36,722,396	$8,248,846	$29,942,446	($5,223,489)	$12,834,841	$128,348
	18	2039	$14,220,241	$1,706,429		$0	$3,359,882	$9,323,978	$0	$5,321,091	$14,766,512	$0	$8,248,846	$22,891,298	($4,416,006)	$8,547,183	$85,472
	19	2040	$15,162,190	$1,819,463		$0	$3,359,882	$6,337,055	$0	$5,321,091	$10,036,082	$0	$8,248,846	$15,558,104	($3,587,091)	$5,045,564	$50,456
	20	2041	$16,127,915	$1,935,350		$0	$3,359,882	$3,230,656	$0	$5,321,091	$5,116,434	$0	$8,248,846	$7,931,583	($2,737,254)	$2,358,766	$23,588
	21	2042	$17,118,489	$2,054,219		$0	$3,359,882	$0	$0	$5,321,091	$0	$0	$8,248,846	$0	($1,865,549)	$516,805	$5,168
	TOTAL		$178,605,763	$21,432,692	$13,172,191	$37,356,468	$50,398,228		$43,158,816	$53,210,912		$36,722,396	$41,244,229			$516,805	$1,374,461

[1] Interest rate and cost funds provided by CCDC.
[2] Interest earnings rate assumption based on current interest earnings on existing URDs.
[3] Issuance cost assumption based on SB Friedman project experience.
[4] Bond total amounts based on CCDC project funding by quarter matrix.
[5] Loan amount plus issuance costs.
[6] Feasible Capital Project Costs provided by CCDC are escalated at 3.0% annually to account for increasing construction costs.
[7] Assumes the proposed URD will be approved in with a 20-year term.
[8] The URD will receive the 20th and final year of collections in Fiscal Year 2042. Note that taxes are collected one year in arrears (e.g., taxes for tax year 2022 are modeled to be collected in Fiscal Year 2023).
[9] Annual Gross URD Revenue less Urban Renewal Program Operations, project costs paid out of cash flow and debt service payments.