

Superior Town Center (STC) Financing Overview

June 26, 2013

Questions/Follow-up

- 1) What are the current General Governmental operational costs (police, parks/rec, public works, and facility maintenance) to the Town compared to the new expenses in the Superior Town Center?
 - See attached chart – New expenses estimated at \$1 million. Current Town costs of these expenses are \$2.5 million.
- 2) What are the Town's projected new/incremental property and sales tax revenues estimated to be generated to payback the SURA (Superior Urban Renewal Authority) Reimbursement Obligation?
 - Property tax – estimated at \$4.95 million/year at build-out. Totaling \$107 million over the 25 year life of the tax increment financing (TIF)
 - Sales tax – estimated at \$1 million over the 25 year TIF life
- 3) What happens to the approved plan if the developer can't get financing?
 - Once a final development plan is approved, the applicant/developer has three years to begin construction of the project.
- 4) What is the break even interest rate for the \$109 million of bonds?
 - Neither the Town of Superior nor the Superior Urban Renewal Authority will be issuing any debt associated with this project. As identifying in the approved Metropolitan Districts Service Plans, the maximum District bond interest rate is 9%.
- 5) Does the \$2 million for Boulder Valley Ice's incentive get deducted from the total SURA Reimbursement Obligation noted above (Question 2)
 - Yes
- 6) What are the additional offsite improvements in the Public Finance Agreement Recitals? If built, how will these offsite improvements be funded?
 - Within the Superior Town Center Public Finance Agreement, in the RECITALS section, there is discussion of "substantial public infrastructure and public facilities are required to serve the propose Project (which may include offsite improvements)". Offsite improvements could include, among other projects, transportation and utility upgrades immediately adjacent to the STC including (1) water line upsizing in McCaslin Boulevard, (2) trail connection to the site, (3) potential roundabout on McCaslin and (4) nonpotable/irrigation water storage facility.
 - Funding for utility improvements will be from one time connection/tap fee revenues from the STC development. Trail and potential roundabout improvements could come from the Town's capital improvement fund.

Clarifications

- 1) When can the Superior Metropolitan District No. 1 (SMD #1) debt be paid off without a prepayment penalty?
 - December 2016 was initially stated. Actual date is December, 2015.

- 2) Where can information on Urban Renewal Authorities in the State of Colorado be found?
 - In addition to the Department of Local Affairs (DOLA), information is available on the Colorado Municipal League (CML) website (http://www.cml.org/urban_renewal.aspx).

Superior Town Center - Annual New Revenues at Build out

	Annual New	Annual Current	Annual Projected
- BOCO Sheriff	\$ 250,000	\$ 1,253,985	\$ 1,503,985
- Field Staff	150,000	331,752	481,752
- Snow Removal/Street Mair	50,000	343,440	393,440
- Grounds Maint	200,000	526,950	726,950
- Town Facility Maint	100,000	80,000	180,000
- Capital R/R	250,000		250,000
	<u>\$ 1,000,000</u>	<u>\$ 2,536,127</u>	<u>\$ 3,536,127</u>

Annual Current Town Expenses and New STC Expenses at Build Out (New Expenses \$1.0 million annually)

