

# Granite Development

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## Property Tax Increment

### Commercial & Residential Development

Table 1: Commercial Development (10.5 Acres)

Assumption	Value
Land Size	457,300 Sq. Ft.
Land Value Per Sq. Ft.	\$6.50
Land Value	\$2,972,970
Building Size	74,000 Sq. Ft.
Building Value Per Sq. Ft.	\$94.77
Building Value	\$7,013,128
<b>Total Taxable Value</b>	<b>\$9,986,098</b>
Certified Tax Rate	0.014
<b>Total Annual Commercial Property Tax Revenue</b>	<b>\$139,806</b>

Table 2: Residential Development (12.5 Acres)

Assumption	Value
Land Size	544,500 Sq. Ft.
Land Value Per Sq. Ft.	\$3.50
Land Value	\$1,905,750
Building Size	75 Units
Building Value Per Unit	\$300,000
Building Value (with 45% Residential Exemption)	\$12,375,000
<b>Total Taxable Value</b>	<b>\$14,285,750</b>
Certified Tax Rate	0.014
<b>Total Annual Residential Property Tax Revenue</b>	<b>\$199,931</b>

<b>Total Annual Combined Property Tax Revenue</b>	<b>\$339,737</b>
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### Potential Tax Increment (Commercial Only)

Table 3: Commercial Development Tax Increment Generation

Assumption	Value
Annual Tax Increment	\$139,806
Option 1 - Total Tax Increment (10 Years @ 100%)	\$1,398,060
Option 2 - Total Tax Increment (15 Years @ 100%)	\$2,097,090
Option 3 - Total Tax Increment (10 Years @ 75%)	\$1,048,545
<b>Option 4 (Recommended-Total Tax Increment (15 Years @ 75%))</b>	<b>\$1,572,817</b>

## Project Costs

Table 4: Project Cost

Cost Description	Amount
Land Purchase	\$459,558 Per Acre
Annual Maintenance	\$10,000 Per Acre
Park Development	\$400,000 Per Acre

Table 5: Cost Participation (4 Acre Park, Developer Participating for Costs of 1 Acre)

Assumptions	Amount
<b>Revenue</b>	
Tax Increment (15 Years @ 75%)	\$1,572,817
<b>Total Revenues</b>	<b>\$1,572,817</b>
<b>Expenditures</b>	
Land Purchase (3 Acres)	\$1,378,674
Park Development (3 Acres)	\$1,200,000
<b>Total Expenditures</b>	<b>\$2,578,674</b>
Total Surplus/(Deficit)	(\$1,005,857)

Table 6: Cost Participation (4 Acre Park, Developer Participating at 50%)

Assumptions	Amount
<b>Revenue</b>	
Tax Increment (15 Years @ 75%)	\$1,572,817
<b>Total Revenues</b>	<b>\$1,572,817</b>
<b>Expenditures</b>	
Land Purchase (2 Acres)	\$919,116
Park Development (2 Acres)	\$800,000
<b>Total Expenditures</b>	<b>\$1,719,116</b>
Total Surplus/(Deficit)	(\$146,299)

## Other Revenue Sources

There are three (3) potential sources of other revenue that can help offset the deficit outlined above, they are:

1. Park Impact Fee (\$140,000)
2. Sales Tax from Commercial Development (\$179,000)<sup>1</sup>
3. Creating a Special Assessment District<sup>2</sup>

<sup>1</sup> Assumes \$25,571,829 in gross annual sales.

<sup>2</sup> Further analysis would be needed to fully understand the amount of revenue generated by creating a Special Assessment District.