



# Howard County

---

## *Internal Memorandum*

**Subject:** Testimony on Transfer of Appropriation Ordinance No. 1 FY2021 (TAO1-FY2021), an Act transferring a total of \$54,652,000 from C0214, Category Contingency Fund, to capital project C0364, New Cultural Center (NCC), for Fiscal Year 2021.

**To:**  
Deb Jung,  
Council Chairperson

**From:**  
Carl DeLorenzo,  
Director of Policy and Programs

**Date:**  
October 19, 2020

---

### **Background**

TAO1-FY2021 supports the transfer of \$54,652,000 from C0214 Category Contingency Fund, to capital project C0364, New Cultural Center (NCC), for Fiscal Year (FY) 2021. The funding authorized in C0364 will support construction of the nonresidential portion of the NCC. The NCC also has a residential component that is funded through Maryland Department of Housing and Community Development's (DHCD) Low Income Housing Tax Credit (LIHTC) program at a value of \$65,274,099.

The Administration originally requested authorization of funding for the NCC in the FY21 Capital Improvement Program (CIP). The County Council voted to move the funding to the Contingency Fund as part of Council Bill 25-2020 (the Annual Budget and Appropriation Ordinance for FY2021) to allow additional time to analyze the project and review additional information. The Columbia Downtown Housing Corporation, the entity in the Howard County Code responsible for advancing the affordable housing plan for Downtown Columbia, ran a series of public meetings in Summer 2020 to address County Council questions about the NCC and facilitate additional analysis and thought. That work resulted in a modified cost proposal that reduced the overall funding required for the nonresidential portion of the NCC and allowed the Administration to reduce the requested transfer via the TAO from \$61,652,000 to \$54,652,000. Though the authorized funding would be backed by the full faith and credit of the County, we have identified the available funding sources to service the debt, including the tax increment collected in the Downtown Columbia TIF district and rent and program revenue generated by CCTA and DRP, which will ultimately minimize the risk that General Fund revenues will be necessary to backstop debt service payments.

Additional authorized funding for the NCC includes \$1,500,000 in Other Funds in C0364 and \$9,833,000 in TIF bonds in C0319. The funding in C0319 has been planned to support the construction of the nonresidential portion of the parking garage.

### **NCC Description**

The NCC would serve two primary functions: 1) the County's new hub for arts and culture; and 2) the first of five LIHTC developments, which is a critical component of the Downtown Columbia affordable housing plan as reflected in the Development Rights and Responsibilities Agreement (DRRA) passed by the County Council in 2016.

A countywide arts and culture center in Downtown Columbia was envisioned by the community over 10 years ago and was ultimately incorporated into the Downtown Columbia Plan. The vision for the center evolved further in 2016 when it was included in the affordable housing plan for Downtown Columbia as one of the public amenities that would also provide mixed-income housing. The NCC will be located on the current site of Toby's Dinner Theater, which was also contemplated in the Downtown Columbia Plan. The design includes a new 350-seat theater and commercial kitchen, two 300-seat blackbox theaters, a gallery, dance studios, and various classrooms/performing arts rooms. Toby's Dinner Theater will merge with the Columbia Center for the Theatrical Arts (CCTA) and rent the main theater, commercial kitchen, a dance studio and various classrooms. CCTA will also rent one of the blackbox theaters to serve as the new Children's Theater in Howard County. The County's Department of Recreation and Parks (DRP) will use the additional blackbox theater, dance studio, and classrooms to enhance County-sponsored programs in arts and culture. Their involvement has proven successful in other arts centers around the country because of the accessibility it creates for all residents. The Howard County Arts Council will curate the gallery space.

The Administration believes that the NCC is critical to both the Downtown Columbia Plan and the affordable housing plan. All parties have worked hard to create a first-class center for Howard County that will spur economic development through the people's love of art and theater and will be accessible to all residents. The contributions that organizations like Toby's, CCTA, and DRP have historically made to all members of our community will continue in the new center. Finally, this development will create 87 full spectrum affordable units in an area with some of the highest rents in the county. We believe there is a shared interest in seeing the NCC move forward as a County, and we will all make ourselves available to discuss all information

relevant to this project, both existing and newly prepared, to comply with the December 2024 expiration date of the LIHTCs.

### **Fiscal Impact**

TAO1-FY2021 proposes moving back \$54.65 million from the Contingency Project to C0364 New Cultural Center to maintain the LIHTC schedule. The proposal includes \$33.6 million designated General Obligation (GO) bonds to be supported by the property tax increment collected in the Downtown Columbia (DTC) area, and \$21 million GO bonds to be supported by designated program revenues from the Columbia Center for the Theatrical Arts (CCTA) and Department of Recreation and Parks (DRP). Updated cash models as of October indicate that:

- **Downtown Columbia incremental property tax revenues** are projected to be more than sufficient to cover the \$33.6 million GO planned to be issued in FY 2022. Incremental property tax revenues in DTC are expected to generate total net revenues of approximately \$402 million through 2051, after covering projected debt service for 2017 Tax Increment Financing (TIF) bonds, projected 2021 TIF bonds, \$33.6 million bonds for NCC, and other CIP projects that are part of the Downtown Columbia plan. These net revenues, after satisfying the needs for existing and anticipated debt service, may be transferred to the Permanent Public Improvement Fund as required and any surplus may go to the General Fund.
- **Program revenues** are expected to fully cover debt service payments of the \$21 million program revenue-supported bonds, but not all operating and maintenance costs (including capital improvement costs) in the next 30 years. The annual net cost to the General Fund is estimated to average \$1.5 million, or 0.1% of the total General Fund annual budget.
- **Projected total revenues available from incremental property taxes and program revenues combined** are expected to generate a net cumulative surplus of approximately \$357 million by FY2051, after fully covering all costs associated with NCC debt and operating and maintenance needs, and financing planned TIF and other CIP projects in Downtown Columbia. If CCTA revenues are 20 percent lower than current projections, the net surplus will decrease by \$6.2 million in the next 30 years to approximately \$351 million.



# Howard County

## Internal Memorandum

NCC Fiscal Impact Analysis - FY2021-2051 Projections (\$ in millions)			
	DTC Incremental Tax 2nd SetAside Designated GO \$33.6M	Program Revenue Supported GO \$21M	Total
<b>Cost Projection</b>			
Total Debt Service Payment	\$ 51.4	\$ 32.1	\$ 83.5
Total Operating and Maintenance Cost	\$ -	\$ 55.3	\$ 55.3
Total Capital Improvement & Developer Fee	\$ -	\$ 12.0	\$ 12.0
<b>Total Cost</b>	<b>\$ 51.4</b>	<b>\$ 99.3</b>	<b>\$ 150.7</b>
<b>Revenue Projection</b>			
Total CCTA Rent Revenues	\$ -	\$ 30.9	\$ 30.9
Total Recreation and Parks Program Revenues	\$ -	\$ 23.1	\$ 23.1
Total TIF Set Aside Gross Revenues	\$ 874.6	\$ -	\$ 874.6
minus TIF debt payment - 2017 \$48.2M	\$ (89.2)	\$ -	\$ (89.2)
minus TIF debt payment - 2021 \$9.8M	\$ (20.5)	\$ -	\$ (20.5)
minus GO debt payment for other planned CIP (library, school, fire station, traffic, transit, etc.)	\$ (311.2)	\$ -	\$ (311.2)
<b>Total Net Revenues Available</b>	<b>\$ 453.7</b>	<b>\$ 54.0</b>	<b>\$ 507.7</b>
<b>Net Surplus/Deficit Projection</b>	<b>\$ 402.4</b>	<b>\$ (45.3)</b>	<b>\$ 357.0</b>
What If Scenario - Assume CCTA Revenue Missing 20%		\$ (6.2)	
Net Surplus/Deficit Assume CCTA Revenue Missing 20%	\$ 402.4	\$ (51.5)	\$ 350.8

Changes in the October 2020 updates from the projections shared with County Council in May 2020 are summarized below:

- **DTC Incremental Tax 2nd Set-Aside Cash Model Projection**
  - First debt service payment for the NCC project is delayed by one year to FY 2022 to match the expected bond sale schedule;
  - Library project construction cost to be financed through the 2nd set-side was adjusted to \$40 million to match the FY2022 approved CIP budget;
  - School project cost was updated to \$34.6 million to match updated HCPSS proposed County funding for New ES #44 in DTC as reflected in the Board of Education's proposed FY2022 CIP long-term plan;
  - Banneker Fire Station project cost was adjusted to \$20 million as a modified placeholder based on the Administration's goal to deliver this station at a more manageable cost. Detailed analysis will be conducted in the next few months with revised cost and timeline projections to be included in the FY2022 CIP budget proposal;
  - The Administration will also review other major CIP projects in the Downtown Columbia Plan in the next several months. Updated information will be included in FY2022 CIP budget proposal;
  - Details can be found in:
    - *Attachment 1 – 10-12-2020 NCC DTC Second SetAside Projection*



# Howard County

---

## *Internal Memorandum*

- **Program Revenue Supported Bonds and Operating Expenses**
  - Total GO bond amount was brought down from \$28 million to \$21 million (plus approximately \$1 million in operating costs to cover developer fees at the end of the debt service payments), which resulted in savings in annual debt service payments;
  - Operating and maintenance costs were pushed back by one year to start in FY2025 based on the assumption of construction completion in December 2024;
  - Operating and maintenance cost estimates were reduced to \$1.6 million in FY 2025 after further study and cost-mitigation efforts by agencies:
    - DPW operating and maintenance first full-year cost was reduced to \$842,000, with lowered assumptions for personnel costs and contractual services after further examination of the scope of work;
    - DRP operating and maintenance first full-year cost projection was reduced to \$755,000, with slight adjustment in personnel costs.
  - Details can be found in:
    - *Attachment 2 – 10-12-2020 NCC \$21M Program Revenue Supported Bond*
    - *Attachment 3 – 10-12-2020 NCC Operating Budget Impact – DPW & DRP*

Cc: Opel Jones, Councilperson  
Christiana Mercer Rigby, Councilperson  
Liz Walsh, Councilperson  
David Yungmann, Councilperson  
Diane Jones, Administrator  
Craig Glendenning, County Auditor

	Fire Station	Library	Arts Center	Traffic Improvements	Transit Center	Schools	Total
Principal Amount	\$20,000,000	\$40,000,000	\$33,652,000	\$95,118,135	\$12,289,263	\$34,600,000	\$235,659,398
	FY2028*	FY2025	FY2022	FY2031	FY2032	FY2030	
2018							\$0
2019							\$0
2020							\$0
2021							\$0
2022			\$1,284,745				\$1,284,745
2023			\$1,284,745				\$1,284,745
2024			\$1,284,745				\$1,284,745
2025		\$1,527,095	\$1,284,745				\$2,811,840
2026		\$1,527,095	\$1,284,745				\$2,811,840
2027		\$1,527,095	\$1,284,745				\$2,811,840
2028	\$763,548	\$1,527,095	\$1,284,745				\$3,575,388
2029	\$763,548	\$1,527,095	\$1,284,745				\$3,575,388
2030	\$763,548	\$1,527,095	\$1,284,745			\$1,320,937	\$4,896,325
2031	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361		\$1,320,937	\$8,527,686
2032	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2033	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2034	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2035	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2036	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2037	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2038	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2039	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2040	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2041	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$8,996,858
2042	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$7,712,113
2043	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$7,712,113
2044	\$763,548	\$1,527,095	\$1,284,745	\$3,631,361	\$469,172	\$1,320,937	\$7,712,113
2045	\$763,548	\$1,527,095		\$3,631,361	\$469,172	\$1,320,937	\$6,185,018
2046	\$763,548	\$1,527,095		\$3,631,361	\$469,172	\$1,320,937	\$6,185,018
2047	\$763,548	\$1,527,095		\$3,631,361	\$469,172	\$1,320,937	\$6,185,018
2048				\$3,631,361	\$469,172	\$1,320,937	\$5,421,470
2049				\$3,631,361	\$469,172	\$1,320,937	\$5,421,470
2050				\$3,631,361	\$469,172		\$4,100,533
2051				\$3,631,361	\$469,172		\$4,100,533
Total	\$30,541,902	\$61,083,805	\$51,389,805	\$145,254,439	\$18,766,874	\$52,837,491	\$359,874,317

	Incremental Property Tax Revenue Available After Tax Credits				TIF Debt Service	TIF Debt Service	GO Bond Debt Service	Surplus/(Deficit)	Available Fund Balance
	A	B	C	D = A + B + C	E	G	H	D-E-G-H	
	Crescent Phase I Properties and Metropolitan	Crescent Phase II, Lakefront & Symphony Overlook	Remaining Downtown Plan Area	Incremental Revenue Available	2017 Issue \$48,225,000	2021 Issue - \$9,833,000	Downtown Columbia Projects		
2018	\$1,815,869	\$219,406	\$0	\$2,035,275	\$0	\$0	\$0	\$2,035,275	\$2,035,275
2019	\$3,173,879	\$450,146	\$0	\$3,624,025	\$0	\$0	(\$175,000)	\$3,449,025	\$5,484,300
2020	\$2,937,412	\$426,856	\$0	\$3,364,268	(\$2,102,219)	\$0	(\$2,500,000)	(\$1,237,951)	\$4,246,349
2021	\$3,466,024	\$490,478	\$0	\$3,956,502	(\$2,302,219)	\$0	\$0	\$1,654,283	\$5,900,632
2022	\$4,293,371	\$490,478	\$0	\$4,783,849	(\$2,194,219)	\$0	(\$2,569,490)	\$20,140	\$5,920,772
2023	\$4,454,555	\$490,478	\$0	\$4,945,033	(\$2,190,219)	(\$258,116)	(\$2,569,490)	(\$72,792)	\$5,847,980
2024	\$5,547,144	\$716,612	\$0	\$6,263,756	(\$2,571,219)	(\$547,233)	(\$2,569,490)	\$875,814	\$6,423,793
2025	\$6,654,524	\$1,541,078	\$0	\$8,195,602	(\$2,531,819)	(\$557,605)	(\$5,623,680)	(\$517,502)	\$5,906,291
2026	\$7,515,094	\$1,801,245	\$0	\$9,316,339	(\$2,923,219)	(\$568,348)	(\$5,623,680)	\$201,092	\$6,107,382
2027	\$8,630,540	\$2,733,539	\$0	\$11,364,079	(\$3,113,219)	(\$580,408)	(\$5,623,680)	\$2,046,772	\$8,154,154
2028	\$8,894,791	\$3,330,112	\$0	\$12,224,903	(\$3,144,219)	(\$591,680)	(\$7,150,776)	\$1,338,228	\$9,492,382
2029	\$9,097,352	\$4,015,980	\$0	\$13,113,332	(\$3,172,219)	(\$604,165)	(\$7,150,776)	\$2,186,172	\$11,678,555
2030	\$10,080,755	\$4,739,371	\$0	\$14,820,126	(\$3,195,656)	(\$615,758)	(\$9,792,650)	\$1,216,062	\$12,894,617
2031	\$10,283,792	\$5,441,644	\$0	\$15,725,436	(\$3,216,000)	(\$628,458)	(\$17,055,372)	(\$5,174,394)	\$7,720,222
2032	\$10,490,890	\$6,695,545	\$285,353	\$17,471,788	(\$3,233,250)	(\$640,160)	(\$17,993,716)	(\$4,395,338)	\$3,324,885
2033	\$10,702,130	\$7,726,603	\$1,652,656	\$20,081,389	(\$3,272,406)	(\$653,865)	(\$17,993,716)	(\$1,838,598)	\$1,486,287
2034	\$10,917,595	\$8,807,419	\$2,192,740	\$21,917,754	(\$3,282,438)	(\$666,415)	(\$17,993,716)	(\$2,815)	\$1,461,472
2035	\$11,137,369	\$9,298,365	\$3,957,643	\$24,393,377	(\$3,314,375)	(\$679,810)	(\$17,993,716)	\$2,405,476	\$3,866,948
2036	\$11,361,538	\$10,215,600	\$5,603,768	\$27,180,906	(\$3,337,813)	(\$692,945)	(\$17,993,716)	\$5,156,432	\$9,023,380
2037	\$11,590,191	\$10,834,360	\$7,410,072	\$29,834,623	(\$3,331,875)	(\$706,768)	(\$17,993,716)	\$7,802,264	\$16,825,644
2038	\$11,823,417	\$11,734,493	\$8,319,491	\$31,877,401	(\$3,372,656)	(\$721,173)	(\$17,993,716)	\$9,789,856	\$26,615,501
2039	\$12,061,307	\$12,318,069	\$10,231,768	\$34,611,144	(\$3,957,969)	(\$736,055)	(\$17,993,716)	\$11,923,404	\$38,538,905
2040	\$12,303,955	\$13,433,956	\$11,372,686	\$37,110,597	(\$4,013,750)	(\$750,310)	(\$17,993,716)	\$14,352,821	\$52,891,726
2041	\$12,551,456	\$14,058,359	\$13,353,652	\$39,963,467	(\$4,108,250)	(\$765,885)	(\$17,993,716)	\$17,095,616	\$69,987,342
2042	\$12,803,908	\$15,370,783	\$14,362,707	\$42,537,398	(\$4,192,625)	(\$780,623)	(\$15,424,226)	\$22,139,924	\$92,127,267
2043	\$13,061,408	\$15,783,504	\$14,877,457	\$43,722,369	(\$4,291,875)	(\$796,470)	(\$15,424,226)	\$23,209,798	\$115,337,065
2044	\$13,324,058	\$16,182,334	\$15,339,933	\$44,846,325	(\$4,379,875)	(\$812,270)	(\$15,424,226)	\$24,229,954	\$139,567,019
2045	\$13,591,961	\$16,887,933	\$15,684,980	\$46,164,874	(\$4,481,625)	(\$828,918)	(\$12,370,035)	\$28,484,296	\$168,051,315
2046	\$13,865,222	\$17,229,333	\$15,998,680	\$47,093,235	(\$3,821,000)	(\$845,255)	(\$12,370,035)	\$30,056,945	\$198,108,260
2047	\$14,143,949	\$17,943,368	\$16,318,654	\$48,405,971	(\$156,700)	(\$862,178)	(\$12,370,035)	\$35,017,058	\$233,125,317
2048	\$14,428,250	\$18,321,024	\$16,645,027	\$49,394,301	\$0	(\$879,528)	(\$10,842,940)	\$37,671,833	\$270,797,150
2049	\$14,718,237	\$18,706,233	\$16,977,927	\$50,402,397	\$0	(\$897,148)	(\$10,842,940)	\$38,662,309	\$309,459,459
2050	\$15,014,024	\$19,099,145	\$17,317,486	\$51,430,655	\$0	(\$914,880)	(\$8,201,066)	\$42,314,709	\$351,774,168
2051	\$15,315,726	\$19,499,916	\$17,663,836	\$52,479,478	\$0	(\$933,568)	(\$938,344)	\$50,607,566	\$402,381,735
Total	\$342,051,693	\$307,033,765	\$225,566,516	\$874,651,974	(\$89,204,928)	(\$20,515,995)	(\$362,549,317)	\$402,381,735	

\* Any property tax increment shortages due to Fire & Rescue debt service could potentially be offset by the Fire Tax Fund.

## Arts Center Revenues

Fiscal Year	CCTA (1)	Rec & Parks	Total
2021	50,000	0	50,000
2022	80,000	0	80,000
2023	150,000	0	150,000
2024	150,000	225,000	375,000
2025	250,000	450,000	700,000
2026	785,000	675,000	1,460,000
2027	808,550	869,000	1,677,550
2028	832,807	869,000	1,701,807
2029	857,791	869,000	1,726,791
2030	883,524	869,000	1,752,524
2031	910,030	869,000	1,779,030
2032	937,331	869,000	1,806,331
2033	965,451	869,000	1,834,451
2034	994,415	869,000	1,863,415
2035	1,024,247	869,000	1,893,247
2036	1,054,974	869,000	1,923,974
2037	1,086,624	869,000	1,955,624
2038	1,119,222	869,000	1,988,222
2039	1,152,799	869,000	2,021,799
2040	1,187,383	869,000	2,056,383
2041	1,223,004	869,000	2,092,004
2042	1,259,695	869,000	2,128,695
2043	1,297,485	869,000	2,166,485
2044	1,336,410	869,000	2,205,410
2045	1,376,502	869,000	2,245,502
2046	1,417,797	869,000	2,286,797
2047	1,460,331	869,000	2,329,331
2048	1,504,141	869,000	2,373,141
2049	1,549,265	869,000	2,418,265
2050	1,595,743	869,000	2,464,743
2051	1,643,616	869,000	2,512,616
<b>Total</b>	<b>\$30,944,138</b>	<b>\$23,075,000</b>	<b>\$54,019,138</b>

(1) Rent assumed to stabilize at \$785,000 in FY26 and increase by 3% annually thereafter.

Arts Center Expenses (Updated on 10-12-2020)

Fiscal Year	Inflation	Recreation & Parks				Public Works					Total Operating Expenses	Debt Service (1)	Capital Improvements (2)	Developer Fees (3)	Total Expenses	
		Personnel	Contract Services	Supplies/ Materials	Total	Personnel	Contract Services	Supplies/ Materials	Vehicle	Total						
2021	2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2022	2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2023	2%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2024	2%	0	0	0	0	0	0	0	0	0	0	(1,603,450)	0	0	0	(1,603,450)
2025	2%	(655,000)	(50,000)	(50,000)	(755,000)	(94,000)	(665,000)	(50,000)	(33,000)	(842,000)	(1,597,000)	(1,603,450)	0	0	0	(3,200,450)
2026	2%	(668,100)	(51,000)	(51,000)	(770,100)	(95,880)	(678,300)	(51,000)	0	(825,180)	(1,595,280)	(1,603,450)	0	0	0	(3,198,730)
2027	2%	(681,462)	(52,020)	(52,020)	(785,502)	(97,798)	(691,866)	(52,020)	0	(841,684)	(1,627,186)	(1,603,450)	0	0	0	(3,230,635)
2028	2%	(695,091)	(53,060)	(53,060)	(801,212)	(99,754)	(705,703)	(53,060)	0	(858,517)	(1,659,729)	(1,603,450)	0	0	0	(3,263,179)
2029	2%	(708,993)	(54,122)	(54,122)	(817,236)	(101,749)	(719,817)	(54,122)	0	(875,688)	(1,692,924)	(1,603,450)	0	0	0	(3,296,374)
2030	2%	(723,173)	(55,204)	(55,204)	(833,581)	(103,784)	(734,214)	(55,204)	0	(893,201)	(1,726,782)	(1,603,450)	0	0	0	(3,330,232)
2031	2%	(737,636)	(56,308)	(56,308)	(850,253)	(105,859)	(748,898)	(56,308)	0	(911,065)	(1,761,318)	(1,603,450)	0	0	0	(3,364,768)
2032	2%	(752,389)	(57,434)	(57,434)	(867,258)	(107,976)	(763,876)	(57,434)	0	(929,287)	(1,796,544)	(1,603,450)	0	0	0	(3,399,994)
2033	2%	(767,437)	(58,583)	(58,583)	(884,603)	(110,136)	(779,153)	(58,583)	0	(947,872)	(1,832,475)	(1,603,450)	0	0	0	(3,435,925)
2034	2%	(782,786)	(59,755)	(59,755)	(902,295)	(112,339)	(794,737)	(59,755)	0	(966,830)	(1,869,125)	(1,603,450)	0	0	0	(3,472,575)
2035	2%	(798,441)	(60,950)	(60,950)	(920,341)	(114,585)	(810,631)	(60,950)	0	(986,166)	(1,906,507)	(1,603,450)	0	0	0	(3,509,957)
2036	2%	(814,410)	(62,169)	(62,169)	(938,748)	(116,877)	(826,844)	(62,169)	0	(1,005,890)	(1,944,637)	(1,603,450)	0	0	0	(3,548,087)
2037	2%	(830,698)	(63,412)	(63,412)	(957,523)	(119,215)	(843,381)	(63,412)	0	(1,026,008)	(1,983,530)	(1,603,450)	0	0	0	(3,586,980)
2038	2%	(847,312)	(64,680)	(64,680)	(976,673)	(121,599)	(860,248)	(64,680)	0	(1,046,528)	(2,023,201)	(1,603,450)	0	0	0	(3,626,651)
2039	2%	(864,259)	(65,974)	(65,974)	(996,206)	(124,031)	(877,453)	(65,974)	0	(1,067,458)	(2,063,665)	(1,603,450)	0	0	0	(3,667,115)
2040	2%	(881,544)	(67,293)	(67,293)	(1,016,131)	(126,512)	(895,002)	(67,293)	0	(1,088,807)	(2,104,938)	(1,603,450)	0	0	0	(3,708,388)
2041	2%	(899,175)	(68,639)	(68,639)	(1,036,453)	(129,042)	(912,902)	(68,639)	0	(1,110,584)	(2,147,037)	(1,603,450)	0	0	0	(3,750,487)
2042	2%	(917,158)	(70,012)	(70,012)	(1,057,182)	(131,623)	(931,161)	(70,012)	0	(1,132,795)	(2,189,978)	(1,603,450)	0	0	0	(3,793,427)
2043	2%	(935,501)	(71,412)	(71,412)	(1,078,326)	(134,255)	(949,784)	(71,412)	0	(1,155,451)	(2,233,777)	(1,603,450)	(10,926,084)	0	0	(14,763,311)
2044	2%	(954,211)	(72,841)	(72,841)	(1,099,892)	(136,940)	(968,779)	(72,841)	0	(1,178,560)	(2,278,453)	0	0	(1,050,000)	0	(3,328,453)
2045	2%	(973,296)	(74,297)	(74,297)	(1,121,890)	(139,679)	(988,155)	(74,297)	0	(1,202,131)	(2,324,022)	0	0	0	0	(2,324,022)
2046	2%	(992,761)	(75,783)	(75,783)	(1,144,328)	(142,473)	(1,007,918)	(75,783)	0	(1,226,174)	(2,370,502)	0	0	0	0	(2,370,502)
2047	2%	(1,012,617)	(77,299)	(77,299)	(1,167,215)	(145,322)	(1,028,076)	(77,299)	0	(1,250,698)	(2,417,912)	0	0	0	0	(2,417,912)
2048	2%	(1,032,869)	(78,845)	(78,845)	(1,190,559)	(148,229)	(1,048,638)	(78,845)	0	(1,275,712)	(2,466,270)	0	0	0	0	(2,466,270)
2049	2%	(1,053,526)	(80,422)	(80,422)	(1,214,370)	(151,193)	(1,069,611)	(80,422)	0	(1,301,226)	(2,515,596)	0	0	0	0	(2,515,596)
2050	2%	(1,074,597)	(82,030)	(82,030)	(1,238,658)	(154,217)	(1,091,003)	(82,030)	0	(1,327,250)	(2,565,908)	0	0	0	0	(2,565,908)
2051	2%	(1,096,089)	(83,671)	(83,671)	(1,263,431)	(157,301)	(1,112,823)	(83,671)	0	(1,353,795)	(2,617,226)	0	0	0	0	(2,617,226)
Total	NA	(23,150,532)	(1,767,216)	(1,767,216)	(26,684,964)	(3,322,366)	(23,503,975)	(1,767,216)	(33,000)	(28,626,558)	(55,311,522)	(32,068,998)	(10,926,084)	(1,050,000)	0	(99,356,604)

- (1) \$21 million revenue bonds (20 years, 4.5%)
- (2) Renovations (\$7.5M in todays dollars).
- (3) Deferred developer fees.



**Arts Center Net Impact (Updated on 10-12-2020 including updated operating cost)**

Fiscal Year	Operating Revenues	Debt Service	Rev. vs Debt Surplus/ (Deficit)	Total Expenses (Debt Services, Operating & Maintenance, and Other Expenses)	Total Net Surplus/ (Deficit)	What If Missing 20% of Projected CCTA Revenues	What If Scenario Total Net Surplus/ (Deficit)
2021	50,000	0	50,000	0	50,000	(10,000)	40,000
2022	80,000	0	80,000	0	80,000	(16,000)	64,000
2023	150,000	0	150,000	0	150,000	(30,000)	120,000
2024	375,000	(1,603,450)	(1,228,450)	(1,603,450)	(1,228,450)	(30,000)	(1,258,450)
2025	700,000	(1,603,450)	(903,450)	(3,200,450)	(2,500,450)	(50,000)	(2,550,450)
2026	1,460,000	(1,603,450)	(143,450)	(3,198,730)	(1,738,730)	(157,000)	(1,895,730)
2027	1,677,550	(1,603,450)	74,100	(3,230,635)	(1,553,085)	(161,710)	(1,714,795)
2028	1,701,807	(1,603,450)	98,357	(3,263,179)	(1,561,373)	(166,561)	(1,727,934)
2029	1,726,791	(1,603,450)	123,341	(3,296,374)	(1,569,583)	(171,558)	(1,741,141)
2030	1,752,524	(1,603,450)	149,075	(3,330,232)	(1,577,708)	(176,705)	(1,754,413)
2031	1,779,030	(1,603,450)	175,580	(3,364,768)	(1,585,738)	(182,006)	(1,767,744)
2032	1,806,331	(1,603,450)	202,881	(3,399,994)	(1,593,663)	(187,466)	(1,781,129)
2033	1,834,451	(1,603,450)	231,001	(3,435,925)	(1,601,474)	(193,090)	(1,794,564)
2034	1,863,415	(1,603,450)	259,965	(3,472,575)	(1,609,160)	(198,883)	(1,808,043)
2035	1,893,247	(1,603,450)	289,797	(3,509,957)	(1,616,710)	(204,849)	(1,821,560)
2036	1,923,974	(1,603,450)	320,524	(3,548,087)	(1,624,113)	(210,995)	(1,835,108)
2037	1,955,624	(1,603,450)	352,174	(3,586,980)	(1,631,356)	(217,325)	(1,848,681)
2038	1,988,222	(1,603,450)	384,772	(3,626,651)	(1,638,428)	(223,844)	(1,862,273)
2039	2,021,799	(1,603,450)	418,349	(3,667,115)	(1,645,316)	(230,560)	(1,875,875)
2040	2,056,383	(1,603,450)	452,933	(3,708,388)	(1,652,005)	(237,477)	(1,889,482)
2041	2,092,004	(1,603,450)	488,555	(3,750,487)	(1,658,482)	(244,601)	(1,903,083)
2042	2,128,695	(1,603,450)	525,245	(3,793,427)	(1,664,733)	(251,939)	(1,916,672)
2043	2,166,485	(1,603,450)	563,036	(4,763,311)	(12,596,826)	(259,497)	(12,856,323)
2044	2,205,410	0	2,205,410	(3,328,453)	(1,123,043)	(267,282)	(1,390,325)
2045	2,245,502	0	2,245,502	(2,324,022)	(78,519)	(275,300)	(353,820)
2046	2,286,797	0	2,286,797	(2,370,502)	(83,705)	(283,559)	(367,264)
2047	2,329,331	0	2,329,331	(2,417,912)	(88,581)	(292,066)	(380,647)
2048	2,373,141	0	2,373,141	(2,466,270)	(93,129)	(300,828)	(393,958)
2049	2,418,265	0	2,418,265	(2,515,596)	(97,330)	(309,853)	(407,184)
2050	2,464,743	0	2,464,743	(2,565,908)	(101,164)	(319,149)	(420,313)
2051	2,512,616	0	2,512,616	(2,617,226)	(104,610)	(328,723)	(433,333)
<b>Total</b>	<b>\$54,019,138</b>	<b>(32,068,998)</b>	<b>\$21,950,141</b>	<b>(99,356,604)</b>	<b>(\$45,337,466)</b>	(6,188,828)	(51,526,294)

(1) Rent assumed to stabilize at \$785,000 in FY26 and increase by 3% annually thereafter.

### Attachment 3

NCC - Long-Term Projections of Operating Budget Impact  
 Department of Recreation and Parks (10-12-2020)  
 Assumption: Project completion in December 2024

Commitment Summary	FY22	FY23	FY24	FY25	FY26	FY27	Ongoing/ One-time	Notes
<b>Agency Total</b>				<b>755,000</b>				
<b>50 - Personnel Costs</b>				<b>655,000</b>				
Item 1				315,000			Ongoing	Funding for 6 Full Time positions. Supervisor (5109K), Two Recreation Services Coordinator II (5107H), Recreation Program Coordinator I (5109G), Administrative Support Tech II (1407E), and a Facility Maintenance Worker (3011H5).
Item 2				340,000			Ongoing	Funding for Contingent staffing. Positions include Facility Leader II (\$15/hr), Facility Leader I (\$13/hr), Facility Maintenance Worker (\$15/hr), and Special Event Leaders (\$18/hr).
<b>51 - Contractual Services</b>				<b>50,000</b>				
Item 1				50,000			Ongoing	Services include printing, event/tent/supply rental, preventative maintenance efforts, equipment repair, additional cleaning services, and Cultural programming/event funds for sound/lighting support and performances.
Item 2				0				0
Item 3				0				0
<b>52 - Supplies and Materials</b>				<b>50,000</b>				
Item 1				50,000			Ongoing	Supplies and materials including program equipment purchase, replacement, office supplies, program/event supplies and gallery/exhibition materials.
<b>53 - Capital Outlay</b>				<b>0</b>				
Item 1				0				
<b>54 - Debt Service</b>				<b>0</b>				
Item 1				0				
<b>58 - Expense Other</b>				<b>0</b>				
Item 1				0				
<b>69 - Operating Transfers</b>				<b>0</b>				
Item 1				0				
<b>99 - Contingencies</b>				<b>0</b>				
Item 1				0				

NCC - Long-Term Projections of Operating Budget Impact  
 Department of Public Works (10-12-2020)  
 Assumption: Project completion in December 2024

Commitment Summary	FY22	FY23	FY24	FY25	FY26	FY27	Ongoing/ One-time	Notes
<b>Agency Total</b>				<b>842,000</b>				
<b>50 - Personnel Costs</b>				<b>94,000</b>			Ongoing	
Item 1				94,000				Personnel Costs are ongoing expenses. Funding assumes one new Maintenance Mechanic assigned to this facility.
<b>51 - Contractual Services</b>				<b>665,000</b>			Ongoing	
Item 1				665,000				Contractual services is an ongoing expense. Expenses will include printing, utilities, real estate taxes, contractor maintenance work, equipment repair, pest control, custodial and security services. This estimation is reduced from initial version primarily due to clearer understanding of scope of our work relative to CCTA and the cost of maintaining the parking garage, and efforts on cost mitigation.
<b>52 - Supplies and Materials</b>				<b>50,000</b>				
Item 1				50,000			Ongoing	Supplies and Materials is an ongoing expense. Expenses will include office supplies, janitorial supplies, hardware and related supplies, paint, plumbing supplies, HVAC supplies and all other supplies required for daily operations and maintenance. This estimation is reduced from initial version due to clearer understanding of scope of our work relative to CCTA and the cost of maintaining the parking garage.
<b>53 - Capital Outlay</b>				<b>33,000</b>				
Item 1				33,000			One-time	Vehicle for new Maintenance Mechanic (one-time cost)
<b>54 - Debt Service</b>				<b>0</b>				
Item 1				0				
<b>58 - Expense Other</b>				<b>0</b>				
Item 1				0				
<b>69 - Operating Transfers</b>				<b>0</b>				
Item 1				0				
<b>99 - Contingencies</b>				<b>0</b>				
Item 1				0				