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CAPITAL COST



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Preliminary Project Budget – Comparison

PRELIMINARY ORDER OF MAGNITUDE BUDGET - MSC SITE & KINGSDALE SITE

12/2/2020

DESCRIPTION	MSC SITE (COMMUNITY CENTER, CITY ADMINISTRATION, POLICE)	KINGSDALE SITE (COMMUNITY CENTER)
AREA - SQUARE FEET	128,700	95,300
TOTAL HARD CONSTRUCTION COST	\$68,291,400	\$43,858,900
SOFT COSTS (1)	\$8,195,000	\$6,578,900
TOTAL PROJECT BUDGET (2)	\$76,486,400	\$50,437,800
ESCALATION (3)	\$5,736,480	\$3,782,835
TOTAL PROJECT BUDGET WITH ESCALATION	\$82,222,880	\$54,220,635

FOOTNOTES:

1. Soft Costs include Professional Services Fees (architects/engineers, specialty consultants, legal, etc.), Furnishings and Equipment, and Owner Contingency.
2. Project Budget includes 10% Design Contingency, 3% Construction Contingency, and 3% Owner Contingency.
3. Escalation is factored at 7.5% (2.5 years at 3% per year)

**Preliminary Order of Magnitude Budget
12/02/2020**

Area – Square Feet	95,300
Total Hard Construction Costs	\$43,858,900
Soft Costs (1)	\$6,578,900
Total Project Budget (2)	\$50,437,800
Escalation (3)	\$3,782,835
Total Project Budget with Escalation	\$54,220,635

Footnotes:

1. Soft costs include Professional Service Fees (architect/engineers, specialty consultants, legal, etc.), Furnishings and Equipment and Owner Contingency.
2. Project Budget includes 10% Design Contingency, 3% Construction Contingency and 3% Owner Contingency.
3. Escalation is factored at 7.5% (2.5 years at 3% per year)

Capital Funding Sources (preliminary)

Funding Source	Amount	Total
City Bonds	\$40,000,000	\$40,000,000
10% Private Fundraising	\$5.42M	\$45,440,000
City Cash Contribution	\$8.79M	\$54,220,635
Total Cost		\$54,220,635

Note: Size of bond issuance relative to cash contribution may change based on market conditions

Annual Debt Funding Sources (preliminary)

Source	Annual Amount	Gap
TIF	\$1,586,000	
Gap After TIF Resources		715,000/yr
Net Office Lease	\$264,512	\$450,488
Bed Tax	\$500,000	(\$49,512)
Office Income Tax from Site	\$450,000	(\$499,512)

Assumptions:

- City will need \$2.3M annually to cover debt payments
- 30-year bonds
- 3.15% rate of interest (above market)
- Annual debt payments for office space covered by lease revenues and are considered separately