

SUMMARY OF INCENTIVES CALCULATION FOR SAMPLE SITE

Shortfall Calculation:
 less: Projected Market Value after renovation \$ 1,100,000
 Development Costs \$ 950,000
 property value \$ 450,000
 renovation costs \$ 210,000
 profit \$ (1,610,000)
 \$ (510,000)

equals: Shortfall amount to be compensated by City \$ 50,000

Allocation of Recoverable Shortfall cost between the various heritage incentives

Incentive #1 Facade Grant - a maximum of \$50,000

Incentive #2 Property Tax forgiveness - up to a maximum of 10 years

Year	Projected Taxable Value	2003 tax rate/\$000 for Class 6		Annual Estimated Taxes
		Business	Other	
1	\$ 1,100,000	\$29.68		\$ 32,651
2	\$ 1,100,000	\$30.66		\$ 33,728
3	\$ 1,100,000	\$31.67		\$ 34,841
4	\$ 1,100,000	\$32.72		\$ 35,991
5	\$ 1,100,000	\$33.80		\$ 37,179
6	\$ 1,100,000	\$34.91		\$ 38,406
7	\$ 1,100,000	\$36.07		\$ 39,673
8	\$ 1,100,000	\$37.26		\$ 40,982
9	\$ 1,100,000	\$38.49		\$ 42,335
10	\$ 1,100,000	\$39.76		\$ 43,732

Net Present Value of Estimated Total Tax Exemptions, discounted at 6.2% \$ 272,291

Incentive #3 Bonus Density to be transferred off-site \$ 187,709
 Value of Density Bonus to be Provided \$ 187,709

Incentive #4 Available for sites to be developed to less than 5.5 FSR
 Residual density on site undeveloped: Maximum Proposed area 26,000 sq.ft. at 5.5 FSR
 (11,000) sq.ft.
 Unused residual density: 15,000
 Value to owner at \$25/sf = \$ 375,000
Sub-total, Incentive #4 \$ 375,000

Sub-total, Incentives #1, #2 & #3 \$ 510,000

SUMMARY OF INCENTIVES RECEIVED BY APPLICANT:

Incentive #1 Facade Grant \$ 50,000
Incentive #2 Property Tax Forgiveness \$ 272,291
Incentive #3 Bonus Density (estimated value at \$25/sq foot) \$ 187,709
Incentive #4 Residual Density (estimated value at \$25/sq foot) \$ 375,000
\$ 885,000

Effect upon Density Bank
 Bonus density sq.ft. 7,508
 Residual density sq.ft. 15,000
 Total density bank increase sq.ft. 22,508