

Downtown Development Project Pro Forma Discussion Materials

City of Rocky Mount, North Carolina



ROCKY MOUNT, NC
THE CENTER OF IT ALL

June 24-25, 2019

DAVENPORT & COMPANY

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Downtown Development Project Overview

- The City has been working with project consultants and Hunt Services Inc. (as developer) on a potential Downtown Development Project that consists of the components shown below.
 - **Parking Garage(s)**
 - **Parking Concept 1:** 2 Parking Garages with 840 spaces and an anticipated cost of \$26.4 million (including \$1 million for land).
 - **Parking Concept 2:** 1 Parking Garage with 700 spaces and an anticipated cost of \$17.75 million (including \$600,000 for land).
 - The developer will construct and operate the parking garage(s). The City will lease the parking garage(s) from the developer and share in the parking revenues as memorialized in the Lease Agreement with the developer.
 - The Garage(s) are anticipated to be open for operations beginning July 2020.
 - The City would collect/receive property tax revenue and the net revenues from the Parking Garage.
 - **Hotel**
 - 107 Key, \$15.13 million Dual Brand Marriott Fairfield Inn and Springhill Suites.
 - The City would collect/receive property tax revenue, occupancy tax revenue, sales tax revenue and ground rent from the Hotel.
 - **Residential Development**
 - The initial phase of downtown housing is anticipated to be 60 condo/apartment units, which are likely to consist of a variation of two-bedroom options.
 - The Residential Development is estimated to be valued at approximately \$5.13 million (60 units at \$90 per sf and 950 sf per unit).
 - The City would collect/receive property tax revenue.
 - **Retail Development**
 - 20,000 SF of retail space, in which the project Sponsor will work to make this space more accessible for small and emerging business enterprises so that they can have a presence in a revitalized downtown Rocky Mount.
 - The Commercial Development investment is estimated to be valued at approximately \$1.5 million (20,000 sf at \$75 per sf)
 - The City would collect/receive property tax revenue and sales tax revenue.

Summary of Projected Revenues

A	B	C	D	E	F	G	H	I	J
Year	Concept 1 Parking Net Revenue	Concept 2 Parking Net Revenue	Concept 1 Property Tax	Concept 2 Property Tax	Occupancy (Lodging) Tax	Sales Tax	Hotel Ground Rent Payment	Concept 1 Total Net Revenue	Concept 2 Total Net Revenue
2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2020	(221,677)	(221,677)	-	-	-	-	-	(221,677)	(221,677)
2021	686,214	519,884	-	-	52,783	11,110	66,980	817,087	650,757
2022	573,037	442,198	319,621	260,369	64,604	29,034	75,285	1,061,580	871,488
2023	517,709	386,870	329,896	270,644	69,769	61,572	83,587	1,062,533	872,441
2024	499,046	367,685	329,896	270,644	74,330	63,118	90,840	1,057,229	866,616
2025	473,050	342,210	329,896	270,644	75,606	63,980	92,356	1,034,887	844,795
2026	449,041	318,202	329,896	270,644	77,115	64,898	94,070	1,015,021	824,929
2027	423,839	293,000	329,896	270,644	78,655	65,831	95,815	994,036	803,944
2028	400,508	269,148	329,896	270,644	80,445	66,823	97,974	975,646	785,033
2029	397,153	266,314	329,896	270,644	81,827	67,738	99,396	976,010	785,918
2030	396,919	266,080	329,896	270,644	83,460	68,713	101,233	980,222	790,130
2031	396,680	265,841	329,896	270,644	85,126	69,703	103,103	984,508	794,416
2032	399,561	268,201	329,896	270,644	87,064	70,758	105,421	992,700	802,087
2033	396,188	265,348	329,896	270,644	88,560	71,728	106,940	993,311	803,219
2034	395,934	265,094	329,896	270,644	90,328	72,764	108,908	997,830	807,738
2035	395,675	264,836	329,896	270,644	92,132	73,816	110,910	1,002,428	812,336
2036	398,536	267,176	329,896	270,644	94,229	74,937	113,397	1,010,995	820,383
2037	395,142	264,303	329,896	270,644	95,848	75,967	115,018	1,011,871	821,779
2038	394,868	264,028	329,896	270,644	97,762	77,067	117,125	1,016,718	826,626
2039	394,588	263,748	329,896	270,644	99,714	78,184	119,269	1,021,651	831,559
2040	397,427	266,066	329,896	270,644	101,984	79,377	121,936	1,030,620	840,007
2041	394,011	263,171	329,896	270,644	103,737	80,470	123,665	1,031,778	841,686
2042	393,713	262,874	329,896	270,644	105,808	81,639	125,920	1,036,976	846,884
2043	393,410	262,571	329,896	270,644	107,922	82,826	128,212	1,042,266	852,174
2044	396,226	264,866	329,896	270,644	110,379	84,094	131,072	1,051,667	861,054
2045	392,786	261,946	329,896	270,644	112,276	85,254	132,915	1,053,127	863,035
2046	392,464	261,624	329,896	270,644	114,518	86,497	135,326	1,058,701	868,609
2047	392,136	261,296	329,896	270,644	116,806	87,758	137,777	1,064,373	874,281
2048	394,926	263,566	329,896	270,644	119,465	89,108	140,841	1,074,236	883,623
2049	391,460	260,620	329,896	270,644	121,519	90,339	142,803	1,076,017	885,925
2050	391,112	260,272	329,896	270,644	123,946	91,660	145,379	1,081,993	891,901

Key Assumptions

35-40% Occupancy	Garage / Hotel Valued at cost	6% Tax Rate	2.25% Tax Rate	5% of Hotel Net
\$10 avg. daily revenue per space	Retail Valued at \$75/sf	33.3% City Share	18.7% City Share	Revenue based
Estimated Management Expenses	Residential Valued at \$90/sf	Flag Hotel	Hotel Revenues	on Flag Hotel
Net of SFA Event Center Pro Forma	Current Tax Rate of \$0.685	Pro Forma	& Retail Sales of	Pro Forma
Parking Revenue Assumptions	0% Assessed Value Growth	Revenues	\$2.75 million/sf	

Summary of Parking Lease

A	B	C	D	E	F	G
	Parking Concept 1			Parking Concept 2		
Project Amount	26,400,000			17,750,000		
Accrued Interest	901,159			611,500		
Principal Amount	27,301,159			18,361,500		
Term	20 Years			20 Years		
Interest Rate	4.50% Taxable; 3.50% Tax Exempt			4.50% Taxable; 3.50% Tax Exempt		
Interest Deferral	1 year			1 year		
Amortization	Level Principal			Level Principal		
Fiscal Year	Lease Payments			Lease Payments		
	Taxable	Tax Exempt	Total	Taxable	Tax Exempt	Total
2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2021	430,841	1,912,658	2,343,499	347,611	1,234,534	1,582,144
2022	420,525	1,872,905	2,293,430	339,287	1,208,875	1,548,162
2023	410,209	1,833,151	2,243,360	330,964	1,183,216	1,514,180
2024	399,893	1,793,398	2,193,291	322,641	1,157,557	1,480,198
2025	389,577	1,753,645	2,143,221	314,318	1,131,898	1,446,216
2026	379,261	1,713,891	2,093,152	305,994	1,106,239	1,412,233
2027	368,945	1,674,138	2,043,082	297,671	1,080,580	1,378,251
2028	358,628	1,634,385	1,993,013	289,348	1,054,921	1,344,269
2029	348,312	1,594,631	1,942,943	281,025	1,029,262	1,310,287
2030	337,996	1,554,878	1,892,874	272,701	1,003,603	1,276,304
2031	327,680	1,515,124	1,842,804	264,378	977,944	1,242,322
2032	317,364	1,475,371	1,792,735	256,055	952,285	1,208,340
2033	307,048	1,435,618	1,742,665	247,732	926,626	1,174,358
2034	296,732	1,395,864	1,692,596	239,409	900,967	1,140,375
2035	286,416	1,356,111	1,642,526	231,085	875,308	1,106,393
2036	276,099	1,316,357	1,592,457	222,762	849,649	1,072,411
2037	265,783	1,276,604	1,542,387	214,439	823,990	1,038,429
2038	255,467	1,236,851	1,492,318	206,116	798,331	1,004,447
2039	245,151	1,197,097	1,442,248	197,792	772,672	970,464
2040	234,835	1,157,344	1,392,179	189,469	747,013	936,482
Total	\$ 6,656,762	\$ 30,700,021	\$ 37,356,783	\$ 5,370,797	\$ 19,815,468	\$ 25,186,265

Note: Preliminary and subject to change.

Note: Subject to review and discussion with LGC Staff.

Note: The allocation between tax exempt and taxable borrowing coincides with the allocation of parking spaces between City and Hotel use.

Note: Assumes Interest during construction would accrue and be added to the principal balance to be amortized when payments begin.

Projected Downtown Development Project Net Results



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A FY	B C D E Parking Concept 1				F G H I Parking Concept 2			
	Net Revenues	Lease Payment	Annual Net Result	Cumulative Net Result	Net Revenues	Lease Payment	Annual Net Result	Cumulative Net Result
2020	\$ (221,677)	\$ -	\$ (221,677)	\$ (221,677)	\$ (221,677)	\$ -	\$ (221,677)	\$ (221,677)
2021	817,087	2,343,499	(1,526,412)	(1,748,089)	650,757	1,582,144	(931,388)	(1,153,065)
2022	1,061,580	2,293,430	(1,231,850)	(2,979,939)	871,488	1,548,162	(676,674)	(1,829,739)
2023	1,062,533	2,243,360	(1,180,828)	(4,160,767)	872,441	1,514,180	(641,739)	(2,471,479)
2024	1,057,229	2,193,291	(1,136,062)	(5,296,829)	866,616	1,480,198	(613,581)	(3,085,060)
2025	1,034,887	2,143,221	(1,108,334)	(6,405,163)	844,795	1,446,216	(601,420)	(3,686,480)
2026	1,015,021	2,093,152	(1,078,131)	(7,483,294)	824,929	1,412,233	(587,304)	(4,273,784)
2027	994,036	2,043,082	(1,049,047)	(8,532,340)	803,944	1,378,251	(574,307)	(4,848,091)
2028	975,646	1,993,013	(1,017,367)	(9,549,707)	785,033	1,344,269	(559,235)	(5,407,327)
2029	976,010	1,942,943	(966,934)	(10,516,641)	785,918	1,310,287	(524,369)	(5,931,696)
2030	980,222	1,892,874	(912,652)	(11,429,293)	790,130	1,276,304	(486,175)	(6,417,870)
2031	984,508	1,842,804	(858,296)	(12,287,589)	794,416	1,242,322	(447,906)	(6,865,776)
2032	992,700	1,792,735	(800,035)	(13,087,624)	802,087	1,208,340	(406,253)	(7,272,029)
2033	993,311	1,742,665	(749,354)	(13,836,978)	803,219	1,174,358	(371,138)	(7,643,167)
2034	997,830	1,692,596	(694,766)	(14,531,744)	807,738	1,140,375	(332,638)	(7,975,805)
2035	1,002,428	1,642,526	(640,098)	(15,171,842)	812,336	1,106,393	(294,057)	(8,269,862)
2036	1,010,995	1,592,457	(581,462)	(15,753,304)	820,383	1,072,411	(252,028)	(8,521,890)
2037	1,011,871	1,542,387	(530,516)	(16,283,820)	821,779	1,038,429	(216,650)	(8,738,540)
2038	1,016,718	1,492,318	(475,600)	(16,759,420)	826,626	1,004,447	(177,820)	(8,916,360)
2039	1,021,651	1,442,248	(420,598)	(17,180,018)	831,559	970,464	(138,906)	(9,055,266)
2040	1,030,620	1,392,179	(361,559)	(17,541,577)	840,007	936,482	(96,475)	(9,151,741)
2041	1,031,778	-	1,031,778	(16,509,799)	841,686	-	841,686	(8,310,055)
2042	1,036,976	-	1,036,976	(15,472,822)	846,884	-	846,884	(7,463,170)
2043	1,042,266	-	1,042,266	(14,430,556)	852,174	-	852,174	(6,610,996)
2044	1,051,667	-	1,051,667	(13,378,889)	861,054	-	861,054	(5,749,942)
2045	1,053,127	-	1,053,127	(12,325,762)	863,035	-	863,035	(4,886,907)
2046	1,058,701	-	1,058,701	(11,267,062)	868,609	-	868,609	(4,018,298)
2047	1,064,373	-	1,064,373	(10,202,689)	874,281	-	874,281	(3,144,018)
2048	1,074,236	-	1,074,236	(9,128,453)	883,623	-	883,623	(2,260,395)
2049	1,076,017	-	1,076,017	(8,052,436)	885,925	-	885,925	(1,374,469)
2050	1,081,993	-	1,081,993	(6,970,443)	891,901	-	891,901	(482,568)
Total	\$ 30,386,341	\$ 37,356,783	\$ (6,970,443)		\$ 24,703,697	\$ 25,186,265	\$ (482,568)	

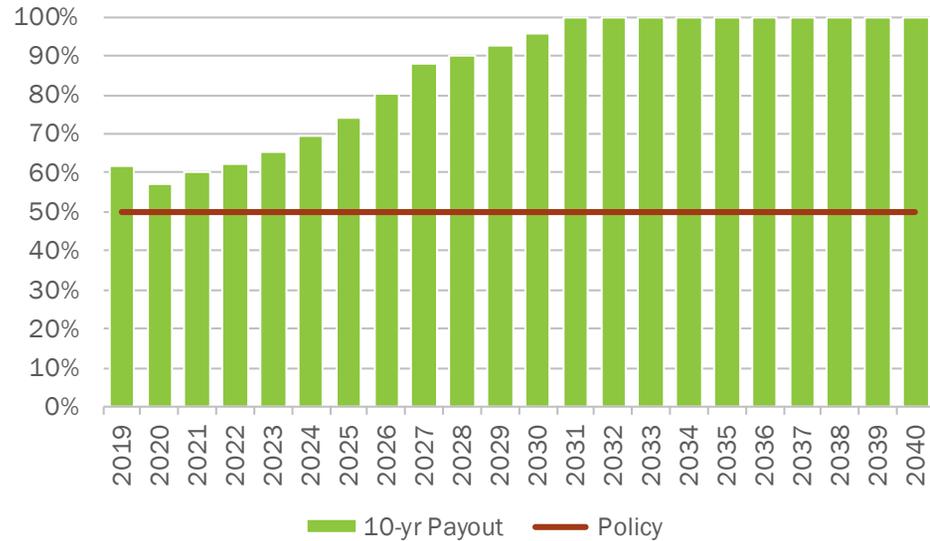
Key Debt Ratios (Parking Concept 1 Shown)

Existing and Proposed City Debt

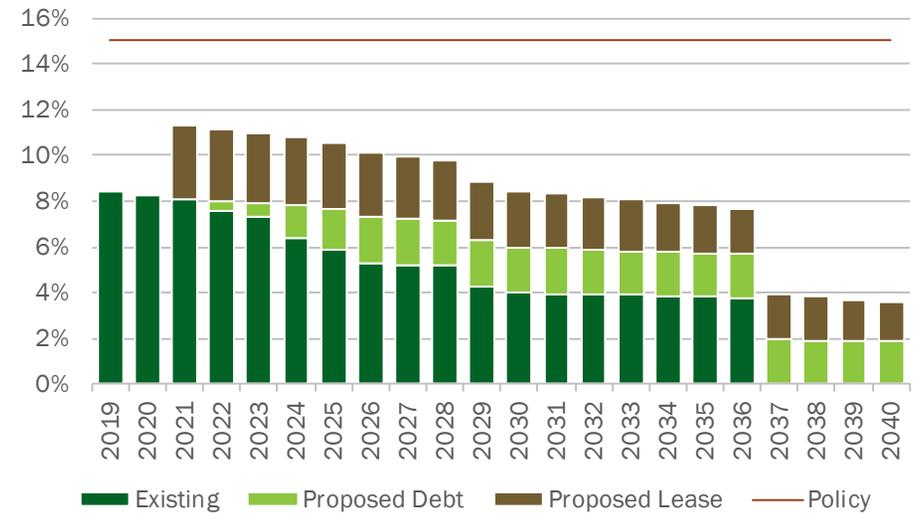


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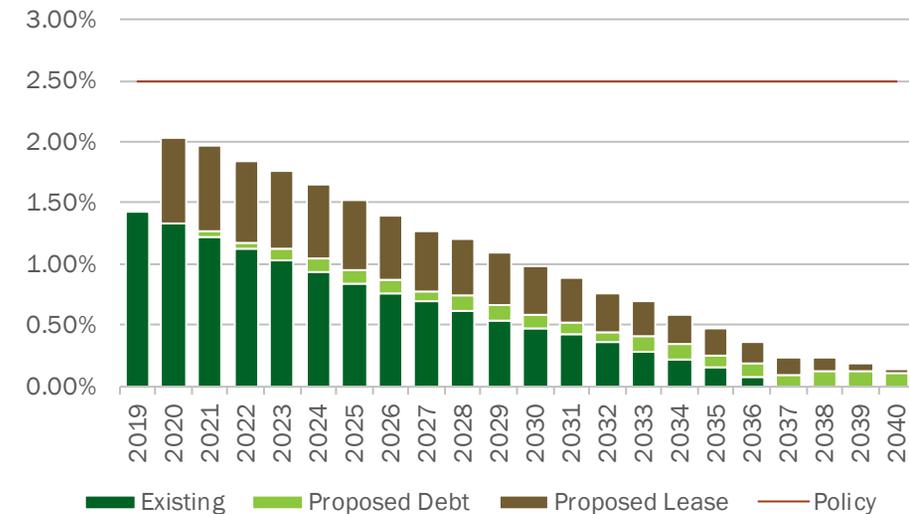
10-year Payout Ratio (Existing and Proposed)



Debt Service to Expenditures



Debt to Assessed Value



Debt Policies

- The City has a Policy establishing a minimum 10 Year Payout Ratio of 50%.
- The City has a Policy establishing a maximum Debt to Assessed Value of 2.50%.
- The City has a Policy establishing a maximum Debt Service to Expenditures of 15.00%.

Debt Affordability Summary – Parking Concept 1

Existing and Proposed City Obligations



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A	B	C	D	E	F	G	H	I
Year	Existing and Proposed Obligations ¹	Event Center Deficit (Surplus)	Downtown Development Deficit (Surplus)	Total Obligations	Dedicated Revenues ²	Annual Surplus (Deficit)	Additional Revenues / Reserves Required	Cumulative Surplus (Deficit)
2019	\$ 8,968,060	\$ 872,163	\$ -	\$ 9,840,223	\$ 9,915,704	\$ 75,481	\$ -	\$ 75,481
2020	9,004,095	682,815	221,677	9,908,587	9,911,721	3,133	-	78,615
2021	9,145,785	264,778	1,526,412	10,936,975	9,907,987	(1,028,988)	950,373	-
2022	9,122,347	(60,795)	1,231,850	10,293,402	9,905,392	(388,010)	388,010	-
2023	9,090,269	(359,017)	1,180,828	9,912,080	9,902,651	(9,428)	9,428	-
2024	9,086,012	(376,968)	1,136,062	9,845,105	9,899,838	54,733	-	54,733
2025	8,823,968	(395,816)	1,108,334	9,536,486	9,896,953	360,467	-	415,200
2026	8,575,301	(415,607)	1,078,131	9,237,825	9,893,995	656,170	-	1,071,370
2027	8,550,482	(436,388)	1,049,047	9,163,141	9,890,972	727,831	-	1,799,201
2028	8,530,805	(458,207)	1,017,367	9,089,964	9,887,894	797,930	-	2,597,131
2029	7,855,805	(458,207)	966,934	8,364,532	9,906,776	1,542,245	-	4,139,375
2030	7,660,922	(458,207)	912,652	8,115,368	9,809,710	1,694,342	-	5,833,718
2031	7,659,672	(458,207)	858,296	8,059,761	9,809,710	1,749,949	-	7,583,666
2032	7,662,072	(458,207)	800,035	8,003,900	9,809,710	1,805,810	-	9,389,476
2033	7,657,972	(458,207)	749,354	7,949,120	9,809,710	1,860,590	-	11,250,066
2034	7,657,172	(458,207)	694,766	7,893,731	9,809,710	1,915,979	-	13,166,045
2035	7,662,172	(458,207)	640,098	7,844,063	9,809,710	1,965,647	-	15,131,691
2036	7,661,897	(458,207)	581,462	7,785,152	9,809,710	2,024,558	-	17,156,249
2037	4,593,122	(458,207)	530,516	4,665,432	9,809,710	5,144,278	-	22,300,528
2038	4,593,122	(458,207)	475,600	4,610,515	9,809,710	5,199,195	-	27,499,722
2039	4,593,122	(458,207)	420,598	4,555,513	9,809,710	5,254,197	-	32,753,919
2040	4,593,122	(458,207)	361,559	4,496,474	9,809,710	5,313,236	-	38,067,155
2041	4,593,122	(458,207)	(1,031,778)	3,103,137	9,809,710	6,706,573	-	44,773,727
2042	4,593,122	(458,207)	(1,036,976)	3,097,939	9,809,710	6,711,771	-	51,485,498
2043	4,593,122	(458,207)	(1,042,266)	3,092,649	9,809,710	6,717,061	-	58,202,559
2044	4,593,122	(458,207)	(1,051,667)	3,083,248	9,809,710	6,726,462	-	64,929,021
2045	4,593,122	(458,207)	(1,053,127)	3,081,789	9,809,710	6,727,921	-	71,656,942
2046	4,593,122	(458,207)	(1,058,701)	3,076,215	9,809,710	6,733,495	-	78,390,437
2047	4,593,122	(458,207)	(1,064,373)	3,070,543	9,809,710	6,739,167	-	85,129,605
2048	4,593,122	(458,207)	(1,074,236)	3,060,680	9,809,710	6,749,030	-	91,878,635
2049	4,593,122	(458,207)	(1,076,017)	3,058,898	9,809,710	6,750,812	-	98,629,447
2050	4,593,122	(458,207)	(1,081,993)	3,052,922	9,809,710	6,756,788	-	105,386,235
							1,347,812	

¹Includes Existing and Proposed Debt Service, CIP Pay-Go Capital and Event Center NMTC Lease Payments

²Includes General Fund Fixed Debt Service and Pay-Go Capital Budget, BAB Subsidies, Occupancy Tax Revenue, DCBG Grant Revenue, and 7 cent dedicated tax rate

Debt Affordability Summary – Parking Concept 2

Existing and Proposed City Obligations



A	B	C	D	E	F	G	H	I
Year	Existing and Proposed Obligations ¹	Event Center Deficit (Surplus)	Downtown Development Deficit (Surplus)	Total Obligations	Dedicated Revenues ²	Annual Surplus (Deficit)	Additional Revenues / Reserves Required	Cumulative Surplus (Deficit)
2019	\$ 8,968,060	\$ 872,163	\$ -	\$ 9,840,223	\$ 9,915,704	\$ 75,481	\$ -	\$ 75,481
2020	9,004,095	682,815	221,677	9,908,587	9,911,721	3,133	-	78,615
2021	9,145,785	264,778	931,388	10,341,951	9,907,987	(433,963)	355,349	-
2022	9,122,347	(60,795)	676,674	9,738,226	9,905,392	167,166	-	167,166
2023	9,090,269	(359,017)	641,739	9,372,991	9,902,651	529,660	-	696,826
2024	9,086,012	(376,968)	613,581	9,322,625	9,899,838	577,213	-	1,274,040
2025	8,823,968	(395,816)	601,420	9,029,572	9,896,953	867,381	-	2,141,421
2026	8,575,301	(415,607)	587,304	8,746,998	9,893,995	1,146,997	-	3,288,417
2027	8,550,482	(436,388)	574,307	8,688,402	9,890,972	1,202,570	-	4,490,987
2028	8,530,805	(458,207)	559,235	8,631,833	9,887,894	1,256,061	-	5,747,048
2029	7,855,805	(458,207)	524,369	7,921,967	9,906,776	1,984,809	-	7,731,858
2030	7,660,922	(458,207)	486,175	7,688,890	9,809,710	2,120,820	-	9,852,678
2031	7,659,672	(458,207)	447,906	7,649,371	9,809,710	2,160,339	-	12,013,016
2032	7,662,072	(458,207)	406,253	7,610,118	9,809,710	2,199,592	-	14,212,608
2033	7,657,972	(458,207)	371,138	7,570,904	9,809,710	2,238,806	-	16,451,414
2034	7,657,172	(458,207)	332,638	7,531,603	9,809,710	2,278,107	-	18,729,521
2035	7,662,172	(458,207)	294,057	7,498,022	9,809,710	2,311,688	-	21,041,209
2036	7,661,897	(458,207)	252,028	7,455,719	9,809,710	2,353,991	-	23,395,200
2037	4,593,122	(458,207)	216,650	4,351,565	9,809,710	5,458,145	-	28,853,345
2038	4,593,122	(458,207)	177,820	4,312,736	9,809,710	5,496,974	-	34,350,320
2039	4,593,122	(458,207)	138,906	4,273,821	9,809,710	5,535,889	-	39,886,208
2040	4,593,122	(458,207)	96,475	4,231,390	9,809,710	5,578,320	-	45,464,528
2041	4,593,122	(458,207)	(841,686)	3,293,229	9,809,710	6,516,481	-	51,981,009
2042	4,593,122	(458,207)	(846,884)	3,288,031	9,809,710	6,521,679	-	58,502,688
2043	4,593,122	(458,207)	(852,174)	3,282,741	9,809,710	6,526,969	-	65,029,657
2044	4,593,122	(458,207)	(861,054)	3,273,861	9,809,710	6,535,849	-	71,565,505
2045	4,593,122	(458,207)	(863,035)	3,271,881	9,809,710	6,537,829	-	78,103,335
2046	4,593,122	(458,207)	(868,609)	3,266,307	9,809,710	6,543,403	-	84,646,738
2047	4,593,122	(458,207)	(874,281)	3,260,635	9,809,710	6,549,075	-	91,195,813
2048	4,593,122	(458,207)	(883,623)	3,251,292	9,809,710	6,558,418	-	97,754,231
2049	4,593,122	(458,207)	(885,925)	3,248,990	9,809,710	6,560,720	-	104,314,951
2050	4,593,122	(458,207)	(891,901)	3,243,014	9,809,710	6,566,696	-	110,881,646
							355,349	

¹Includes Existing and Proposed Debt Service, CIP Pay-Go Capital and Event Center NMTC Lease Payments

²Includes General Fund Fixed Debt Service and Pay-Go Capital Budget, BAB Subsidies, Occupancy Tax Revenue, DCBG Grant Revenue, and 7 cent dedicated tax rate

Appendix A

Parking Concept 1: 2 Garages, 840 spaces

Pro Forma Financial Model

Downtown Development Project Assumptions – Parking Concept 1

- The City has been working with project consultants and Hunt Services Inc. (as developer) on a potential Downtown Development Project that consists of the components shown below.
 - **Parking Garages**
 - The two Parking Garages will support increased density created by the Event Center, hotel, residential, and retail activity in the downtown area.
 - The total number of parking spaces for the two parking garages is 840 spaces and is anticipated to cost \$26.4 million (including \$1 million for land). The Garages are anticipated to be open for operations beginning July 2020.
 - **Hotel**
 - 107 Key, \$15.13 million Dual Brand Marriott Fairfield Inn and Springhill Suites.
 - **Residential Development**
 - The initial phase of downtown housing is anticipated to be 60 condo/apartment units, which is likely to consist of a variation of two-bedroom options.
 - The Residential Development is estimated to be valued at approximately \$5.13 million (60 units at \$90 per sf and 950 sf per unit).
 - **Retail Development**
 - 20,000 SF of retail space, in which the project Sponsor will work to make this space more accessible for small and emerging business enterprises so that they can have a presence in a revitalized downtown Rocky Mount.
 - The Commercial Development investment is estimated to be valued at approximately \$1.5 million (20,000 sf at \$75 per sf)
- Working with City Staff, Hunt Services Inc., and BWC Consulting, Davenport has reviewed the existing financials models and developed a pro forma financial model for the Downtown Development Project.
- Davenport has also revisited the City’s long term Capital Planning Model and incorporated the results of the Downtown Development Project pro forma cash flows to test the impacts on the City’s Debt Profile, Debt Ratios, and Debt Affordability Model.

Pro Forma Financial Model

Key Underlying Assumptions– Parking Concept 1



ROCKY MOUNT, NC
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Assumptions	Values	Source		
1 City Local Tax Revenue Assumptions				
2 Property Tax				
3 Tax Rate	\$0.6850	City		
4 Collection Rate	100.00%	City		
5 Lodging Tax				
6 Edgecombe County Lodging Tax	6.00%	City		
7 City Share	33.33%	City		
8 Hotel and Retail Sales Tax				
9 Edgecombe County Sales & Use Tax	2.25%	City		
10 City Share	18.71%	City		
11				
12 Parking Assumptions				
13 Total Parking Spaces	840	Hunt Services Inc.		
14 City Parking Garage Allocation	700 Spaces	83% Hunt Services Inc.		
15 Occupancy Rate	35% (FY 2021); 40% (Thereafter)	BWC / Hunt Services Inc.		
16 Average Daily Revenue (per slot)	\$10.00	Hunt Services Inc.		
17 Management Fee % (% of Total Gross Parking Garage Revenue)	3.00%	BWC / Hunt Services Inc.		
18 Renewal & Replacement Fee % (% of Total Gross Parking Garage Revenue)	4.00%	Hunt Services Inc.		
19 Initial Insurance Fee	\$10,000	Hunt Services Inc.		
20 Insurance Fee Escalator	2.00%	Hunt Services Inc.		
21 Parking Garage Cost	\$26,400,000	Hunt Services Inc.		
22 Parking Garage AV Appreciation	0.00%	City		
23 Construction Begins / Debt Issued	July 2019	Hunt Services Inc.		
24 Debt Service / Interest Accrual Begins	August 2019	City / Davenport / Bond Counsel		
25 Operations Begin	July 2020	BWC / Hunt Services Inc.		
26 Property Taxes Begin	FY 2022	City / Davenport		
27				
28 Hotel Assumptions				
29 Rooms				
30 Number of Hotel Rooms	107	Hunt Services Inc.		
31 Occupancy Level (%)	68% (FY 2021 - 2022), 72% (FY 2023), 75% (FY 2024 and beyond)	BWC / Hunt Services Inc.		
32 Average Daily Room Rate (\$)	\$119	BWC / Hunt Services Inc.		
33 Annual change (%)	2.00%	BWC / Hunt Services Inc.		
34				
35 Telecommunication				
	Local Calls	Long Distance Calls	0 + Commissions	
36 % using Local Calls	4.00%	10.00%	0.00%	BWC / Hunt Services Inc.
37 Cost per room night	\$0.00	\$2.50	\$0.00	BWC / Hunt Services Inc.
38 Annual change (%)	0.00%	0.00%	0.00%	BWC / Hunt Services Inc.
39				
40 Hotel Cost / AV	\$15,130,000	BWC / Hunt Services Inc.		
41 Hotel AV Appreciation	0.00%	City		
42 Hotel Ground Rent Payment (% of Net Hotel Revenue)	5.00%	Hunt Services Inc.		
43 Operating Costs	Multiple Assumptions	Per Flag Hotel Model		
44 Construction Begins	December 2019	BWC / Hunt Services Inc.		
45 Operations Begin	August 2020	BWC / Hunt Services Inc.		
46 Lodging / Sales Tax Received	September 2020	City / Davenport		
47 Property Taxes Begin	FY 2022	City / Davenport		
48				
49 Retail				
50 Total Retail Square Footage	20,000	BWC / Hunt Services Inc.		
51 Appraised Property Value (PSF)	\$75.00	BWC / Hunt Services Inc.		
52 Annual Gross Sales Receipts (per 5,000 square feet)	\$2,750,000	BWC / Hunt Services Inc.		
53 Inflationary Sales Growth	1.25%	BWC / Hunt Services Inc.		
54 Retail AV Appreciation	0.00%	City		
55 Construction Begins	August 2020	BWC / Hunt Services Inc.		
56 Operations Begin	February 2022	BWC / Hunt Services Inc.		
57 Sales Tax Begins	March 2022	City / Davenport		
58 Property Taxes Begin	FY 2023	City / Davenport		
59				
60 Residential				
61 Total Residential Units	60	BWC / Hunt Services Inc.		
62 Average square footage per unit	950	BWC / Hunt Services Inc.		
63 Appraised Property Value (PSF)	\$90	BWC / Hunt Services Inc.		
64 Residential AV Appreciation	0.00%	City		
65 Construction Begins	August 2020	BWC / Hunt Services Inc.		
66 Construction Complete	December 2020	BWC / Hunt Services Inc.		
67 Property Taxes Begin	FY 2022	City / Davenport		

Pro Forma Financial Model

Parking Garage Revenue Options– Parking Concept 1



- Under the proposed Parking Garage operating methodology, the City would receive revenues equal to the net income of the parking garages.
 - Parking Garage Revenues
 - The City will be allocated 100% of the revenues generated by the parking garages for both City and Hotel customers. The City will not receive revenues for any additional Hotel valet services.
 - Parking Garage Expenses
 - The City will be responsible for Insurance on the parking garages (\$10,000 in 2021 and grown at 2.00% annually), a Management Fee, which is assumed to be 3% of the gross Parking Garage revenue, and a Renewal & Replacement Fee which is assumed to be 4% of the gross Parking Garage revenue.
 - Additionally, Hunt Services Inc. will pay Property Taxes out of the Parking Garage Revenues prior to passing along the Net Revenues of the Garage.
 - SFA Parking Garage Revenue Adjustment
 - As part of the City’s Event Center project, a pro forma was developed that included parking revenue associated with the Event Center. In order to avoid double counting of this parking revenue, the Parking Garage revenue has been reduced by the parking revenue identified in the Event Center pro forma.

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Parking Garage										
2 Revenue Sources										
3 City's Parking Spaces Allocation	\$ -	\$ 894,250	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000
4 Hotel's Parking Spaces Allocation	-	178,850	204,400	204,400	204,960	204,400	204,400	204,400	204,960	204,400
5 Lease Payment	-	-	-	-	-	-	-	-	-	-
6 Total Gross Parking Garage Revenue	\$ -	\$ 1,073,100	\$ 1,226,400	\$ 1,226,400	\$ 1,229,760	\$ 1,226,400	\$ 1,226,400	\$ 1,226,400	\$ 1,229,760	\$ 1,226,400
8 Operating Expenses										
9 Insurance Fee	\$ -	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 11,041	\$ 11,262	\$ 11,487	\$ 11,717
10 Management Fee	-	32,193	36,792	36,792	36,893	36,792	36,792	36,792	36,893	36,792
11 Renewal & Replacement Fee	-	42,924	49,056	49,056	49,190	49,056	49,056	49,056	49,190	49,056
12 Property Taxes	-	-	180,840	180,840	180,840	180,840	180,840	180,840	180,840	180,840
13 Total Operating Expenses	\$ -	\$ 85,117	\$ 276,888	\$ 277,092	\$ 277,535	\$ 277,512	\$ 277,729	\$ 277,950	\$ 278,410	\$ 278,405
15 Parking Revenue Adjustments										
16 Less: SFA Event Center Pro Forma Parking Revenue	(221,677)	(301,769)	(376,475)	(431,599)	(453,179)	(475,838)	(499,630)	(524,611)	(550,842)	(550,842)
17 Total Parking Revenue Adjustments	\$ (221,677)	\$ (301,769)	\$ (376,475)	\$ (431,599)	\$ (453,179)	\$ (475,838)	\$ (499,630)	\$ (524,611)	\$ (550,842)	\$ (550,842)
19 Net Operating Income (Line 6 - 13 + 17)	\$ (221,677)	\$ 686,214	\$ 573,037	\$ 517,709	\$ 499,046	\$ 473,050	\$ 449,041	\$ 423,839	\$ 400,508	\$ 397,153

Downtown Development Project Pro Forma

Assumptions & Summary– Parking Concept 1



ROCKY MOUNT, NC
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A	B	C	D	E	F	G	H	I	J	K	L	M
Dashboard			Summary									
Switches	Approach	City Share / Collection Rate / Adjustment	Year	Parking Garage Net Revenue	Lodging (Occupancy) Tax	Sales Tax	Property Tax	Hotel Ground Rent Payment	Total Revenue	Debt Service	Surplus (Deficit)	Cumulative Surplus (Deficit)
1 Parking			2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Operating Revenue	Net Income	n/a	2020	(221,677)	-	-	-	-	(221,677)	-	(221,677)	(221,677)
3 Reduce Revenue by SFA Pro Forma	Yes	n/a	2021	686,214	52,783	11,110	-	66,980	817,087	2,343,499	(1,526,412)	(1,748,089)
4 Insurance Fee	Yes	n/a	2022	573,037	64,604	29,034	319,621	75,285	1,061,580	2,293,430	(1,231,850)	(2,979,939)
5 Management Fee	Yes	n/a	2023	517,709	69,769	61,572	329,896	83,587	1,062,533	2,243,360	(1,180,828)	(4,160,767)
6 Renewal & Replacement Fee	Yes	n/a	2024	499,046	74,330	63,118	329,896	90,840	1,057,229	2,193,291	(1,136,062)	(5,296,829)
7 First Year of Operations	2021	n/a	2025	473,050	75,606	63,980	329,896	92,356	1,034,887	2,143,221	(1,108,334)	(6,405,163)
8			2026	449,041	77,115	64,898	329,896	94,070	1,015,021	2,093,152	(1,078,131)	(7,483,294)
9 Lodging / Sales Tax			2027	423,839	78,655	65,831	329,896	95,815	994,036	2,043,082	(1,049,047)	(8,532,340)
10 Lodging Tax	Yes	33.33%	2028	400,508	80,445	66,823	329,896	97,974	975,646	1,993,013	(1,017,367)	(9,549,707)
11 Hotel Sales Tax	Yes	18.71%	2029	397,153	81,827	67,738	329,896	99,396	976,010	1,942,943	(966,934)	(10,516,641)
12 Retail Sales Tax	Yes	18.71%	2030	396,919	83,460	68,713	329,896	101,233	980,222	1,892,874	(912,652)	(11,429,293)
13 Revenue Sensitivity	Yes	100.00%	2031	396,680	85,126	69,703	329,896	103,103	984,508	1,842,804	(858,296)	(12,287,589)
14			2032	399,561	87,064	70,758	329,896	105,421	992,700	1,792,735	(800,035)	(13,087,624)
15 Property Tax			2033	396,188	88,560	71,728	329,896	106,940	993,311	1,742,665	(749,354)	(13,836,978)
16 Garage	Yes	100.00%	2034	395,934	90,328	72,764	329,896	108,908	997,830	1,692,596	(694,766)	(14,531,744)
17 Hotel	Yes	100.00%	2035	395,675	92,132	73,816	329,896	110,910	1,002,428	1,642,526	(640,098)	(15,171,842)
18 Retail	Yes	100.00%	2036	398,536	94,229	74,937	329,896	113,397	1,010,995	1,592,457	(581,462)	(15,753,304)
19 Residential	Yes	100.00%	2037	395,142	95,848	75,967	329,896	115,018	1,011,871	1,542,387	(530,516)	(16,283,820)
20			2038	394,868	97,762	77,067	329,896	117,125	1,016,718	1,492,318	(475,600)	(16,759,420)
21 Hotel Ground Rent Payment	Yes	n/a	2039	394,588	99,714	78,184	329,896	119,269	1,021,651	1,442,248	(420,598)	(17,180,018)
22			2040	397,427	101,984	79,377	329,896	121,936	1,030,620	1,392,179	(361,559)	(17,541,577)
23 Financing			2041	394,011	103,737	80,470	329,896	123,665	1,031,778	-	1,031,778	(16,509,799)
24 Financing Option	Lease	n/a	2042	393,713	105,808	81,639	329,896	125,920	1,036,976	-	1,036,976	(15,472,822)
25 Amortization	Level Principal	n/a	2043	393,410	107,922	82,826	329,896	128,212	1,042,266	-	1,042,266	(14,430,556)
26 Years of Principal Amortization	20	n/a	2044	396,226	110,379	84,094	329,896	131,072	1,051,667	-	1,051,667	(13,378,889)
27 Taxable Interest Rate	4.50%	n/a	2045	392,786	112,276	85,254	329,896	132,915	1,053,127	-	1,053,127	(12,325,762)
28 Tax Exempt Interest Rate	3.50%	n/a	2046	392,464	114,518	86,497	329,896	135,326	1,058,701	-	1,058,701	(11,267,062)
			2047	392,136	116,806	87,758	329,896	137,777	1,064,373	-	1,064,373	(10,202,689)
			2048	394,926	119,465	89,108	329,896	140,841	1,074,236	-	1,074,236	(9,128,453)
			2049	391,460	121,519	90,339	329,896	142,803	1,076,017	-	1,076,017	(8,052,436)
			2050	391,112	123,946	91,660	329,896	145,379	1,081,993	-	1,081,993	(6,970,443)

Case 1 – Downtown Development Project Pro Forma

Detailed Summary– Parking Concept 1



ROCKY MOUNT, NC
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Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Parking Garage										
2 Revenue Sources										
3 City's Parking Spaces Allocation	\$ -	\$ 894,250	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000
4 Hotel's Parking Spaces Allocation	-	178,850	204,400	204,400	204,960	204,400	204,400	204,400	204,960	204,400
5 Lease Payment	-	-	-	-	-	-	-	-	-	-
6 Total Gross Parking Garage Revenue	\$ -	\$ 1,073,100	\$ 1,226,400	\$ 1,226,400	\$ 1,229,760	\$ 1,226,400	\$ 1,226,400	\$ 1,226,400	\$ 1,229,760	\$ 1,226,400
7										
8 Operating Expenses										
9 Insurance Fee	\$ -	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 11,041	\$ 11,262	\$ 11,487	\$ 11,717
10 Management Fee	-	32,193	36,792	36,792	36,893	36,792	36,792	36,792	36,893	36,792
11 Renewal & Replacement Fee	-	42,924	49,056	49,056	49,190	49,056	49,056	49,056	49,190	49,056
12 Property Taxes	-	-	180,840	180,840	180,840	180,840	180,840	180,840	180,840	180,840
13 Total Operating Expenses	\$ -	\$ 85,117	\$ 276,888	\$ 277,092	\$ 277,535	\$ 277,512	\$ 277,729	\$ 277,950	\$ 278,410	\$ 278,405
14										
15 Parking Revenue Adjustments										
16 Less: SFA Event Center Pro Forma Parking Revenue	(221,677)	(301,769)	(376,475)	(431,599)	(453,179)	(475,838)	(499,630)	(524,611)	(550,842)	(550,842)
17 Total Parking Revenue Adjustments	\$ (221,677)	\$ (301,769)	\$ (376,475)	\$ (431,599)	\$ (453,179)	\$ (475,838)	\$ (499,630)	\$ (524,611)	\$ (550,842)	\$ (550,842)
18										
19 Net Operating Income (Line 6 - 13 + 17)	\$ (221,677)	\$ 686,214	\$ 573,037	\$ 517,709	\$ 499,046	\$ 473,050	\$ 449,041	\$ 423,839	\$ 400,508	\$ 397,153
20										
21 Local Revenue										
22 Property Tax - Garage	\$ -	\$ -	\$ 180,840	\$ 180,840	\$ 180,840	\$ 180,840	\$ 180,840	\$ 180,840	\$ 180,840	\$ 180,840
23 Hotel Ground Rent Payment	-	66,980	75,285	83,587	90,840	92,356	94,070	95,815	97,974	99,396
24 Property Tax - Hotel	-	-	103,641	103,641	103,641	103,641	103,641	103,641	103,641	103,641
25 Lodging Tax	-	52,783	64,604	69,769	74,330	75,606	77,115	78,655	80,445	81,827
26 Local Sales Tax - Hotel	-	11,110	13,598	14,686	15,645	15,914	16,232	16,556	16,933	17,223
27 Property Tax - Retail	-	-	-	10,275	10,275	10,275	10,275	10,275	10,275	10,275
28 Retail Sales Tax	-	-	15,436	46,886	47,472	48,066	48,666	49,275	49,891	50,514
29 Property Tax - Residential	-	-	35,141	35,141	35,141	35,141	35,141	35,141	35,141	35,141
30 Total Local Revenue (Line 22-29)	\$ -	\$ 130,873	\$ 488,543	\$ 544,824	\$ 558,184	\$ 561,838	\$ 565,980	\$ 570,196	\$ 575,138	\$ 578,856
31										
32 Net Revenue Available for Debt Service (Line 19 + 30)	\$ (221,677)	\$ 817,087	\$ 1,061,580	\$ 1,062,533	\$ 1,057,229	\$ 1,034,887	\$ 1,015,021	\$ 994,036	\$ 975,646	\$ 976,010
33										
34 Financing Lease Payment										
35 Principal	\$ -	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058	\$ 1,365,058
36 Interest	-	978,441	928,372	878,302	828,233	778,163	728,094	678,024	627,955	577,885
37 Total Financing Payment	\$ -	\$ 2,343,499	\$ 2,293,430	\$ 2,243,360	\$ 2,193,291	\$ 2,143,221	\$ 2,093,152	\$ 2,043,082	\$ 1,993,013	\$ 1,942,943
38										
39 Net Benefit (to City) (Line 32 - 37)	\$ (221,677)	\$ (1,526,412)	\$ (1,231,850)	\$ (1,180,828)	\$ (1,136,062)	\$ (1,108,334)	\$ (1,078,131)	\$ (1,049,047)	\$ (1,017,367)	\$ (966,934)
40 Cumulative Net Benefit (to City)	\$ (221,677)	\$ (1,748,089)	\$ (2,979,939)	\$ (4,160,767)	\$ (5,296,829)	\$ (6,405,163)	\$ (7,483,294)	\$ (8,532,340)	\$ (9,549,707)	\$ (10,516,641)

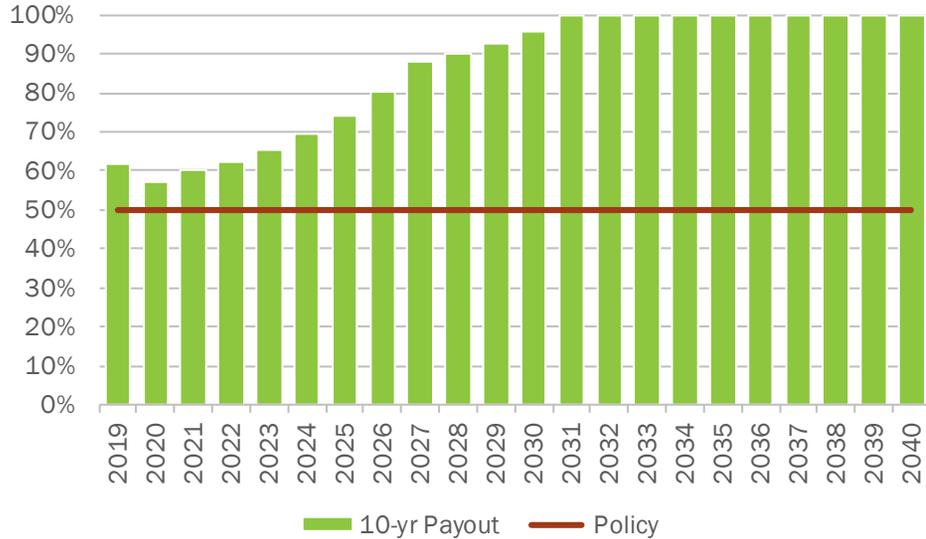
Key Debt Ratios

Existing and Proposed City Debt– Parking Concept 1

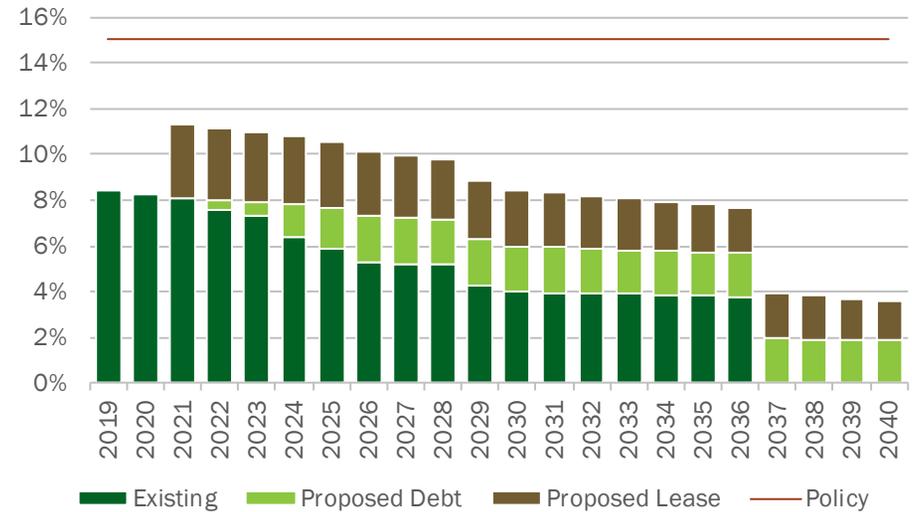


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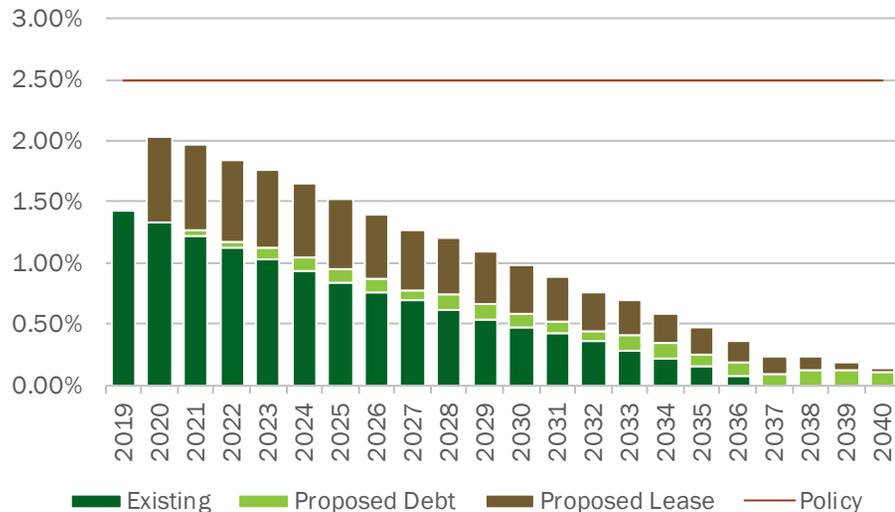
10-year Payout Ratio (Existing and Proposed)



Debt Service to Expenditures



Debt to Assessed Value



Debt Policies

- The City has a Policy establishing a minimum 10 Year Payout Ratio of 50%.
- The City has a Policy establishing a maximum Debt to Assessed Value of 2.50%.
- The City has a Policy establishing a maximum Debt Service to Expenditures of 15.00%.

Appendix B

Parking Concept 2: 1 Garage, 700 spaces

Pro Forma Financial Model

Downtown Development Project Assumptions – Parking Concept 2

- The City has been working with project consultants and Hunt Services Inc. (as developer) on a potential Downtown Development Project that consists of the components shown below.
 - **Parking Garage**
 - The Parking Garage will support increased density created by the Event Center, hotel, residential, and retail activity in the downtown area.
 - The total number of parking spaces for the one parking garage is 700 spaces and is anticipated to cost \$17.75 million (including \$600,000 for land). The Garage is anticipated to be open for operations beginning July 2020.
 - **Hotel**
 - 107 Key, \$15.13 million Dual Brand Marriott Fairfield Inn and Springhill Suites.
 - **Residential Development**
 - The initial phase of downtown housing is anticipated to be 60 condo/apartment units, which is likely to consist of a variation of two-bedroom options.
 - The Residential Development is estimated to be valued at approximately \$5.13 million (60 units at \$90 per sf and 950 sf per unit).
 - **Retail Development**
 - 20,000 SF of retail space, in which the project Sponsor will work to make this space more accessible for small and emerging business enterprises so that they can have a presence in a revitalized downtown Rocky Mount.
 - The Commercial Development investment is estimated to be valued at approximately \$1.5 million (20,000 sf at \$75 per sf)
- Working with City Staff, Hunt Services Inc., and BWC Consulting, Davenport has reviewed the existing financials models and developed a pro forma financial model for the Downtown Development Project.
- Davenport has also revisited the City’s long term Capital Planning Model and incorporated the results of the Downtown Development Project pro forma cash flows to test the impacts on the City’s Debt Profile, Debt Ratios, and Debt Affordability Model.

Pro Forma Financial Model

Key Underlying Assumptions – Parking Concept 2



ROCKY MOUNT, NC
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Assumptions	Values	Source	
1 City Local Tax Revenue Assumptions			
2 Property Tax			
3 Tax Rate	\$0.6850	City	
4 Collection Rate	100.00%	City	
5 Lodging Tax			
6 Edgecombe County Lodging Tax	6.00%	City	
7 City Share	33.33%	City	
8 Hotel and Retail Sales Tax			
9 Edgecombe County Sales & Use Tax	2.25%	City	
10 City Share	18.71%	City	
11			
12 Parking Assumptions			
13 Total Parking Spaces	700	Hunt Services Inc.	
14 City Parking Garage Allocation	560 spaces	80% Hunt Services Inc.	
15 Occupancy Rate	35% (FY 2021); 40% (Thereafter)	BWC / Hunt Services Inc.	
16 Average Daily Revenue (per slot)	\$10.00	Hunt Services Inc.	
17 Management Fee % (% of Total Gross Parking Garage Revenue)	3.00%	BWC / Hunt Services Inc.	
18 Renewal & Replacement Fee % (% of Total Gross Parking Garage Revenue)	4.00%	Hunt Services Inc.	
19 Initial Insurance Fee	\$10,000	Hunt Services Inc.	
20 Insurance Fee Escalator	2.00%	Hunt Services Inc.	
21 Parking Garage Cost	\$17,750,000	Hunt Services Inc.	
22 Parking Garage AV Appreciation	0.00%	City	
23 Construction Begins / Debt Issued	July 2019	Hunt Services Inc.	
24 Debt Service / Interest Accrual Begins	August 2019	City / Davenport / Bond Counsel	
25 Operations Begin	July 2020	BWC / Hunt Services Inc.	
26 Property Taxes Begin	FY 2022	City / Davenport	
27			
28 Hotel Assumptions			
29 Rooms			
30 Number of Hotel Rooms	107	Hunt Services Inc.	
31 Occupancy Level (%)	68% (FY 2021 - 2022), 72% (FY 2023), 75% (FY 2024 and beyond)	BWC / Hunt Services Inc.	
32 Average Daily Room Rate (\$)	\$119	BWC / Hunt Services Inc.	
33 Annual change (%)	2.00%	BWC / Hunt Services Inc.	
34			
35 Telecommunication			
	Local Calls	Long Distance Calls	0 + Commissions
36 % using Local Calls	4.00%	10.00%	0.00%
37 Cost per room night	\$0.00	\$2.50	\$0.00
38 Annual change (%)	0.00%	0.00%	0.00%
39			
40 Hotel Cost / AV	\$15,130,000	BWC / Hunt Services Inc.	
41 Hotel AV Appreciation	0.00%	City	
42 Hotel Ground Rent Payment (% of Net Hotel Revenue)	5.00%	Hunt Services Inc.	
43 Operating Costs	Multiple Assumptions	Per Flag Hotel Model	
44 Construction Begins	December 2019	BWC / Hunt Services Inc.	
45 Operations Begin	August 2020	BWC / Hunt Services Inc.	
46 Lodging / Sales Tax Received	September 2020	City / Davenport	
47 Property Taxes Begin	FY 2022	City / Davenport	
48			
49 Retail			
50 Total Retail Square Footage	20,000	BWC / Hunt Services Inc.	
51 Appraised Property Value (PSF)	\$75.00	BWC / Hunt Services Inc.	
52 Annual Gross Sales Receipts (per 5,000 square feet)	\$2,750,000	BWC / Hunt Services Inc.	
53 Inflationary Sales Growth	1.25%	BWC / Hunt Services Inc.	
54 Retail AV Appreciation	0.00%	City	
55 Construction Begins	August 2020	BWC / Hunt Services Inc.	
56 Operations Begin	February 2022	BWC / Hunt Services Inc.	
57 Sales Tax Begins	March 2022	City / Davenport	
58 Property Taxes Begin	FY 2023	City / Davenport	
59			
60 Residential			
61 Total Residential Units	60	BWC / Hunt Services Inc.	
62 Average square footage per unit	950	BWC / Hunt Services Inc.	
63 Appraised Property Value (PSF)	\$90	BWC / Hunt Services Inc.	
64 Residential AV Appreciation	0.00%	City	
65 Construction Begins	August 2020	BWC / Hunt Services Inc.	
66 Construction Complete	December 2020	BWC / Hunt Services Inc.	
67 Property Taxes Begin	FY 2022	City / Davenport	

Pro Forma Financial Model

Parking Garage Financing Structure and Assumed Lease Payments – Parking Concept 2



- The following Parking Garage financing structure has been developed based upon conversations with the financing team and Hunt Services Inc.
 - Hunt Services Inc. would finance and own the parking garage during the initial lease term.
 - The City would lease the garage from Hunt Services for an agreed upon term.
 - The City’s lease payments would be calculated based upon what the City’s cost of borrowing for the Parking Garage would have been at the time that the debt was incurred.
 - Lease payments from the City to Hunt Services Inc. are assumed to be paid on a monthly basis.
 - At the end of the initial lease term, the City would take ownership of the Parking Garage.

A	B			C			D			E			F			G			H			I			J		
	Component 1: Taxable Interest Rate						Component 2: Tax Exempt Interest Rate						Total: Component 1 + Component 2														
Term	20 Years						20 Years																				
Interest Rate	4.50%						3.50%																				
Interest Deferral	1 year						1 year																				
Amortization	Level Principal						Level Principal																				
Fiscal Year	Taxable			Tax Exempt			Total			Total			Total			Total											
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total									
2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -									
2021	184,961	162,650	347,611	733,114	501,420	1,234,534	918,075	664,069	1,582,144																		
2022	184,961	154,327	339,287	733,114	475,761	1,208,875	918,075	630,087	1,548,162																		
2023	184,961	146,003	330,964	733,114	450,102	1,183,216	918,075	596,105	1,514,180																		
2024	184,961	137,680	322,641	733,114	424,443	1,157,557	918,075	562,123	1,480,198																		
2025	184,961	129,357	314,318	733,114	398,784	1,131,898	918,075	528,141	1,446,216																		
2026	184,961	121,034	305,994	733,114	373,125	1,106,239	918,075	494,158	1,412,233																		
2027	184,961	112,710	297,671	733,114	347,466	1,080,580	918,075	460,176	1,378,251																		
2028	184,961	104,387	289,348	733,114	321,807	1,054,921	918,075	426,194	1,344,269																		
2029	184,961	96,064	281,025	733,114	296,148	1,029,262	918,075	392,212	1,310,287																		
2030	184,961	87,741	272,701	733,114	270,489	1,003,603	918,075	358,229	1,276,304																		
2031	184,961	79,418	264,378	733,114	244,830	977,944	918,075	324,247	1,242,322																		
2032	184,961	71,094	256,055	733,114	219,171	952,285	918,075	290,265	1,208,340																		
2033	184,961	62,771	247,732	733,114	193,512	926,626	918,075	256,283	1,174,358																		
2034	184,961	54,448	239,409	733,114	167,853	900,967	918,075	222,300	1,140,375																		
2035	184,961	46,125	231,085	733,114	142,194	875,308	918,075	188,318	1,106,393																		
2036	184,961	37,801	222,762	733,114	116,535	849,649	918,075	154,336	1,072,411																		
2037	184,961	29,478	214,439	733,114	90,876	823,990	918,075	120,354	1,038,429																		
2038	184,961	21,155	206,116	733,114	65,217	798,331	918,075	86,372	1,004,447																		
2039	184,961	12,832	197,792	733,114	39,558	772,672	918,075	52,389	970,464																		
2040	184,961	4,508	189,469	733,114	13,899	747,013	918,075	18,407	936,482																		
Total	\$ 3,699,214	\$ 1,671,582	\$ 5,370,797	\$ 14,662,286	\$ 5,153,183	\$ 19,815,468	\$ 18,361,500	\$ 6,824,765	\$ 25,186,265																		

Note: Preliminary and subject to change.

Note: Subject to review and discussion with LGC Staff.

Note: The allocation between tax exempt and taxable borrowing coincides with the allocation of parking spaces between City and Hotel use.

Note: Assumes Interest during construction would accrue and be added to the principal balance to be amortized when payments begin.

Pro Forma Financial Model

Parking Garage Revenue Options – Parking Concept 2



- Under the proposed Parking Garage operating methodology, the City would receive revenues equal to the net income of the Parking Garage.
 - Parking Garage Revenues
 - The City will be allocated 100% of the revenues generated by the Parking Garage for both City and Hotel customers. The City will not receive revenues for any additional Hotel valet services.
 - Parking Garage Expenses
 - The City will be responsible for Insurance on the Parking Garage (\$10,000 in 2021 and grown at 2.00% annually), a Management Fee, which is assumed to be 3% of the gross Parking Garage revenue, and a Renewal & Replacement Fee which is assumed to be 4% of the gross Parking Garage revenue.
 - Additionally, Hunt Services Inc. will pay Property Taxes out of the Parking Garage Revenues prior to passing along the Net Revenues of the Garage.
 - SFA Parking Garage Revenue Adjustment
 - As part of the City’s Event Center project, a pro forma was developed that included parking revenue associated with the Event Center. In order to avoid double counting of this parking revenue, the Parking Garage revenue has been reduced by the parking revenue identified in the Event Center pro forma.

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Parking Garage										
2 Revenue Sources										
3 City's Parking Spaces Allocation	\$ -	\$ 715,400	\$ 817,600	\$ 817,600	\$ 819,840	\$ 817,600	\$ 817,600	\$ 817,600	\$ 819,840	\$ 817,600
4 Hotel's Parking Spaces Allocation	-	178,850	204,400	204,400	204,960	204,400	204,400	204,400	204,960	204,400
5 Lease Payment	-	-	-	-	-	-	-	-	-	-
6 Total Gross Parking Garage Revenue	\$ -	\$ 894,250	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000
8 Operating Expenses										
9 Insurance Fee	\$ -	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 11,041	\$ 11,262	\$ 11,487	\$ 11,717
10 Management Fee	-	26,828	30,660	30,660	30,744	30,660	30,660	30,660	30,744	30,660
11 Renewal & Replacement Fee	-	35,770	40,880	40,880	40,992	40,880	40,880	40,880	40,992	40,880
12 Property Taxes	-	-	121,588	121,588	121,588	121,588	121,588	121,588	121,588	121,588
13 Total Operating Expenses	\$ -	\$ 72,598	\$ 203,328	\$ 203,532	\$ 203,936	\$ 203,952	\$ 204,168	\$ 204,389	\$ 204,810	\$ 204,844
15 Parking Revenue Adjustments										
16 Less: SFA Event Center Pro Forma Parking Revenue	(221,677)	(301,769)	(376,475)	(431,599)	(453,179)	(475,838)	(499,630)	(524,611)	(550,842)	(550,842)
17 Total Parking Revenue Adjustments	\$ (221,677)	\$ (301,769)	\$ (376,475)	\$ (431,599)	\$ (453,179)	\$ (475,838)	\$ (499,630)	\$ (524,611)	\$ (550,842)	\$ (550,842)
19 Net Operating Income (Line 6 - 13 + 17)	\$ (221,677)	\$ 519,884	\$ 442,198	\$ 386,870	\$ 367,685	\$ 342,210	\$ 318,202	\$ 293,000	\$ 269,148	\$ 266,314

Downtown Development Project Pro Forma

Assumptions & Summary – Parking Concept 2



ROCKY MOUNT, NC
THE CENTER OF IT ALL

A	B	C	D	E	F	G	H	I	J	K	L	M
Dashboard			Summary									
Switches	Approach	City Share / Collection Rate / Adjustment	Year	Parking Garage Net Revenue	Lodging (Occupancy) Tax	Sales Tax	Property Tax	Hotel Ground Rent Payment	Total Revenue	Debt Service	Surplus (Deficit)	Cumulative Surplus (Deficit)
1 Parking			2019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Operating Revenue	Net Income	n/a	2020	(221,677)	-	-	-	-	(221,677)	-	(221,677)	(221,677)
3 Reduce Revenue by SFA Pro Forma	Yes	n/a	2021	519,884	52,783	11,110	-	66,980	650,757	1,582,144	(931,388)	(1,153,065)
4 Insurance Fee	Yes	n/a	2022	442,198	64,604	29,034	260,369	75,285	871,488	1,548,162	(676,674)	(1,829,739)
5 Management Fee	Yes	n/a	2023	386,870	69,769	61,572	270,644	83,587	872,441	1,514,180	(641,739)	(2,471,479)
6 Renewal & Replacement Fee	Yes	n/a	2024	367,685	74,330	63,118	270,644	90,840	866,616	1,480,198	(613,581)	(3,085,060)
7 First Year of Operations	2021	n/a	2025	342,210	75,606	63,980	270,644	92,356	844,795	1,446,216	(601,420)	(3,686,480)
8			2026	318,202	77,115	64,898	270,644	94,070	824,929	1,412,233	(587,304)	(4,273,784)
9 Lodging / Sales Tax			2027	293,000	78,655	65,831	270,644	95,815	803,944	1,378,251	(574,307)	(4,848,091)
10 Lodging Tax	Yes	33.33%	2028	269,148	80,445	66,823	270,644	97,974	785,033	1,344,269	(559,235)	(5,407,327)
11 Hotel Sales Tax	Yes	18.71%	2029	266,314	81,827	67,738	270,644	99,396	785,918	1,310,287	(524,369)	(5,931,696)
12 Retail Sales Tax	Yes	18.71%	2030	266,080	83,460	68,713	270,644	101,233	790,130	1,276,304	(486,175)	(6,417,870)
13 Revenue Sensitivity	Yes	100.00%	2031	265,841	85,126	69,703	270,644	103,103	794,416	1,242,322	(447,906)	(6,865,776)
14			2032	268,201	87,064	70,758	270,644	105,421	802,087	1,208,340	(406,253)	(7,272,029)
15 Property Tax			2033	265,348	88,560	71,728	270,644	106,940	803,219	1,174,358	(371,138)	(7,643,167)
16 Garage	Yes	100.00%	2034	265,094	90,328	72,764	270,644	108,908	807,738	1,140,375	(332,638)	(7,975,805)
17 Hotel	Yes	100.00%	2035	264,836	92,132	73,816	270,644	110,910	812,336	1,106,393	(294,057)	(8,269,862)
18 Retail	Yes	100.00%	2036	267,176	94,229	74,937	270,644	113,397	820,383	1,072,411	(252,028)	(8,521,890)
19 Residential	Yes	100.00%	2037	264,303	95,848	75,967	270,644	115,018	821,779	1,038,429	(216,650)	(8,738,540)
20			2038	264,028	97,762	77,067	270,644	117,125	826,626	1,004,447	(177,820)	(8,916,360)
21 Hotel Ground Rent Payment	Yes	n/a	2039	263,748	99,714	78,184	270,644	119,269	831,559	970,464	(138,906)	(9,055,266)
22			2040	266,066	101,984	79,377	270,644	121,936	840,007	936,482	(96,475)	(9,151,741)
23 Financing			2041	263,171	103,737	80,470	270,644	123,665	841,686	-	841,686	(8,310,055)
24 Financing Option	Lease	n/a	2042	262,874	105,808	81,639	270,644	125,920	846,884	-	846,884	(7,463,170)
25 Amortization	Level Principal	n/a	2043	262,571	107,922	82,826	270,644	128,212	852,174	-	852,174	(6,610,996)
26 Years of Principal Amortization	20	n/a	2044	264,866	110,379	84,094	270,644	131,072	861,054	-	861,054	(5,749,942)
27 Taxable Interest Rate	4.50%	n/a	2045	261,946	112,276	85,254	270,644	132,915	863,035	-	863,035	(4,886,907)
28 Tax Exempt Interest Rate	3.50%	n/a	2046	261,624	114,518	86,497	270,644	135,326	868,609	-	868,609	(4,018,298)
			2047	261,296	116,806	87,758	270,644	137,777	874,281	-	874,281	(3,144,018)
			2048	263,566	119,465	89,108	270,644	140,841	883,623	-	883,623	(2,260,395)
			2049	260,620	121,519	90,339	270,644	142,803	885,925	-	885,925	(1,374,469)
			2050	260,272	123,946	91,660	270,644	145,379	891,901	-	891,901	(482,568)

Case 1 – Downtown Development Project Pro Forma

Detailed Summary – Parking Concept 2



ROCKY MOUNT, NC
THE CENTER OF IT ALL

Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1 Parking Garage										
2 Revenue Sources										
3 City's Parking Spaces Allocation	\$ -	\$ 715,400	\$ 817,600	\$ 817,600	\$ 819,840	\$ 817,600	\$ 817,600	\$ 817,600	\$ 819,840	\$ 817,600
4 Hotel's Parking Spaces Allocation	-	178,850	204,400	204,400	204,960	204,400	204,400	204,400	204,960	204,400
5 Lease Payment	-	-	-	-	-	-	-	-	-	-
6 Total Gross Parking Garage Revenue	\$ -	\$ 894,250	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000	\$ 1,022,000	\$ 1,022,000	\$ 1,024,800	\$ 1,022,000
7										
8 Operating Expenses										
9 Insurance Fee	\$ -	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612	\$ 10,824	\$ 11,041	\$ 11,262	\$ 11,487	\$ 11,717
10 Management Fee	-	26,828	30,660	30,660	30,744	30,660	30,660	30,660	30,744	30,660
11 Renewal & Replacement Fee	-	35,770	40,880	40,880	40,992	40,880	40,880	40,880	40,992	40,880
12 Property Taxes	-	-	121,588	121,588	121,588	121,588	121,588	121,588	121,588	121,588
13 Total Operating Expenses	\$ -	\$ 72,598	\$ 203,328	\$ 203,532	\$ 203,936	\$ 203,952	\$ 204,168	\$ 204,389	\$ 204,810	\$ 204,844
14										
15 Parking Revenue Adjustments										
16 Less: SFA Event Center Pro Forma Parking Revenue	(221,677)	(301,769)	(376,475)	(431,599)	(453,179)	(475,838)	(499,630)	(524,611)	(550,842)	(550,842)
17 Total Parking Revenue Adjustments	\$ (221,677)	\$ (301,769)	\$ (376,475)	\$ (431,599)	\$ (453,179)	\$ (475,838)	\$ (499,630)	\$ (524,611)	\$ (550,842)	\$ (550,842)
18										
19 Net Operating Income (Line 6 - 13 + 17)	\$ (221,677)	\$ 519,884	\$ 442,198	\$ 386,870	\$ 367,685	\$ 342,210	\$ 318,202	\$ 293,000	\$ 269,148	\$ 266,314
20										
21 Local Revenue										
22 Property Tax - Garage	\$ -	\$ -	\$ 121,588	\$ 121,588	\$ 121,588	\$ 121,588	\$ 121,588	\$ 121,588	\$ 121,588	\$ 121,588
23 Hotel Ground Rent Payment	-	66,980	75,285	83,587	90,840	92,356	94,070	95,815	97,974	99,396
24 Property Tax - Hotel	-	-	103,641	103,641	103,641	103,641	103,641	103,641	103,641	103,641
25 Lodging Tax	-	52,783	64,604	69,769	74,330	75,606	77,115	78,655	80,445	81,827
26 Local Sales Tax - Hotel	-	11,110	13,598	14,686	15,645	15,914	16,232	16,556	16,933	17,223
27 Property Tax - Retail	-	-	-	10,275	10,275	10,275	10,275	10,275	10,275	10,275
28 Retail Sales Tax	-	-	15,436	46,886	47,472	48,066	48,666	49,275	49,891	50,514
29 Property Tax - Residential	-	-	35,141	35,141	35,141	35,141	35,141	35,141	35,141	35,141
30 Total Local Revenue (Line 22-29)	\$ -	\$ 130,873	\$ 429,291	\$ 485,571	\$ 498,931	\$ 502,585	\$ 506,727	\$ 510,944	\$ 515,886	\$ 519,604
31										
32 Net Revenue Available for Debt Service (Line 19 + 30)	\$ (221,677)	\$ 650,757	\$ 871,488	\$ 872,441	\$ 866,616	\$ 844,795	\$ 824,929	\$ 803,944	\$ 785,033	\$ 785,918
33										
34 Financing Lease Payment										
35 Principal	\$ -	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075	\$ 918,075
36 Interest	-	664,069	630,087	596,105	562,123	528,141	494,158	460,176	426,194	392,212
37 Total Financing Payment	\$ -	\$ 1,582,144	\$ 1,548,162	\$ 1,514,180	\$ 1,480,198	\$ 1,446,216	\$ 1,412,233	\$ 1,378,251	\$ 1,344,269	\$ 1,310,287
38										
39 Net Benefit (to City) (Line 32 - 37)	\$ (221,677)	\$ (931,388)	\$ (676,674)	\$ (641,739)	\$ (613,581)	\$ (601,420)	\$ (587,304)	\$ (574,307)	\$ (559,235)	\$ (524,369)
40 Cumulative Net Benefit (to City)	\$ (221,677)	\$ (1,153,065)	\$ (1,829,739)	\$ (2,471,479)	\$ (3,085,060)	\$ (3,686,480)	\$ (4,273,784)	\$ (4,848,091)	\$ (5,407,327)	\$ (5,931,696)

Debt Affordability Analysis

Existing and Proposed City Debt – Parking Concept 2



ROCKY MOUNT, NC
THE CENTER OF IT ALL

FY	Debt Service Requirements										Revenue Available for DS										Debt Service Cash Flow Surplus (Deficit)						
	Existing Long-Term Installments	Existing Other Long-Term Debt	Existing Equip./Const. Installments ¹	Future Equip./Const. Installments ²	Rocky Mount Event Center Debt Service ³	Net New Market Tax Credit Lease and Fee Payments ⁴	Rocky Mount Operating Center Operating Loss (Surplus) ⁵	Downtown Development Project Debt Service	Downtown Development Project Operating Impact	CIP Pay-Go Cash	CIP Debt Service	Total Debt Service Requirements	General Fund Budgeted Debt Service ⁶	BAB Subsidy ⁷	Community Dev. Block Grant	CIP Pay-Go Cash	Occupancy Tax	Revenue from 2504 Tax Increase (FY 2016)	Revenue from 2004 Tax Increase (FY 2018)	Revenue from 2504 Tax Increase (FY 2019)	City Reserves/Other Resources	Total Revenues Available	Surplus/(Deficit)	Revenue From Prior Tax Impact	Capital Reserve Utilized	Adjusted Surplus/(Deficit)	Estimated Incremental Tax Equivalent
2019	2,093,539	206,089	1,534,740	-	1,924,400	138,293	872,163	-	3,071,000	-	9,840,223	3,807,710	2,950	103,044	3,071,000	600,000	832,500	666,000	832,500	-	9,915,704	75,481	-	-	75,481	-	75,481
2020	1,104,795	201,434	1,349,506	-	3,067,400	209,960	682,815	-	3,071,000	-	9,908,587	3,807,710	1,294	100,717	3,071,000	600,000	832,500	666,000	832,500	-	9,911,721	3,133	-	-	3,133	-	78,615
2021	1,081,948	196,555	1,522,122	-	3,064,200	209,960	264,778	-	3,071,000	-	10,341,951	3,807,710	-	98,277	3,071,000	600,000	832,500	666,000	832,500	355,349	10,263,336	(78,615)	-	(78,615)	-	-	
2022	1,059,101	191,364	1,226,165	295,957	3,068,800	209,960	(60,795)	-	3,071,000	-	9,738,226	3,807,710	-	95,682	3,071,000	600,000	832,500	666,000	832,500	-	9,905,392	167,166	-	-	167,166	-	167,166
2023	1,036,254	185,883	1,102,814	419,308	3,065,050	209,960	(359,017)	-	3,071,000	-	9,372,991	3,807,710	-	92,941	3,071,000	600,000	832,500	666,000	832,500	-	9,902,651	529,660	-	-	529,660	-	696,826
2024	1,013,406	180,257	472,128	1,049,995	3,067,550	231,676	(376,968)	-	3,071,000	-	9,322,623	3,807,710	-	90,128	3,071,000	600,000	832,500	666,000	832,500	-	9,899,838	577,213	-	-	577,213	-	1,274,039
2025	990,559	174,486	177,881	1,344,241	3,065,800	-	(395,816)	-	3,071,000	-	9,029,573	3,807,710	-	87,243	3,071,000	600,000	832,500	666,000	832,500	-	9,896,953	867,381	-	-	867,381	-	2,141,421
2026	748,809	168,570	2,335	1,519,788	3,064,800	-	(415,607)	-	3,071,000	-	8,746,998	3,807,710	-	84,285	3,071,000	600,000	832,500	666,000	832,500	-	9,893,995	1,146,997	-	-	1,146,997	-	3,288,417
2027	730,537	162,523	-	1,522,122	3,064,300	-	(436,388)	-	3,071,000	-	8,688,402	3,807,710	-	81,262	3,071,000	600,000	832,500	666,000	832,500	-	9,890,972	1,202,570	-	-	1,202,570	-	4,490,987
2028	712,264	156,368	-	1,522,122	3,069,050	-	(458,207)	-	3,071,000	-	8,631,833	3,807,710	-	78,184	3,071,000	600,000	832,500	666,000	832,500	-	9,887,894	1,256,061	-	-	1,256,061	-	5,747,048
2029	-	194,133	-	1,522,122	3,068,550	-	(458,207)	-	3,071,000	-	7,921,987	3,807,710	-	97,066	3,071,000	600,000	832,500	666,000	832,500	-	9,906,776	1,984,809	-	-	1,984,809	-	7,731,858
2030	-	-	-	1,522,122	3,067,800	-	(458,207)	-	3,071,000	-	7,688,890	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,120,820	-	-	2,120,820	-	9,852,678
2031	-	-	-	1,522,122	3,066,550	-	(458,207)	-	3,071,000	-	7,649,371	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,160,339	-	-	2,160,339	-	12,013,016
2032	-	-	-	1,522,122	3,068,950	-	(458,207)	-	3,071,000	-	7,610,118	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,199,592	-	-	2,199,592	-	14,212,608
2033	-	-	-	1,522,122	3,064,050	-	(458,207)	-	3,071,000	-	7,570,904	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,238,806	-	-	2,238,806	-	16,451,414
2034	-	-	-	1,522,122	3,064,050	-	(458,207)	-	3,071,000	-	7,531,693	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,278,107	-	-	2,278,107	-	18,729,521
2035	-	-	-	1,522,122	3,069,050	-	(458,207)	-	3,071,000	-	7,498,022	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,311,688	-	-	2,311,688	-	21,041,209
2036	-	-	-	1,522,122	3,068,775	-	(458,207)	-	3,071,000	-	7,455,719	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	2,353,991	-	-	2,353,991	-	23,395,200
2037	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	4,351,565	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	5,458,145	-	-	5,458,145	-	28,853,345
2038	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	4,312,736	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	5,496,974	-	-	5,496,974	-	34,350,320
2039	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	4,273,821	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	5,535,889	-	-	5,535,889	-	39,886,208
2040	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	4,231,390	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	5,578,320	-	-	5,578,320	-	45,464,528
2041	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,993,229	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,516,481	-	-	6,516,481	-	51,981,009
2042	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,288,031	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,521,679	-	-	6,521,679	-	58,502,688
2043	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,282,741	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,526,969	-	-	6,526,969	-	65,029,656
2044	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,273,861	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,535,849	-	-	6,535,849	-	71,565,505
2045	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,271,881	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,537,829	-	-	6,537,829	-	78,103,335
2046	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,266,307	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,543,403	-	-	6,543,403	-	84,646,738
2047	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,260,635	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,549,075	-	-	6,549,075	-	91,195,813
2048	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,251,292	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,558,418	-	-	6,558,418	-	97,754,231
2049	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,248,990	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,560,720	-	-	6,560,720	-	104,314,951
2050	-	-	-	1,522,122	-	-	(458,207)	-	3,071,000	-	3,243,014	3,807,710	-	-	3,071,000	600,000	832,500	666,000	832,500	-	9,809,710	6,566,696	-	-	6,566,696	-	110,881,646
Total	10,571,211	2,017,660	7,387,691	41,160,227	54,059,925	1,209,809	(10,763,596)	-	482,568	98,272,000	204,397,496									355,349		Total			(78,615)	Total Tax Effect	0.00%

¹ Includes proposed FY 2020 Equipment and Construction Loans
² Solved to maintain FY 2021 Debt Service level for Equipment / Construction Installments. Future Equipment / Construction Installments assumes 5-Year Level Debt Service at 3.50% (subject to change in market conditions).
³ Final Numbers.
⁴ City Staff.
⁵ Provided by SFA / SFM. FY 2028 Operating Loss (Surplus) assumed to remain constant in future years. Preliminary and subject to change.
⁶ Includes \$3,704,610 of General Fund Budgeted Debt Service and \$103,100 for Debt Service on the Section 108 Loan.
⁷ Reduced by 6.2% due to federal sequestration.

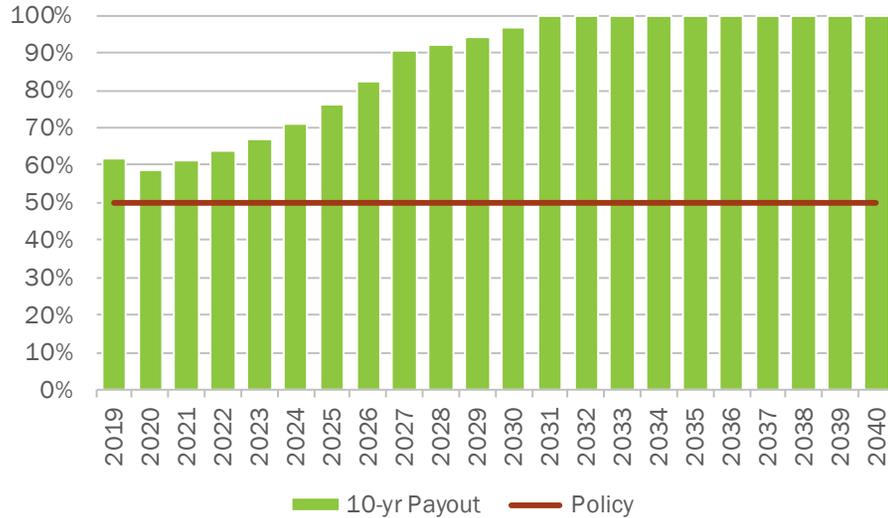
- FY 2019 Value of a Penny: \$333,000
- Assumed Growth Rate: 0.00%

- Alternatively, the City could utilize \$355,349 of reserves or other revenues to avoid the need for a future tax increase.

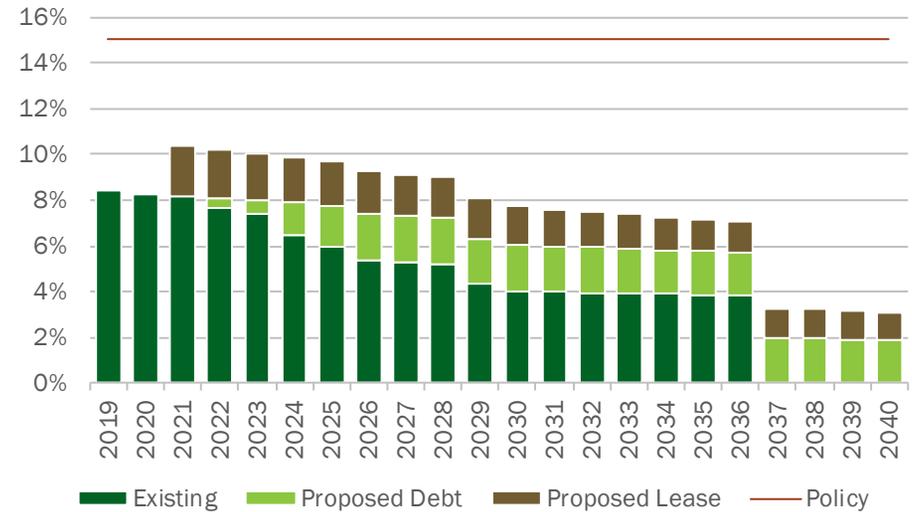
Key Debt Ratios

Existing and Proposed City Debt– Parking Concept 2

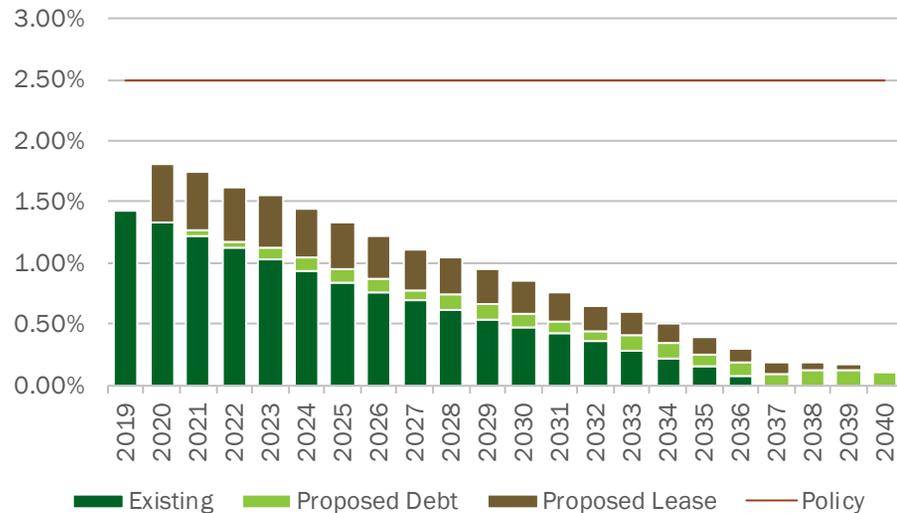
10-year Payout Ratio (Existing and Proposed)



Debt Service to Expenditures



Debt to Assessed Value



Debt Policies

- The City has a Policy establishing a minimum 10 Year Payout Ratio of 50%.
- The City has a Policy establishing a maximum Debt to Assessed Value of 2.50%.
- The City has a Policy establishing a maximum Debt Service to Expenditures of 15.00%.



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