

CHAPTER 2021-16

**No. 237 AN ORDINANCE ESTABLISHING A TAX STABILIZATION
AGREEMENT FOR 49 WESTFIELD, LLC**

Approved June 1, 2021

Be it ordained by the City of Providence:

WHEREAS, 49 Westfield, LLC (“Project Owner”) is the owner of certain real property located in the City at 49 Westfield Street, Assessor’s Plat 30, Lot 355; 42 Warren Street, Assessor’s Plat 30, Lot 334; 44 Warren Street, Assessor’s Plat 30, Lot 339; 45 Warren Street, Assessor’s Plat 30, Lot 307; 50 Warren Street, Assessor’s Plat 30, Lot 338; 212 Harrison Street, Assessor’s Plat 30, Lot 344; 17 Fuller Street, Assessor’s Plat 30, Lot 308; 72 Wilson Street, Assessor’s Plat 30, Lot 284; and 78 Wilson Street, Assessor’s Plat 30, Lot 285; and

WHEREAS, Project Owner has proposed and committed to rehabilitating the existing lots into mixed use buildings consisting of live-work units, artist studios, make space and an indoor food hall; and

WHEREAS, This is Phase I of a two phase Project and a partnership with the City of Providence relative to Phase I will enable the applicant to complete Phase II which is a workforce house development that will increase the availability of quality workforce and affordable housing in the City of Providence; and

WHEREAS, Under Article 13, Section 5 of the Rhode Island Constitution, the General Assembly retains exclusive power over matters relating to municipal taxation. Notwithstanding, and pursuant to Rhode Island General Laws § 44-3-9, the General Assembly has authorized the City of Providence, acting through its City Council and subject to certain enumerated conditions, to exempt or determine a stabilized amount of taxes to be paid on account of real and personal property for a period not to exceed twenty (20) years; and

WHEREAS, Pursuant to the Providence Code of Ordinances, as amended, specifically Chapter 21, Article VIII, Section 21-169, the granting of the tax stabilization will inure to the benefit of the City of Providence and its residents by reason of:

- (A) The willingness of Project Owners to rehabilitate existing historic buildings and return them to useful service featuring commercial and residential uses thereby improving the physical plant of the City, which will result in a long-term economic benefit to the City and State; and
- (B) The willingness of Project Owner to commit by agreement to make a significant investment in the above-referenced property, by rehabilitating these historic buildings into mixed use buildings featuring commercial and residential uses in the heart of downtown Providence. This will enhance the tax base of the surrounding area, and generate significant tax revenues for the City of Providence.

NOW, THEREFORE, In consideration of the mutual agreements and promises set forth herein and other good and lawful consideration the receipt of which is hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS.

“Property” shall mean certain real property together with any and all buildings, structures, and/or improvements now or in the future located in the City at 49 Westfield Street, Assessor’s Plat 30, Lot 355; 42 Warren Street, Assessor’s Plat 30, Lot 334; 44 Warren Street, Assessor’s Plat 30, Lot 339; 45 Warren Street, Assessor’s Plat 30, Lot 307; 50 Warren Street, Assessor’s Plat 30, Lot 338; 212 Harrison Street, Assessor’s Plat 30, Lot 344; 17 Fuller Street, Assessor’s Plat 30, Lot 308; 72 Wilson Street, Assessor’s Plat 30, Lot 284; and 78 Wilson Street, Assessor’s Plat 30, Lot 285

“Property Owner” shall mean the Project Owner or any other respective entities with the legal or equitable right and/or interest in and/or to the Property, including any and all successors and assigns.

SECTION 2. TAX STABILIZATION.

Section 2.1. Grant. The City, in accordance with R.I.G.L. § 44-3-9 and the City of Providence Code of Ordinances, does hereby grant a twelve (12) year tax stabilization in favor of the Property Owner with respect to the Property.

Section 2.2. Term. The tax stabilization term shall be the period commencing on December 31, 2019 and terminating on December 31, 2030. (Tax Years 2020- 2031).

Section 2.3. Plan. During the tax stabilization term as defined in Section 2.2 above, the City has determined the stabilized amount of taxes to be paid by the Property Owner with respect to the Property, notwithstanding the valuation of the Property or the then-current rate of tax as follows: For tax years 2020 through and including tax year 2022, the Property Owner shall make a tax payment equal to the taxes due and owing for the December 31, 2019 assessment value multiplied by the 2020 Tax Year tax rate (hereinafter the “Base Assessment Tax”). For each tax year thereafter, the Property Owner will pay the Base Assessment Tax plus a percentage of the difference between the Base Assessment Tax on the Property and the taxes due and owing on the then-current assessed value of the Property multiplied by the then-current rate. See “Tax Stabilization Plan” incorporated herein as if fully reproduced and attached hereto and as Exhibit A.

Section 2.4. Payment Deadlines. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be made in either a lump sum during the first quarter of the applicable tax year or in equal quarterly installments at the discretion of the Property Owner. If the Property Owner elects to make quarterly installments, each quarterly installment shall be due on the same date that quarterly taxes are due for all other taxpayers in the City of Providence.

Section 2.5. Obligation of Property Owners to Make Payment. During the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above, stabilized tax payments shall be an obligation of the Property Owner. It is understood that the stabilized tax payments made hereunder are deemed by the City to be tax payments, and the Property Owner shall be entitled to all of the rights and privileges of a taxpayer in the City, including, without limitation, the right to challenge and appeal any assessment and/or reassessment.

Section 2.6. Non-Receipt of Stabilized Tax Bill. Failure by the City to send or failure by the Property Owner to receive a stabilized tax bill does not excuse the nonpayment of the stabilized tax nor affect its validity or any action or proceeding for the collection of the tax in accordance with this Agreement or otherwise.

Section 2.7. Recording of Agreement, Running with Land. Upon the execution of this Agreement, the Property Owner shall cause a Notice of this Agreement to be recorded at its expense in the City’s official public land evidence records.

SECTION 3. PERFORMANCE OBLIGATIONS.

Section 3.1. Commencement of Performance.

Rehabilitation and/or construction shall commence within twelve (12) months of the effective date of this Agreement.

Section 3.2. Permits and Certificates of Occupancy.

Property Owners shall obtain all permits and certificates of occupancy as required by state and local law in connection with any and all intended construction or rehabilitation at the Property.

SECTION 4. TRANSFER OF THE PROPERTY.

Section 4.1. Transfer Generally. Stabilized tax payments shall be an obligation of the Property Owner during the tax stabilization term as defined in Section 2.2 above and in accordance with the tax stabilization plan outlined in Section 2.3 above. Additionally, in accordance with Section 2.7, the burdens and benefits of this Agreement will run with the land, and as for payment of taxes shall run in favor of the City regardless of any transfer of ownership. The Property Owner further agree to provide written notice to the City within thirty (30) days of any transfer of title to the real estate.

Section 4.2. Transfer to Tax Exempt Entities. In the event that one of the respective entities comprising the Property Owner transfers one of the lots comprising the Property to a tax exempt entity, this Agreement shall be void ab initio as it pertains to the respective lot being transferred and the owner thereof and any entity holding the legal right or legal interest in the that respective lot at the time of said transfer shall be liable for the full taxes due and owing from the Effective Date of this Agreement and forward.

Section 4.3. Post-Expiration Transfers. In the event that one of the respective entities comprising the Property Owner transfers the Property to a tax exempt entity within five years from the end of the tax stabilization term, as defined in Section 2.2 above, the then respective entity owning the applicable lot at the time of said sale will pay the following: five percent (5%) of the sale price in said transfer if sold to a tax-exempt entity in the first year following the end of the Term; four percent (4%) of the sale price in said transfer if sold to a tax-exempt entity in the second year following the end of the Term; three percent (3%) of the sale price in said transfer if sold to a tax-exempt entity in the third year following the end of the Term; two percent (2%) of the sale price in said transfer if sold to a tax-exempt entity in the fourth year following the end of the Term; and one percent (1%) of the sale price in said transfer if sold to a tax-exempt entity in the fifth year following the end of the Term.

SECTION 5. FURTHER ASSURANCES.

Section 5.1. MBE/WBE. Property Owner shall make a good faith effort to award to Minority Business Enterprises as defined in Rhode Island General Laws, Section 31- 14.1 ("MBE Act") no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with the rules and regulations promulgated pursuant to MBE Act). Property Owners shall make a good faith effort to award to Women Business Enterprises (WBE's) no less than 10% of the dollar value of the construction costs for the Project (as determined in accordance with Section 21-52 of the Code of Ordinances of the City of Providence). Property Owner will request the City MBE/WBE office and its Supplier Diversity Director to establish a list of qualified MBE/WBE companies in order to satisfy its MBE/WBE construction goals. In this manner, the City will assist Property Owner in meeting said goals. The process of participating with the MBE/WBE office and its Supplier Diversity Director shall begin upon passage in order to develop a designated MBE/WBE subcontractor list which will encourage MBE/WBE participation and joint ventures with other members with the construction industry.

Section 5.2. Internal Revenue Service reporting. Except as provided under R.I.G.L. § 28-42-8, any person performing services at the Property shall annually receive either a W-2 statement or an IRS Form 1099.

Section 5.3. First Source. Pursuant to the City of Providence First Source Ordinance, the Project Owner shall enter into a First Source Agreement covering the hiring of employees necessary to complete the proposed Project and throughout the term of this Agreement. Project Owner shall work in conjunction with the Director of First Source Providence to develop the First Source Agreement.

Section 5.4. "Buy Providence" Initiative. Property Owner will use good faith efforts to ensure that construction materials are purchased from economically competitive and qualified vendors located in the City of Providence. In furtherance of this effort, Property Owners will work with the City to develop a list of Providence vendors and subcontractors in order to create a preferred vendor list of qualified and economically competitive vendors for the construction of the Property. In order to further that effort, Property Owner will hold seminars/meetings upon passage of this Ordinance, with the Providence MBE/WBE office, the Supplier Diversity Director, the Director of First Source Providence and the Providence Chamber of Commerce to inform the local economy of the Property Owner's development plans in order to maximize the opportunities for Providence businesses to work with Property Owner in providing on-going services, equipment and materials. To be clear, nothing in the foregoing shall be construed so as to obligate Property Owner to purchase construction materials from any vendor that has not provided the lowest qualified bid in connection with the provision of such materials, as reasonably determined by Property Owner.

Section 5.5. Apprenticeship. The Property Owner shall ensure that one hundred (100) percent of the hours worked on the project shall be performed by trade construction subcontractors who have or are affiliated with an apprenticeship program as defined in 29 C.F.R. § 29 et seq. Up to twenty (20) percent of the hourly requirement may be waived if replaced with hours worked by qualified MBE/WBE companies registered in the State of Rhode Island. Certification of this waiver shall be reviewed and signed by the designated MBE/WBE coordinator within the department of purchasing. The Property Owner shall make a requirement in the contracts between its construction manager and general contractor and their subcontractors who have apprenticeship programs as defined in 29 C.F.R. § 29 that not less than ten (10) percent of the total hours worked by the subcontractors' employees on the project are completed by apprentices registered in the aforementioned apprenticeship programs.

The Property Owner shall as part of its contracts between its construction manager and general contractor and their subcontractors require that the subcontractors submit to the First Source Director quarterly verification reports to ensure compliance with this section.

The Property Owner, its construction manager or general contractor or other authorized person/entity may petition the First Source Director to adjust the apprenticeship work hour requirements to a lower percentage upon a showing that:

- a. Compliance is not feasible because a trade or field does not have an apprenticeship program or cannot produce members from its program capable of performing the scope of work within the contract; or
- b. Compliance is not feasible because it would involve a risk or danger to human health and safety or the public at large; or
- c. Compliance is not feasible because it would create a significant economic hardship; or
- d. Compliance is not feasible for any other reason which is justifiable and demonstrates good cause.

SECTION 6. DEFAULT.

The following events shall constitute an event of default hereunder:

- (A) Failure of the Property Owner to pay any amount due under or with respect to the tax stabilization in accordance with Section 2 above; or
- (B) Failure of the Property Owner to record a Notice of this Agreement as required by and in accordance with Section 2 above; or
- (C) Failure of the Property Owner to meet any of the performance obligations set forth in Section 3 above; or
- (D) Failure of the Property Owner to annually report as required by Section 9 below; or
- (E) Failure of the Property Owner to notify the City in writing within thirty (30) days of the transfer of the Property; or
- (F) Transfer of the Property by the Property Owner outside of the terms of this Agreement; or
- (G) Failure of the Property Owner to comply with Section 5 above; or
- (H) Failure of the Property Owner to comply with any other obligation or promise contained within any section or subsection of this Agreement; or
- (I) Failure of the Property Owner to comply with all state and local law regarding building and property maintenance codes, zoning ordinances, and building and/or trade permits; or
- (J) Failure of the Property Owner to remain current on any and all other financial obligations to the City of Providence.

SECTION 7. NOTICE AND CURE.

Section 7.1. Notice and Cure Period. The City Council shall provide written notice to the Property Owner before exercising any of its rights and remedies under Section 8 below. The Property Owner shall have ninety (90) days to cure any alleged default under this Agreement, provided, however, that if the curing of such default cannot be accomplished with due diligence within ninety (90) days, then the Property Owner shall request an additional reasonable period of time from the Tax Assessor (and if an agreement on the period of time cannot be reached between the Property Owner and the Tax Assessor, then the Property Owner shall request such additional time from the City Council) to cure such default. Such reasonable request shall be granted provided that the Property Owner shall have commenced to cure such default within said period, such cure shall have been diligently pursued by the Property Owner and the City Council does not reasonably deem the taxes jeopardized by such further delay, all as determined by the City Council in its sole reasonable discretion..

Section 7.2. Agreed Upon Address for Purposes of Written Notice. All notices, requests, consents, approvals, and any other communication which may be or are required to be served or given (including changes of address for purposes of notice) shall be in writing and shall be sent registered or certified mail, or by nationally recognized overnight courier (such as Federal Express or UPS) and addressed to the following parties set forth below:

If to: City of Providence
 Office of the City Clerk
 25 Dorrance St.
 Providence, RI 02903

If to: 49 Westfield, LLC
 40 Sprague Street, Suite 1E
 Providence, RI 02907
 fm@knightswan.com
 Copy to:
 Nicholas Hemond, Esq.
 Darrow Everett, LLP
 One Turks Head Place, Suite 1200
 Providence, RI 02903

SECTION 8. RIGHTS AND REMEDIES.

Section 8.1. Collection of Taxes. At any time during the tax stabilization term as defined in Section 2.2 of this Agreement, the City of Providence may pursue any and all rights and remedies arising under any state or local law, including but not limited to Chapters 7-9 of Title 44, and/or arising under this Agreement to collect stabilized taxes due and owing in accordance with the tax stabilization plan outlined in Section 2.3 above and/or to collect retroactive taxes pursuant to Section 8.1 above.

Section 8.2. City's Lien Remedies and Rights. Nothing herein contained shall restrict or limit the City's rights and/or remedies with respect to its first priority lien for taxes as provided under Title 44 of the Rhode Island General Laws. Rather, this Agreement shall be construed to provide a complete additional alternative method under contract law for the collection of taxes, and shall be regarded as supplemental and in addition to the powers conferred by other state and local laws.

Section 8.3. Waiver. Failure or delay on the part of the City to exercise any rights or remedies, powers or privileges at any time under this Agreement or under any state or local law shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, remedy, power of privilege thereunder.

Section 8.4. Property Owner's Rights. During the tax stabilization term as defined in Section 2.2, the Property Owner agrees to waive and forever forgo any and all of its rights and privileges under Title 44 of the Rhode Island General Laws, as they pertain to the Tax Payments due and owing pursuant to this Agreement, unless the assessment value of the Property increases by more than ten percent (10%) between any two City-wide revaluations (as referenced in R.I. Gen. Laws § 44-5-11.6) which occur during the term of this stabilization or if there is a substantial change in circumstances regarding the value of the Property. A substantial change in circumstances shall include a vacancy or partial vacancy at the Property, loss of use of the Property as a result of fire, flood or other force majeure, loss of revenue generated by the Property or decline in the real estate market such that it negatively impacts the value of the Property. Nothing herein shall be construed to limit the right of the Property Owner to pursue its rights and remedies under the terms of this Agreement.

SECTION 9. MISCELLANEOUS TERMS.

Section 9.1. Annual Progress Report. The Property Owner shall provide annual reports to the City Council on its progress in complying with the provisions of this Agreement, and one final report following the issuance of a certificate of occupancy for the work contemplated hereby (which reporting may be done on a Property by Property basis). Specifically, its report shall include a performance report on rehabilitation and/or improvements with evidence of final construction costs, status of stabilized tax payments, and evidence of employment compliance pursuant to Section 6 above. Upon receipt and review, the City Council may require and request reasonable additional non-confidential or proprietary information.

Section 9.2. Monitoring Fee. Within thirty (30) days of receiving a statement from the Tax Assessor, the Property Owner shall remit a monitoring/compliance fee to the City in the amount of 0.01 percent of the total project costs as presented in the Property Owner's application for each respective tax year during the term of this Agreement.

Section 9.3. Agreement to Contribute to Parks and Recreation Trust Fund. Upon ratification of this Agreement by the City Council, the Property Owner shall, within thirty days of receiving a statement from the Treasurer, contribute to a Trust Fund established by the City of Providence, of which the Treasurer shall be the trustee. The Fund shall be identified as the "City Council Parks and Recreation Fund." The City Council shall establish regulations pertaining to the disbursement of funds.

- (a) Payments to the Fund. The Property Owner shall make annual payments to the Fund in the amount of Five (5) percent of the abated tax for each respective tax year, for as long as this Agreement is in full force and effect. Said annual payments will be payable on the last day of each subsequent tax year after the Commencement Date. Additionally, in the first three years of this Agreement, the Property Owner shall contribute a total of \$2,5000.00 in each year. If, for any reason, this Agreement is retroactively revoked, the payments to the fund shall remain and will not be forfeited back to the Property Owner due to a default. By way of example only, if the tax savings for Year 4 is \$500,000, the contribution for Year 4 shall be \$25,000.
- (b) Investment and Distribution of the Fund. The trust fund will be invested by the Board of Investment Commissioners, and an annual distribution of the investment shall be used to provide funds to the Department of Parks and to the Department of Recreation for capital improvements in neighborhood parks and recreation centers. Said annual distribution shall not supplant any funds that are provided to the Department of Parks and the Department of Recreation through the operating budget. Distributions may never exceed the earnings in the year of distribution or reduce the corpus of the fund. The first payment from the fund shall begin in the fifth year after the establishment of the fund.


Section 9.4 Severability. The sections of this Agreement are severable, and if any of its sections or subsections shall be held unenforceable by any court of competent jurisdiction, the decision of the court shall not affect or impair any of the remaining sections or subsections.

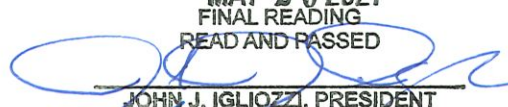

Section 9.5. Applicable Law. This Agreement shall be construed under the laws of the State of Rhode Island, the City of Providence Home Rule Charter, and the City of Providence Code of Ordinances, as amended.

Section 9.6. Modifications Amendments and/or Extensions. This Agreement shall not be modified, amended, extended or altered in any way by oral representations made before or after the execution of this Agreement. Any and all modifications, amendments, extensions or alterations must be in writing duly executed by all parties.

Section 9.7. Entire Agreement. This Agreement and all attachments, addenda, and/or exhibits attached hereto shall represent the entire agreement between City and the Property Owners and may not be amended or modified except as expressed in this document.

Section 9.8. Effective Date. This Agreement shall take effect upon passage of this Ordinance by the Providence City Council, and approval by the Mayor.

IN CITY COUNCIL
MAY 6 2021
FIRST READING
READ AND PASSED
 CLERK

IN CITY
COUNCIL
MAY 20 2021
FINAL READING
READ AND PASSED
 JOHN J. IGLIOZZI, PRESIDENT
 CLERK

I HEREBY APPROVE.



Mayor
Date: 6/1/21

Exhibit A

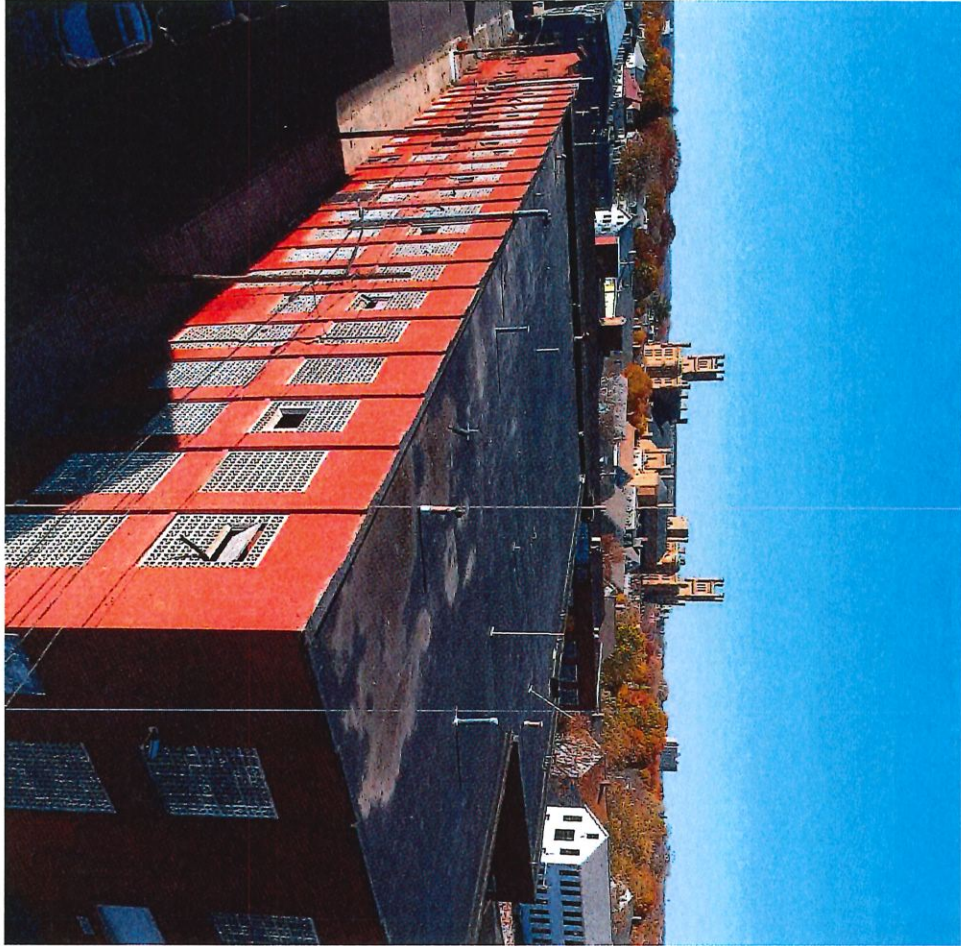
<u>Year</u>	Percentage of Difference between Base Assessment and Current Full Value Assessment
Year 4	11%
Year 5	22%
Year 6	33%
Year 7	44%
Year 8	55%
Year 9	66%
Year 10	77%
Year 11	88%
Year 12	95%

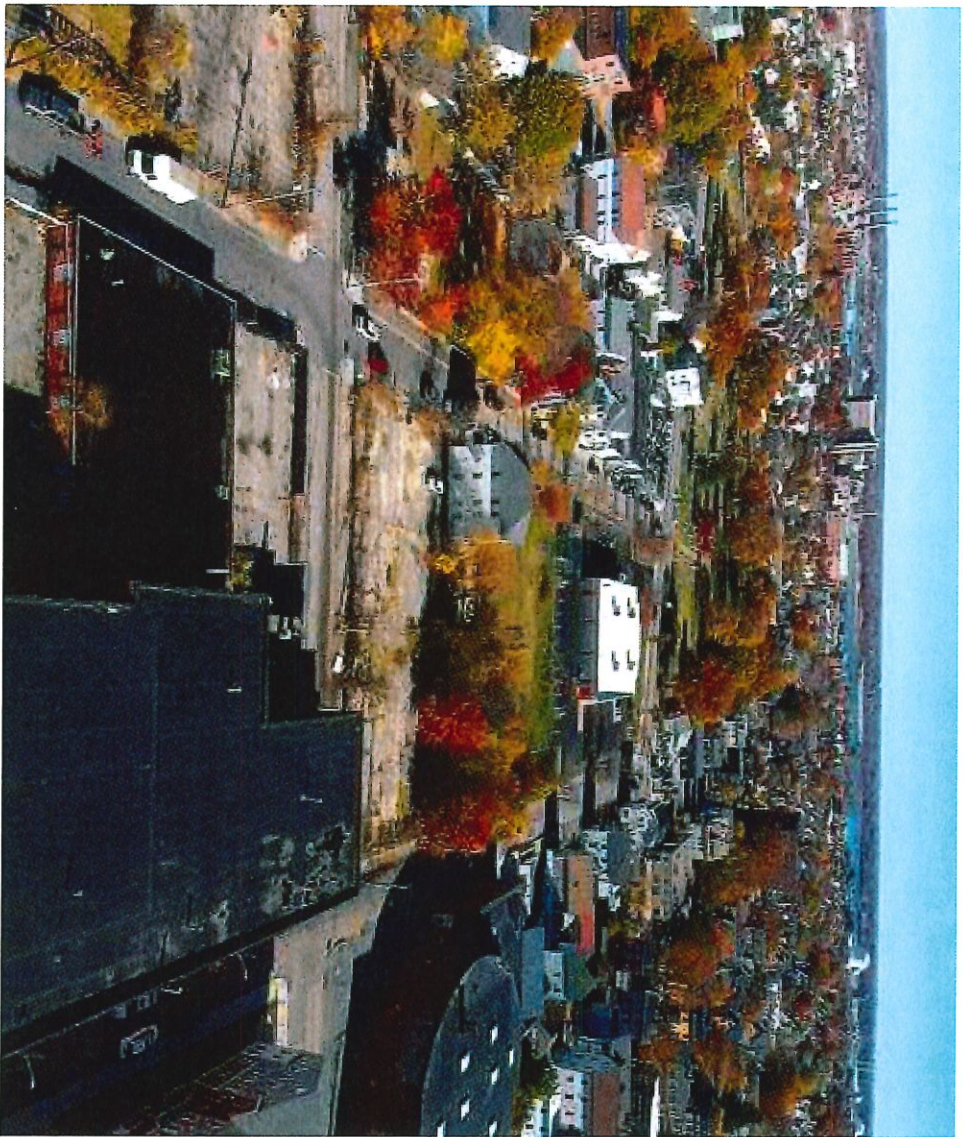
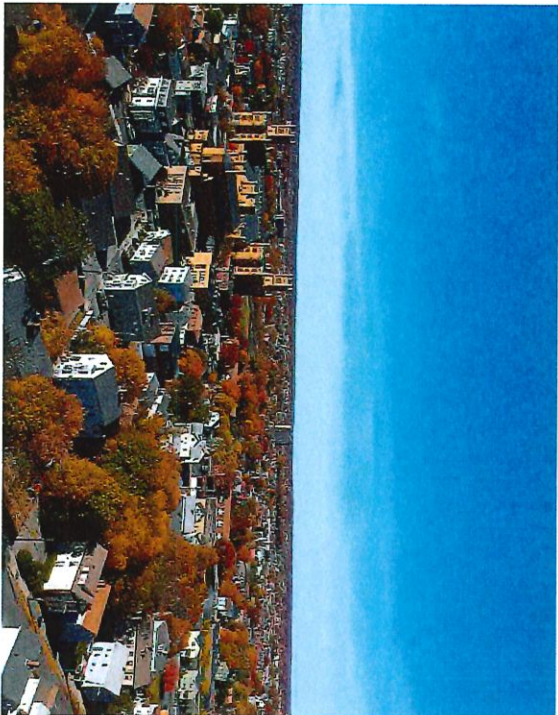
REDEVELOPMENT OF FORMER KLITZNER INDUSTRIES COMPLEX
42, 44, 45, 50, 59, 61-R, 63 Warren St; 17 Fuller St; 212 Harrison St; 49 Westfield St; 72, 78, 102 Wilson St ("Property")
TSA PRESENTATION TO PROVIDENCE CITY COUNCIL
FEBRUARY 25, 2021

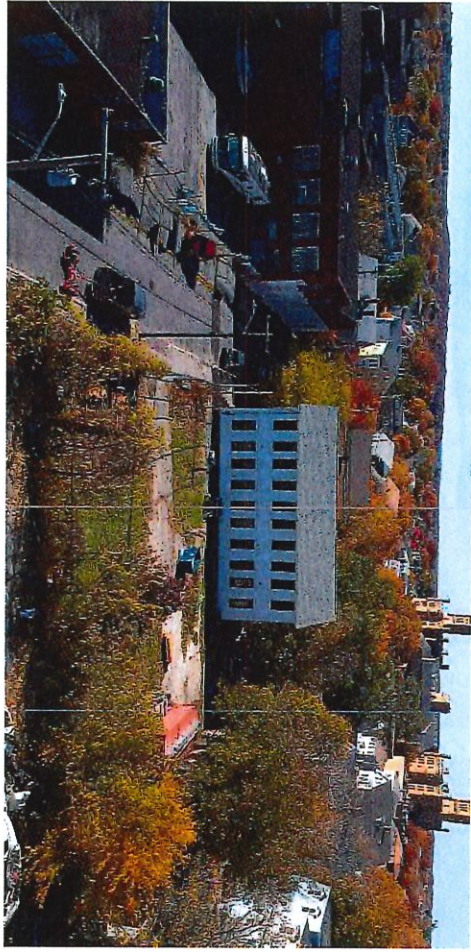


PHILLIPS BAKER RUBBER COMPANY
49 WESTFIELD ST PROVIDENCE, RI

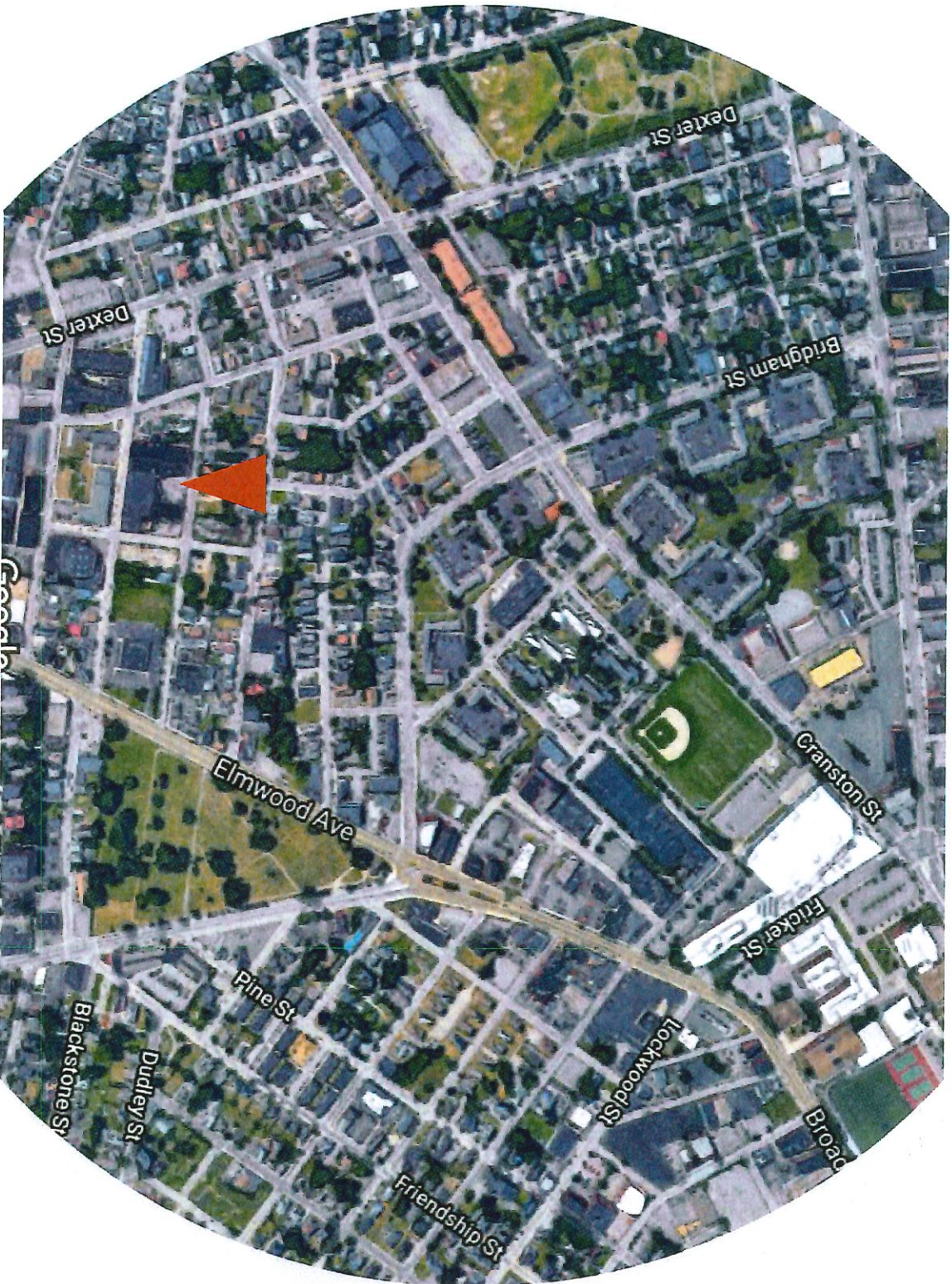
Existing conditions



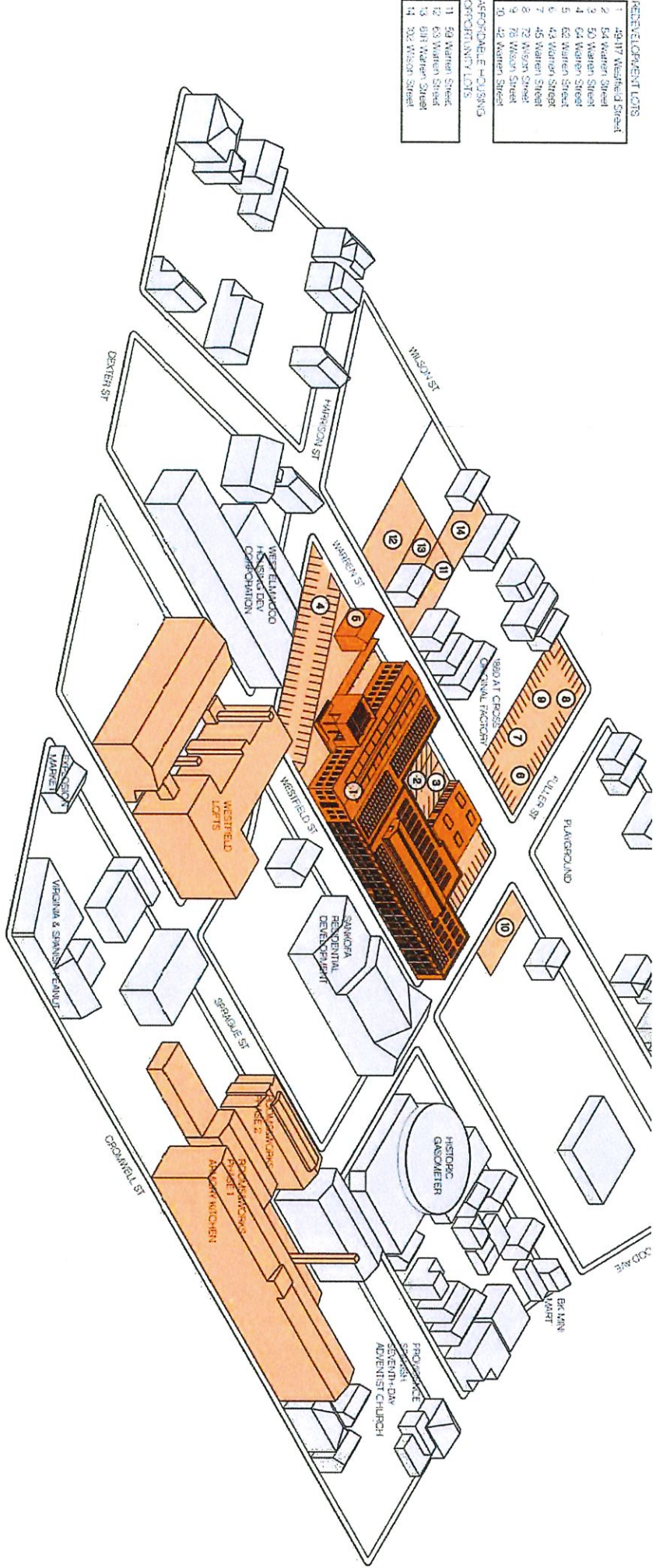




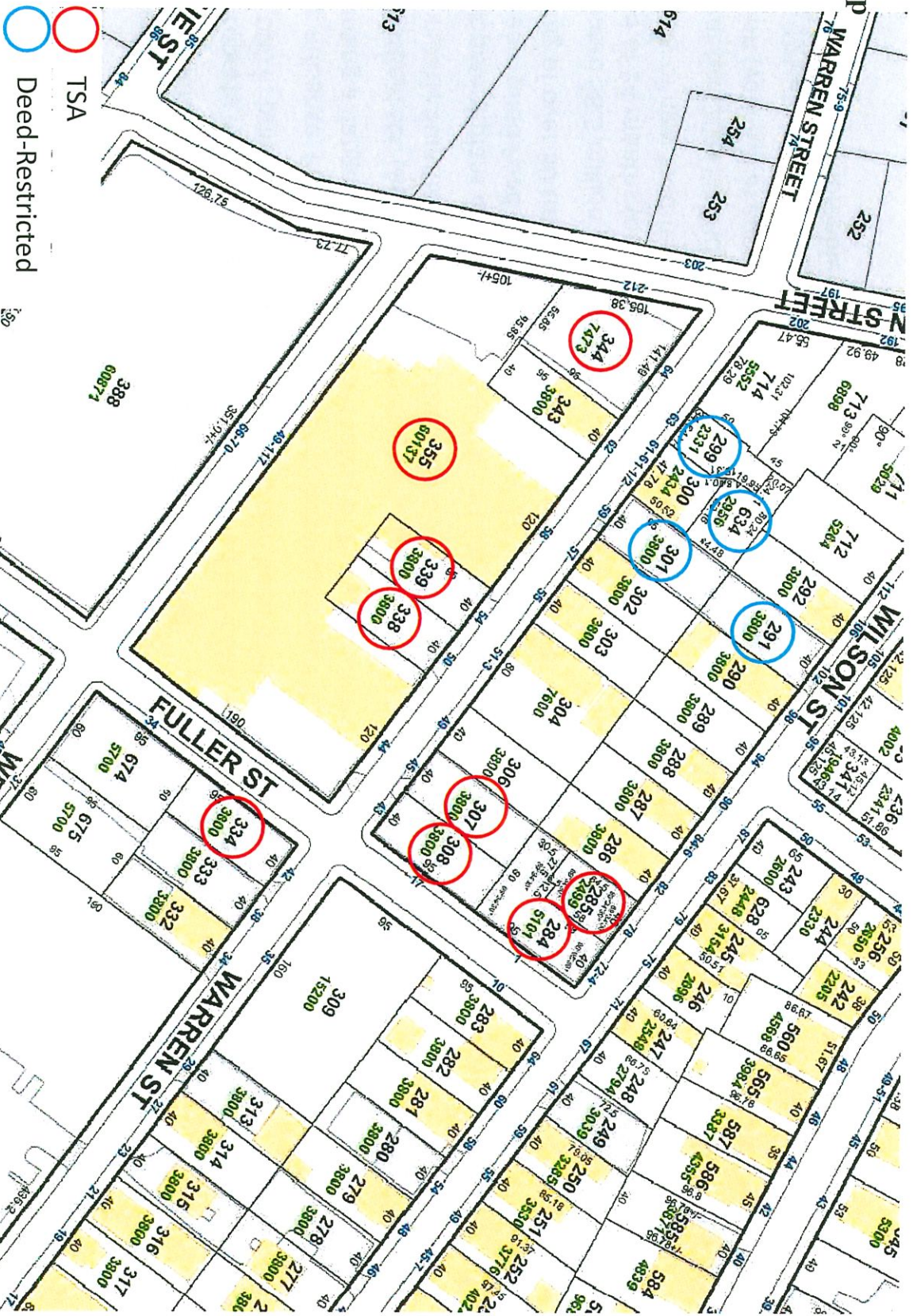
Location



Master Plan



Tax Map



49 Westfield LLC - TSA Project Highlights

- ☐ Redevelopment of former Klitzner Industries site comprising an entire city block, ~70,000 sf building, 13 brownfield lots or approximately 2.5 acres in the heart of the West End
- ☐ The Property has been abandoned since 2014 and has been delinquent in payment of property taxes owing the City over \$800,000 in principal plus interest (no taxes have been paid to the City since 2013)
- ☐ Public nuisance: Property saw a number of illegal uses over the years and increasing decay as result of abandonment presenting a danger to the health and safety of the community
- ☐ 49 Westfield LLC (Applicant, Developer) is returning property to tax compliance in 2021 with construction expected to start in early Summer 2021 on 9 of the 13 lots including the blighted building.
- ☐ Development plans comprise 62 live-work units, artist studios, >15,000 sf commercial space including city's first indoor and year-round Food Hall, redevelopment of 12 vacant brownfield lots, improvement of public rights-of-way including planting of over 50 trees and improvements to public park (NE corner of Fuller & Warren St)
- ☐ Estimated \$8.5 million project (including acquisition & soft costs) will generate approx. 100 construction jobs over a period of 24 months (or approx. 25 full time equivalents). The Food Hall and commercial space will provide a platform for a variety of new food-related businesses, including startups, with potential for over 10 full time jobs.
- ☐ Current tax (2021) is \$30,000. The average tax payment during 12-year TSA is projected at \$130,000 / year with full taxation (year 12) at approximately \$300,000 / year. Total TSA tax ~\$1.5 million over 12 years including 2020.
- ☐ Up to 12 new units of affordable housing (deed restricted) proposed for 4 remaining vacant lots. New, high quality, efficient affordable homes representing a separate, additional \$3 million investment in the community

[illegible]

Tax Stabilization Proposal
Assessed Value Analysis

Property Address	Tax Lot	Type	Acres	Base (2020)	AV @	
					Completion ¹	New / Base
49 Westfield	355	Building	1.38	\$ 611,800	\$ 6,500,000	10.62x
42 WARREN ST	334	Vacant Land	0.09	\$ 18,200	\$ 30,000	1.65x
44 WARREN ST	339	Vacant Land	0.09	\$ 16,300	\$ 40,000	2.45x
45 WARREN ST	307	Vacant Land	0.09	\$ 16,400	\$ 30,000	1.83x
50 WARREN ST	338	Vacant Land	0.09	\$ 15,600	\$ 40,000	2.56x
212 HARRISON ST	344	Vacant Land	0.17	\$ 44,200	\$ 50,000	1.13x
17 FULLER ST	308	Vacant Land	0.09	\$ 17,500	\$ 30,000	1.71x
72 WILSON ST	284	Vacant Land	0.12	\$ 29,900	\$ 35,000	1.17x
78 WILSON ST	285	Vacant Land	0.06	\$ 12,500	\$ 25,000	2.00x
9			2.18	\$ 782,400	\$ 6,780,000	8.67x

¹. Estimate

TSA (cont'd)

Current Assessed Value (2020):	\$	782,400	Total Tax (TSA Term):	\$	1,546,414
Tax (2020):	\$	28,714	Tax Generated (No Project):	\$	344,569
New Value @ Completion:	\$36.70	\$	6,780,000	TSA Tax / No Project Tax:	4.49x
Full Taxation:	\$	248,826	Total Tax Savings (12 years):	\$	688,811
% over Base:	867%		Average Tax Due (TSA Term):	\$	128,868
			Median Tax Due (TSA Term):	\$	118,692

Term Year	Tax Year	Base		Full Value	Full - Base		Additional Tax	TSA	Tax Due (TSA)	Full Taxation		Savings	Present Value		Present Value Factor ¹		
		Assessment	Base Tax		Increments	(No TSA)		Savings		Savings							
1	2020	\$ 782,400	\$ 28,714	\$ -	\$ -	\$ -	-	0.00%	\$ 28,714	\$ 28,714	\$ -	\$ -	-	0.91			
2	2021	782,400	28,714	-	-	-	-	0.00%	28,714	28,714	-	-	-	0.83			
3	2022	782,400	28,714	6,780,000	5,997,600	220,112	-	0.00%	28,714	248,826	220,112	165,373	0.75				
4	2023	782,400	28,714	6,881,700	6,099,300	223,844	-	11.00%	53,337	252,558	199,221	136,071	0.68				
5	2024	782,400	28,714	6,984,926	6,202,526	227,633	-	22.00%	78,793	256,347	177,553	110,247	0.62				
6	2025	782,400	28,714	7,089,699	6,307,299	231,478	-	33.00%	105,102	260,192	155,090	87,544	0.56				
7	2026	782,400	28,714	7,196,045	6,413,645	235,381	-	44.00%	132,282	264,095	131,813	67,641	0.51				
8	2027	782,400	28,714	7,303,986	6,521,586	239,342	-	55.00%	160,352	268,056	107,704	50,245	0.47				
9	2028	782,400	28,714	7,413,545	6,631,145	243,363	-	66.00%	189,334	272,077	82,743	35,091	0.42				
10	2029	782,400	28,714	7,524,749	6,742,349	247,444	-	77.00%	219,246	276,158	56,912	21,942	0.39				
11	2030	782,400	28,714	7,637,620	6,855,220	251,587	-	88.00%	250,110	280,301	30,190	10,582	0.35				
12	2031	782,400	28,714	7,752,184	6,969,784	255,791	-	95.00%	271,716	284,505	12,790	4,075	0.32				
		\$ 344,569								\$ 1,546,414		\$ 2,720,544		\$ 1,174,130		\$ 688,811	

¹ 10% discount rate

Deed-Restricted Housing

Deed-Restricted Housing Development
Conceptual Hard Cost Budget

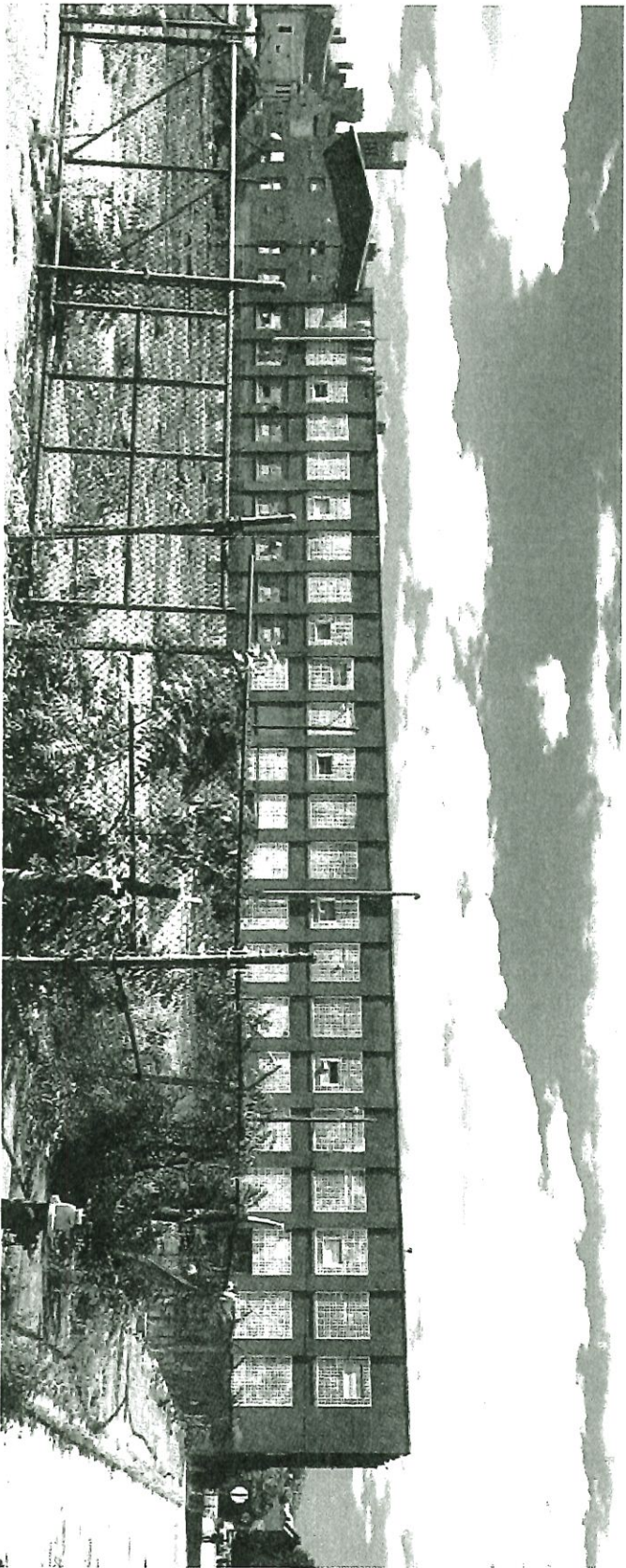
Address	Tax Lot	Type	Land (sf)	2020 AV	Tax	Proposed Use	Hard Cost ¹
102 WILSON ST	291	Vacant Land	3,920	\$ 15,100	\$ 554	2F	\$600,000
63 WARREN ST	299	Vacant Land	2,178	\$ 9,100	\$ 334	1F	\$300,000
59 WARREN ST	301	Vacant Land	3,920	\$ 17,400	\$ 639	2F	\$600,000
61R WARREN ST	634	Vacant Land	3,049	\$ 12,000	\$ 440	1F	\$300,000
4			13,067	\$ 53,600	\$ 1,967	6F	\$1,800,000

¹. Estimate. Excluding soft costs & finance costs

Capitalization	
Land:	\$522,680
Hard Costs:	\$1,800,000
Arch,Civil,MEP:	\$140,000
Interest:	\$40,049
Dev. OH&P	\$500,546
Carry:	\$25,000
Total:	\$3,028,275







BEFORE



PROPOSED WESTFIELD ST ELEVATION



