

Revenue Assumptions:

1. BTR Park built-out over 8 years with pattern of balanced mix of three generic types of development during that period. 12 total projects anticipated, including 2 approved.
2. Generic types of development:
 Type 1: Production/assembly space constructed at \$31.43 to \$35.64/sq. ft.; 85,000 sq. ft./ project.
 Type 2: Class A corporate office space constructed at \$90.93 to \$126.11/sq. ft.; 75,000 sq. ft./ project.
 Type 3: Smaller office buildings constructed at \$69.69 to \$94.77/sq. ft.; 60,000 sq. ft./ project.
3. 15-year maximum life of LDFA district.
4. Projections for years 2002 to 2016 include real property improvements with inflationary factor of 0.33% per year; personal property value is estimated at 10% of real property investment with zero inflationary factor, assuming that ongoing investment in new equipment will offset value loss from depreciation.
5. All projects will be eligible for P.A. 198 tax abatement. All real property abatements are for 12 years and personal property abatements are for 6 years. Expiration of real and personal property PA 198 certificates are factored into calculations.
6. State approval of Certified Technology Park designation and permission to capture 50% of K-12 school, SET and KRESA taxes.
7. Millage Rates (based on 2001 tax year):

Type	Total Millage	Abated Millage	Capturable Millage
KVCC	2.8152	1.4076	1.4076
Metro	0.9962	0.4981	0.4981
KPS Oper *	18.0000	9.0000	4.5000
City Oper	19.2705	9.6353	9.6353
Solid Waste	1.3000	0.6500	0.6500
County	6.1400	3.0700	3.0700
KRESA *	3.0416	1.5208	0.7604
SET *	6.0000	3.0000	1.5000
Library	3.9583	1.9792	1.9792
Total	61.5218	30.7609	23.3505

Expenditure Assumptions

1. Inflationary rate of 3% used for administrative and maintenance cost projections.
2. Park maintenance costs include street maintenance and repair with snow and ice control, pot hole patching, crack sealing, storm sewer systems, curb and gutter repair, signs, pavement markings, street sweeping, and traffic signals. Also includes deposits to a sinking fund for future repairs.
3. Infrastructure costs to be fronted by the City, and repaid with 3% annual interest. Cost estimates are:

Drake Road Improvements	530,000
Parkview Avenue Improvements	1,012,569
Sanitary Sewer (Drake Road)	250,000
Water Main (Park Interior)	33,500
Water & Sewer Connections	183,000
4. Other reimbursable expenses of the City include infrastructure maintenance and administrative support.
5. Innovation Center furniture and equipment of \$130,300 assumed to be financed over 5 years at 3%.