

11. REVENUE GENERATION SUMMARY

A. Project the funds anticipated to be generated by the project. This projection should include any source or use of funds which could have any reasonable connection to the proposed development.

1. Make the following projections by year, including the first and last year in which any construction and/or development takes place:

- (a) Yearly ad valorem tax receipts**
- (b) Yearly impact fees collected**
- (c) Yearly sales tax received by local government**
- (d) Yearly gasoline tax received by local government**
- (e) Yearly projections of any other funds by any other sources generated as a result of development of the proposed project within the region**

Table 11.1 estimates, to the extent possible based on information currently known, the non-recurring and recurring revenues that the development of the Riverbend DRI will generate for the City of Ft. Lauderdale once the project has been approved for development, which is assumed to occur in 2009. Table 11.2 estimates, to the extent possible based on information currently known, the non-recurring and recurring revenues that will be generated for other local governmental entities, including the following:

- Broward County
- Children Services
- Broward County Public Schools
- South Florida Water Management District
- North Broward Hospital District

Table 11.1
Revenue Generation
City of Ft. Lauderdale
(000's of 2008 Dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Non-Recurring												
Park Impact Fees	0.0	0.0	217.5	506.3	163.1	0.0	0.0	0	0	0.0	0.0	886.9
Building Permits	*	*	*	*	*	*	*	*	*	*	*	*
Connection Fees	*	*	*	*	*	*	*	*	*	*	*	*
Recurring												
Ad valorem	0.0	311.6	693.9	1,676.5	2,694.7	3,404.9	3,711.7	4,109.9	4,416.7	4,723.5	5,100.4	
Franchise Fees/Utility Taxes	*	*	*	*	*	*	*	*	*	*	*	*
Occupational Licenses	*	*	*	*	*	*	*	*	*	*	*	*
Gasoline Tax	*	*	*	*	*	*	*	*	*	*	*	*
Sales Tax	*	*	*	*	*	*	*	*	*	*	*	*

* Can not be estimated at this time based on the information currently available

Source: City of Sunrise; Broward County; Broward County Property Appraiser; Miami Economic Associates, Inc.

Table 11.2
Revenue Generation
Other Local Governments
(000's of 2007 Dollars)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total	
Broward County													
<u>Non-Recurring</u>													
Park Impact Fee		0.0	0.0	27.7	34.2	26.9	0.0	0.0	0	0	0.0	0.0	88.8
Road/Transit Impact Fee	396.2	454.2	1,434.6	1,127.4	927.1	324.2	455.8	324.2	324.2	416.0	*	6,183.9	
<u>Recurring</u>													
Ad valorem	0.0	387.8	863.5	2,086.3	3,353.3	4,237.1	4,618.9	5,114.4	5,496.2	5,878.0	6,347.0		
Occupational Licenses	*	*	*	*	*	*	*	*	*	*	*	*	
Tourist Tax	*	*	*	*	*	*	*	*	*	*	*	*	
Gasoline Tax	*	*	*	*	*	*	*	*	*	*	*	*	
Sales Tax	*	*	*	*	*	*	*	*	*	*	*	*	
Children Services													
Ad Valorem	0.0	26.2	58.3	141.0	226.6	286.3	312.1	345.6	371.4	397.1	428.8		
Broward School District													
<u>Non-Recurring</u>													
School Impact Fee	0.0	0.0	36.1	118.1	35.0	0.0	0.0	0	0	0.0	0.0	189.2	
<u>Recurring</u>													
Ad valorem	0.0	561.0	1,249.3	3,018.3	4,851.5	6,130.1	6,682.5	7,399.4	7,951.8	8,504.1	9,182.7		
South Florida Water Management													
Ad Valorem	0.0	45.8	101.9	246.2	395.8	500.1	545.2	603.7	648.7	693.8	749.1		
North Broward Hospital District													
Ad Valorem	0.0	121.4	270.3	653.1	1,049.7	1,326.4	1,445.9	1,601.0	1,720.6	1,840.1	1,986.9		

* Can not be estimated at this time based on the information Currently available
Source: Broward County; Broward County Property Appraiser; Miami Economic Associates, Inc.

It should be noted that while the tables show the ad valorem tax receipts that the City of Ft. Lauderdale and Broward County will receive for their General Funds, both jurisdictions will, in fact, be required to transfer amounts equivalent to 95 percent of collections to the redevelopment trust fund of the Northwest-Progresso-Flagler Heights Community Redevelopment Agency (CRA) because the Riverbend DRI is located within its jurisdiction. Table 11.3 shows the amounts of the ad valorem taxes generated that will go to the City of Ft. Lauderdale, Broward County and the CRA as practical matter.

Table 11.3			
Effective Distribution of Ad Valorem Taxes			
City of Ft. Lauderdale, Broward County and CRA 2010 – 2019			
(000's of 2008 Constant Dollars)			
Year	City of Ft. Lauderdale	Broward County	CRA
2010	\$ 15.6	\$ 18.9	\$ 664.9
2011	34.7	43.2	1,479.5
2012	83.8	104.3	3,574.7
2013	134.7	167.7	5,745.6
2014	170.2	211.9	7,259.9
2015	185.6	230.9	7,914.1
2016	205.5	255.7	8,763.1
2017	220.8	274.8	9,417.3
2018	236.2	293.9	10,071.4
2019	255.0	317.4	10,875.0
Total	\$ 1,542.1	\$ 1,918.7	\$ 65,765.5

* Includes 200 rental apartments and 197 condominium units

2. List all assumptions used to derive the above projections and estimates, show the methodologies used and describe the generally accepted accounting principles used in all assumptions, estimates and projections.

The materials that follow provide the bases used in formulating the revenue estimates provided in Tables 11.1 and 11.2, preceding.

Project Description

The Riverbend DRI will be comprised of a mixture of residential, office, retail and hotel uses. Table 11.4 shows the amounts of development proposed and anticipated schedule of completion by use.

Table 11.4 Schedule of Completion by Use					
Year	Condominium/ Apartments (Units)	Town- Houses (Units)	Office (SF)	Retail (SF)	Hotel (Rooms)
2009	0	0	240,448	77,040	0
2010	0	0	335,552	57,960	0
2011	100	0	400,000	500,000	0
2012	200	30	400,000	245,500	250
2013	97	0	400,000	245,500	0
2014	0	0	321,000	0	0
2015	0	0	321,000	20,000	150
2016	0	0	321,000	0	0
2017	0	0	321,000	0	0
2018	0	0	321,000	0	150
Total	397	30	3,381,000	1,146,000	550

* Includes 200 rental apartments and 197 condominium units

For the purpose of this analysis, it is assumed that all development occurring during the 2009 -2018 period would be completed on December 31st of the year shown in the table above. It is further assumed that construction would commence 12 months prior to the date of completion, with all requisite fees and permits being paid when construction commences. Development completed on December 31st of a particular year would be placed on the tax rolls of the subsequent year.

For the purpose of this analysis, it is assumed, based on a review of comparable projects, that the development at the Riverbend DRI would be valued for tax purposes as shown in Table 11.5. The estimated taxable values for the residential units assume that 80 percent of the condominium units and 100 percent of the townhouse will qualify for the Homestead Exemption. A Homestead Exemption is not available to the occupants of the apartments.

Table 11.5 Taxable Value by Use	
Use	Taxable Value By Use
Condominiums/ Apartments	\$163,000/Unit
Townhouses	\$190,000/Unit
Office	\$225/SF
Retail	\$250/SF
Hotel	
Full-service (250 Rooms)	\$200,000/Unit
Limited-Service (300 Rooms)	\$110,000/Unit

Non-recurring Revenues

During the period during which the Riverbend DRI is being developed, a variety of fees will be paid on a one-time basis. The bases for calculating these non-recurring revenues are discussed below.

Impact Fees

City of Ft. Lauderdale

The City levies park impact fees on all new residential units. The amount of the fee varies by unit size. For the purpose of this analysis, it is assumed that all of the condominium and rental units will be of an average size in the range of 1,000 to 1,500 square feet and will be required to pay impact fees in the amount of \$2,175 per unit. It is further assumed that the 30 townhouse units will average between 1,500 and 2,000 square feet, resulting in a fee of \$2,375 per unit.

Broward County

Broward County levies impact fees on roads and/or transit on all uses and for parks and schools on residential units. Given the location of the Riverbend DRI, it will pay transit rather than road impact fees at the rates shown below:

- Residential Unit: \$355.91/Unit
- Office: \$1.01/Square Foot
- Retail: \$1.99/Square foot
- Hotel: \$611.84/Unit

The park and school impact fees shown in Table 11.2 were calculated based on the following rates:

- Parks
 - Townhouse: \$338/unit with 2 or less bedrooms
 - \$432/3-bedroom unit

Multi-family: \$200/1-bedroom unit
\$310/unit with 2 or more bedrooms

- Schools

Townhouse: \$258/1-bedroom unit
\$940/2-bedroom unit
\$2,123/3-bedroom unit

Multi-family: \$59/1-bedroom unit
\$491/unit with 2 or more bedrooms

For the purpose of this analysis, it is assumed that 50 percent of the townhouse units will be 2-bedroom units and 50 percent 3-bedroom units. It is further assumed that 30 percent of the condominium and rental apartment units will be 1-bedroom units, 50 percent 2-bedroom units and 20 percent 3-bedroom units.

Building Permit Fees

The City of Ft. Lauderdale calculates building permit fees at a rate of \$0.75 per square foot for the first 1,000 square feet in a multi-family residential or commercial structure and \$0.09675 per square foot for additional square feet. For the purpose of this analysis, it is assumed that: 1) the 30 townhouse units will be considered multi-family units for building permit purposes; 2) the average condominium and rental apartment will consist of 1,500 square feet inclusive of circulation space while the average townhouse unit will be 1,750 square feet; and 3) the average size of the 250 full-service hotel rooms will be 600 square feet inclusive of an allocation of public, function and back-of-the house space while the average size of the 300 limited service hotel units will be 400 square feet inclusive of public and back-of-the-house space. The City of Ft. Lauderdale also requires that additional fees be paid by the construction trades working on a project and for fire control that can not be estimated until working drawings for the project are complete, which is not currently the case. Accordingly, the estimate of building permit revenue in Table 11.1 does not include these additional fees.

Water and Sewer Connection Fees

The City of Ft. Lauderdale will charge fees to connect the development at the Riverbend DRI to the City's water and sewer systems. The amount of the fees paid will depend on engineering parameters regarding the number and size of meters that have not presently been defined. Accordingly, it is not possible to estimate the amount of the fees that will be paid at this time.

Recurring Revenues

The City of Ft. Lauderdale and other of the various governmental entities listed identified in Table 11.2 will receive recurring revenues annually as a result of the development of the Riverbend DRI. The bases for the recurring revenues projected in Tables 11.1 and 11.2 are discussed below. All amounts are in 2008 Dollars.

Ad Valorem Taxes

Ad valorem taxes will be paid on the development at the Riverbend DRI, inclusive of land and buildings, as well as on the personal property contained within the non-residential facilities. The figures shown in Tables 11.1 and 11.2 include only the amounts paid on real property because there is no basis for estimating within any precision the value of the taxable personal property.

Table 11.5 below provides a breakdown of that figure by project component. The tax revenues shown in Table 11.1 for the City of Ft. Lauderdale were calculated based on a millage rate of \$4.2482 per \$1,000 of value.

Year	Condominiums/ Apartments (Units)	Townhouses (Units)	Office (SF)	Retail (SF)	Hotel (Rooms)
2009	0	0	240,448 \$54,100	77,040 \$19,260	0
2010	0	0	335,552 \$75,499	57,960 \$14,490	0
2011	100 \$16,300	0	400,000 \$90,000	500,000 \$125,000	0
2012	200 \$32,600	30 \$5,700	400,000 \$90,000	245,500 \$61,375	250 \$50,000
2013	97 \$15,811	0	400,000 \$90,000	245,500 \$61,375	0
2014	0	0	321,000 \$72,225	0	0
2015	0	0	321,000 \$72,225	20,000 \$5,000	150 \$16,500
2016	0	0	321,000 \$72,225	0	0
2017	0	0	321,000 \$72,225	0	0
2018	0	0	321,000 \$72,225	0	150 \$16,500
Total	397 \$64,711	30 \$5,700	3,381,000 \$760,724	1,146,000 \$286,500	550 \$83,000

* Includes 200 rental apartments and 197 condominium units.

With respect to the governmental entities identified in Table 11.2, revenues were calculated by applying the following tax rates to the taxable values provided above:

- Broward County: \$5.2868/\$1,000 of taxable value
- Children Services: \$0.3572/\$1,000 of taxable value
- Broward County Public Schools: \$7.6484/\$1,000 of taxable value

- South Florida Water Management District: \$0.624/\$1,000 of taxable value
- North Broward Hospital District: \$1.6255/\$1,000 of taxable value

Water and Sewer Charges

The City of Ft. Lauderdale will provide water and sewer services to Riverbend DRI. The amount that will be paid will be dependent on engineering parameters regarding the number and size of meters that have not presently been defined. Accordingly, it is not possible to estimate the amount of the fees that will be paid at this time.

Utility Taxes, Franchise Fees and Unified Communications Tax

Utility taxes, franchise fees and the Unified Communications Tax are collected from the providers of water, electric, telephone, cable and gas services within the City of Ft. Lauderdale based on their revenues. The City also collects franchise fees from companies employed to haul solid waste. The amounts that the City will collect as a result of the development of the Riverbend DRI will be dependent on the actual usage of the various services enumerated; hence, these revenues can not be estimated at this time.

Occupational License Fees

Businesses operating within the City of Ft. Lauderdale are required to obtain occupational licenses from both the City and the County. The amount they pay varies depending on the type and size of the business enterprise. Since the number, size and type of the businesses that will occupy the new non-residential space that will be developed at the Riverbend DRI are not currently known, the occupational license fees that will be generated for both the City and Broward County cannot be estimated at this time within any specificity.

Sales Tax

The State of Florida imposes a 6 percent sales tax on certain transactions including retail sales of non-exempt goods, food and beverage sales in eating and drinking establishments, hotel room charges and rent payments. Approximately 9 percent of the collected amounts are rebated to the counties in which the revenues are collected, with the rebated amounts then frequently be further distributed to the municipalities within the county. Since calculation of these revenues would require divulging information regarding prospective rental rates and sales volumes considered proprietary, no estimate has been prepared. The amounts involved, which will be small, would not, have a material impact on the financial condition of either the County or the City of Ft. Lauderdale.

Tourist Tax

Broward County on behalf of the Greater Ft. Lauderdale Convention and Visitors Bureau levies a 5 percent tax on all room sales in hotels located within the County. Since no operator has yet been selected for the proposed hotels at the Riverbend DRI, an estimated daily rate has not been established at this time. Therefore, the prospective revenues can not be estimated at this time.

Gasoline Tax

Each gallon of gasoline sold and used by people to travel to and from the Riverbend DRI is taxed at the State level. The State levies a tax of \$0.172 per gallon. From this amount, \$0.03 is distributed to County governments and \$0.01 to municipalities. Fuel consumption can vary greatly depending on the types of vehicle and fuel prices are currently quite volatile. Therefore, no attempt has been made to project the gasoline consumption that would be attributable to the development of the Riverbend DRI or the resultant revenues.