Stimson Mill Site Redevelopment
Atlas Site Master Plan
and Financial Feasibility Study

ignite cda
September 27, 2018
AGENDA

Stimson Mill Site
   Redevelopment Areas
URD Boundaries
Master Planning Process
Financial Feasibility
Proposed URD Expansion and Creation Areas
RIVER DISTRICT EXPANSION
8.8 AC

EXISTING RIVER DISTRICT

ATLAS DISTRICT
68.4 AC TOTAL
(36.8 AC WITHIN PROJECT LIMITS)

DE-ANNEXED FROM RIVER URD INCLUDED IN ATLAS URD

RIVER DISTRICT EXPANSION
1.9 AC

DE-ANNEXED FROM RIVER URD INCLUDED IN LAKE URD

LAKE DISTRICT EXPANSION
22.8 AC

EXISTING LAKE DISTRICT

SPOKANE RIVER

SELPECE WAY

Detail View of URD Creation/Expansion Areas

WELCH-COMER
ENGINEERS | SURVEYORS
VARIABLES

- Land Cost
- Site Remediation
- Site Design
- Infrastructure
- Public Space Size
- Public Space Amenities
- Product Type
- Product Value
- Product Density
- Urban Design
- Tax Increment Funding TIF
- Time
  - Phasing, Debt Repayment, TIF, Escalation, Absorption
- Existing Funds
- URD Boundaries & Cost Allocation
- ROW Vacations
- Community Input
Land Value from a Developer’s Perspective:

- Developer analyzes market-specific costs and returns to make a decision on the feasibility of development.
- Residual Land Value ("RLV"): Amount the developer can afford to pay for the land.
<table>
<thead>
<tr>
<th>Land Uses</th>
<th>Land Value/SF</th>
<th>Land Value per Lot/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family:</td>
<td>$20</td>
<td>$112,000</td>
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<tr>
<td>Condo:</td>
<td>$17</td>
<td>$18,000</td>
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<tr>
<td>Townhome</td>
<td>$13</td>
<td>$30,000</td>
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<tr>
<td>Low-rise MF</td>
<td>$6</td>
<td>$6,000</td>
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<tr>
<td>Non-Residential Uses</td>
<td>Land Value/SF</td>
<td>Value per GFA</td>
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<tr>
<td>Retail</td>
<td>$7</td>
<td>$300</td>
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<td>Medical Office</td>
<td>$7</td>
<td>$400</td>
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</table>
Preliminary Grading Plan
Triangle Piece Conceptual Development Options
Development Concept Plan and Phasing
Atlas Site Product Type by Phase

- 419 units over four phases
- Mix of product types:
  - Multi-Family: 90 Units
  - Condo: 148 Units
  - 122 Townhomes
  - 59 Single Family Homes
<table>
<thead>
<tr>
<th>Phase</th>
<th>Townhome</th>
<th>Condo</th>
<th>Low-rise MF</th>
<th>Single Family</th>
<th>TOTAL</th>
<th>Absorption Time (Yrs.)</th>
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<tr>
<td>1</td>
<td>9.5</td>
<td>5.0</td>
<td>7.5</td>
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<td>4.5</td>
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</table>
Net Cashflows by district

- Total Cumulative Cashflow
- Lake District Cumulative Net Cashflow*
- River District Cumulative Net Cashflow*
- Atlas District Cumulative Net Cashflow

Millions
Thank you
### Cost Sensitivity Table

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<thead>
<tr>
<th>Cost Increase</th>
<th>0%</th>
<th>+5%</th>
<th>+10%</th>
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<td>Lowest Annual Cash Buffer Point</td>
<td>$1.1M</td>
<td>$0.075M</td>
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<td>Year</td>
<td>2027</td>
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### Revenue Sensitivity

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<th>Revenue Decrease</th>
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<th>-5%</th>
<th>-10%</th>
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<td>Lowest Annual Cash Buffer Point</td>
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<td>Year</td>
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### Absorption Sensitivity

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<th>Time Delay</th>
<th>0%</th>
<th>-5%</th>
<th>-10%</th>
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<td>Lowest Annual Cash Buffer Point</td>
<td>$1.1M</td>
<td>$0.5M</td>
<td>-$0.1M</td>
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<tr>
<td>Year</td>
<td>2027</td>
<td>2027</td>
<td>2038</td>
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### Combined Sensitivity (+Cost, -Revenue and -Absorption)

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<th>Cost, Revenue, Time</th>
<th>0%</th>
<th>5%</th>
<th>10%</th>
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<td>Lowest Annual Cash Buffer Point</td>
<td>$1.1M</td>
<td>-$1.3M</td>
<td>-$3.4M</td>
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<tr>
<td>Year</td>
<td>2027</td>
<td>2027</td>
<td>2038</td>
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<td>Sources</td>
<td>Total $ (2018$)</td>
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<tr>
<td>----------------------------------------------</td>
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<tr>
<td><strong>ignite cda Sources</strong></td>
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<tr>
<td>River District</td>
<td>$3,700,000</td>
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<tr>
<td>Lake District</td>
<td>$3,700,000</td>
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<tr>
<td>Atlas District (Loan from River District)</td>
<td>$2,100,000</td>
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<tr>
<td><strong>City Funding</strong></td>
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<td>General Fund</td>
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<td>Wastewater Reimbursement</td>
<td>$7,850,000</td>
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<td><strong>Tax Increment</strong></td>
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<td>River District Phase 1</td>
<td>$4,085,577</td>
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<td>Atlas District</td>
<td>$39,687,557</td>
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<td>Rivers Edge Property</td>
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<td><strong>Real Estate Land Sales</strong></td>
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<td>Triangle Parcel</td>
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<td>Phase 1</td>
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<td>Phase 2</td>
<td>$1,919,167</td>
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<td>$995,729</td>
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<td>Phase 4</td>
<td>$4,602,257</td>
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<td><strong>Total Sources</strong></td>
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<td>Uses</td>
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<td>------------------------------------------</td>
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<td>Land Acquisition</td>
<td>-$7,850,000</td>
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<td>Operating Costs (Atlas District)</td>
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<td><strong>Intended Reimbursement</strong></td>
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<td>Wastewater Fund (Lake District) for land acquisition</td>
<td>-$193,454</td>
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<td>Wastewater Fund (River District) for land acquisition</td>
<td>-$2,017,869</td>
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<td>Wastewater Fund (Atlas District) for land acquisition</td>
<td>-$6,742,534</td>
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<tr>
<td>Atlas District ROW Repay to City for land acquisition</td>
<td>-$557,625</td>
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<td><strong>Debt</strong></td>
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<td>Atlas District Repay to River District for infrastructure</td>
<td>-$2,213,490</td>
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<td><strong>Public Space Development</strong></td>
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<tr>
<td>Public Space Improvement*</td>
<td>-$2,500,000</td>
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<td>Phase 1</td>
<td>-$2,825,400</td>
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<td>Phase 2</td>
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<td>Phase 3</td>
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<td><strong>Infrastructure</strong></td>
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<td>Phase 1</td>
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<td>Phase 2</td>
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<td>Phase 3</td>
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<td>Phase 4</td>
<td>-$4,865,022</td>
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<td><strong>Community Facilities</strong></td>
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<tr>
<td>Cultural Center</td>
<td>-$7,750,000</td>
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<td>Educational Facility</td>
<td>-$3,250,000</td>
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<tr>
<td>Multi-Purpose Athletic / Perf. Facilities</td>
<td>-$10,500,000</td>
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<tr>
<td>Other Public Facilities **</td>
<td>-$17,600,000</td>
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<tr>
<td>Public Medical Facility</td>
<td>-$6,750,000</td>
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<tr>
<td><strong>Total Uses</strong></td>
<td>-$96,120,772</td>
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Rivers Edge Development Proposal