

CITY OF FORT LAUDERDALE — CITY HALL THREE POTENTIAL CONCEPT COST SCENARIOS\*

PROJECT COST OVERVIEW	Proposal	Concept A	Concept B	Concept C	
1 Design Elements:	--	Full	Full	Reduced	
2 Space Programming:	--	Full	Reduced	Reduced	
3 Employee Head Count:	700	630	630	630	Assumes Development Services Department remains at the Greg Brewton Building.
4 Programming Gross Square Footage:	302,150	235,000	200,000	200,000	
5 Developer Cost per Square Foot:	\$1,140	\$1,170	\$1,200	1,000	
<b>6 Design &amp; Construction Cost:</b>	<b>\$344,295,000</b>	<b>\$275,000,000</b>	<b>\$240,000,000</b>	<b>\$200,000,000</b>	
7 Developer Fee:	\$17,214,750	\$13,750,000	\$12,000,000	\$10,000,000	Assumes a 5% fee based on the Design & Construction Cost.
8 Project Administration During Construction Period:	\$5,698,000	\$5,698,000	\$5,698,000	\$5,698,000	
9 Developer Debt Capitalized Interest/Financing Costs:	\$50,183,250	\$0	\$0	\$0	Proposal included cost for developer debt financing. City intends to finance the project.
<b>10 Design, Construction, &amp; Developer Financing Cost:</b>	<b>\$417,391,000</b>	<b>\$294,448,000</b>	<b>\$257,698,000</b>	<b>\$215,698,000</b>	
11 FFE Cost (\$50.00/sqft):		\$11,750,000	\$10,000,000	\$10,000,000	Based on \$50.00 per square foot.
<b>12 Estimated Total Project Cost:</b>	<b>\$417,391,000</b>	<b>\$306,198,000</b>	<b>\$267,698,000</b>	<b>\$225,698,000</b>	

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ANNUAL FINANCIAL PAYMENT OBLIGATION*	Proposal	Concept A	Concept B	Concept C	
15 Projected Annual Debt Service (90% City Financing):	--	\$17,000,000	\$15,000,000	\$12,500,000	Assumes 4.5% interest rate.
16 Projected Annual Availability Payment (10% Developer Equity):	--	\$3,300,000	\$3,000,000	\$2,400,000	Assumes 11.5% equity return.
<b>17 Annual City Capital Obligation:</b>		<b>\$20,300,000</b>	<b>\$18,000,000</b>	<b>\$14,900,000</b>	City financial plan identified \$12.2M annually (\$200M budget).
18 Annual Operations & Maintenance (O&M):	\$7,642,000	\$6,685,000	\$6,160,000	\$6,000,000	Initial cost estimate - the O&M scope will be defined in the Interim Agreement period.
<b>19 City Annual Obligations:</b>		<b>\$26,985,000</b>	<b>\$24,160,000</b>	<b>\$20,900,000</b>	

20 \*The Annual Financial Payment Obligation is provided for illustrative purposes. The final calculation would be based on the actual project cost and the market conditions.

# City Hall Payment Scenarios\*

Total Annual Payments are provided for illustrative purposes. The final calculation would be based on the actual project cost and the market conditions.

Project Funding Amount** (Funding Source)	Average Annual Debt Service	Annual Availability Payment <sup>^</sup>	Total Annual Payments**	Programmed Annual Debt Service	Increase Over the Programmed Debt Service
<b>\$200 million</b> (\$200M Debt)	\$12.2M	N/A	<b>\$12.2M</b>	\$12.2M	<b>\$ -</b>
<b>\$225 million</b> (\$205M Debt; \$20M Developer Equity)	\$12.5M	\$2.4M	<b>\$14.9M</b>	\$12.2M	<b>\$2.7M</b>
<b>\$270 million</b> (\$245M Debt; \$25M Developer Equity)	\$15.0M	\$3.0M	<b>\$18.0M</b>	\$12.2M	<b>\$5.8M</b>
<b>\$305 million</b> (\$277.5M Debt; \$27.5M Developer Equity)	\$17.0M	\$3.3M	<b>\$20.3M</b>	\$12.2M	<b>\$8.1M</b>

\*Annual debt service is not reflective of anticipated operation and maintenance (O&M) expense

\*\*Project funding amount is inclusive of design and construction, the 5% developer fee, and other developer costs.

<sup>^</sup>The availability payment represents the repayment of the Developer's equity assuming 10% equity on the design and construction costs and an 11.5% equity return for the project

## Developer Equity

This represents the annual availability payment that will be made to the Developer over a 30-year period.

Design and Construction Amount	Developer Equity Amount	Equity Return	Annual Payment	Total Payment	Financial Impact**
\$205M	\$20M	<b>4.50%*</b>	<b>\$1.2M</b>	<b>\$36.8M</b>	<b>Baseline</b>
		10.50%	\$2.2M	\$66.3M	\$29.5M
		11.00%	\$2.3M	\$69.0M	\$32.2M
		11.50%	\$2.4M	\$71.7M	\$34.9M
\$245M	\$25M	<b>4.50%*</b>	<b>\$1.5M</b>	<b>\$46.0M</b>	<b>Baseline</b>
		10.50%	\$2.8M	\$82.9M	\$36.9M
		11.00%	\$2.9M	\$86.3M	\$40.2M
		11.50%	\$3.0M	\$89.7M	\$43.7M
\$277.5M	\$27.5M	<b>4.50%*</b>	<b>\$1.7M</b>	<b>\$50.6M</b>	<b>Baseline</b>
		10.50%	\$3.0M	\$91.2M	\$40.5M
		11.00%	\$3.2M	\$94.9M	\$44.2M
		11.50%	\$3.3M	\$98.6M	\$48.0M

\*Baseline represents the cost of the City issuing the debt via a Special Obligation Bond

\*\*The financial impact represents the incremental increase associated with utilizing developer equity instead of funding the debt via a Special Obligation Bond