

Projected Payment from RACL to City – No New Tower

Year	Current Agreement for Base Payment No New Tower	As-Is Projected Participation Rent No New Tower	Total Projected Rent No New Tower
2017			
2018	\$ 200,000.00		\$ 200,000.00
2019	\$ 200,000.00		\$ 200,000.00
2020	\$ 200,000.00		\$ 200,000.00
2021	\$ 200,000.00		\$ 200,000.00
2022	\$ 200,000.00		\$ 200,000.00
2023	\$ 200,000.00	\$ 103,064.00	\$ 303,064.00
2024	\$ 200,000.00	\$ 302,833.00	\$ 502,833.00
2025	\$ 200,000.00	\$ 1,002,797.00	\$ 1,202,797.00
2026	\$ 200,000.00	\$ 1,054,431.00	\$ 1,254,431.00
2027	\$ 200,000.00	\$ 1,107,824.00	\$ 1,307,824.00
2028	\$ 200,000.00	\$ 1,168,451.00	\$ 1,368,451.00
2029	\$ 200,000.00	\$ 1,255,149.00	\$ 1,455,149.00
	\$ 2,400,000.00	\$ 5,994,549.00	\$ 8,394,549.00

Guaranteed PILOT Payments for Both Towers

Current Proposal From Redevelopment Authority/Penn Square: Guaranteed Payment With 3% Annual Increase					
	Existing Tower		New Tower		
2017	\$	200,000.00	\$	150,000.00	\$ 350,000.00
2018	\$	206,000.00	\$	154,500.00	\$ 360,500.00
2019	\$	212,180.00	\$	159,135.00	\$ 371,315.00
2020	\$	218,545.40	\$	163,909.05	\$ 382,454.45
2021	\$	225,101.76	\$	168,826.32	\$ 393,928.08
2022	\$	231,854.81	\$	173,891.11	\$ 405,745.93
2023	\$	238,810.46	\$	179,107.84	\$ 417,918.30
2024	\$	245,974.77	\$	184,481.08	\$ 430,455.85
2025	\$	253,354.02	\$	190,015.51	\$ 443,369.53
2026	\$	260,954.64	\$	195,715.98	\$ 456,670.61
2027	\$	268,783.28	\$	201,587.46	\$ 470,370.73
2028	\$	276,846.77	\$	207,635.08	\$ 484,481.85
2029	\$	285,152.18	\$	213,864.13	\$ 499,016.31
		\$ 3,123,558.09		\$ 2,342,668.57	\$ 5,466,226.66
Average of \$420,479 a year from 2017-2029					

LERTA on New Tower at \$10,500,000 AV

Year	Base Taxes	LERTA Abatement %	LERTA Taxes	Total Property Tax	\$14,000,000 Assessed Value	\$18,000,000 Assessed Value
2019	\$ 31,703.80	100%	\$ -	\$ 31,703.80	\$ 31,703.80	\$ 31,703.80
2020	\$ 31,703.80	90%	\$ 44,617.43	\$ 76,321.23	\$ 92,250.50	\$ 110,455.38
2021	\$ 31,703.80	75%	\$ 111,543.58	\$ 143,247.38	\$ 183,070.55	\$ 228,582.75
2022	\$ 31,703.80	60%	\$ 178,469.72	\$ 210,173.52	\$ 273,890.60	\$ 346,710.12
2023	\$ 31,703.80	45%	\$ 245,395.87	\$ 277,099.67	\$ 364,710.65	\$ 464,837.49
2024	\$ 31,703.80	30%	\$ 312,322.01	\$ 344,025.81	\$ 455,530.70	\$ 582,964.86
2025	\$ 31,703.80	15%	\$ 379,248.16	\$ 410,951.96	\$ 546,350.75	\$ 701,092.23
2026	\$ 31,703.80	0%	\$ 446,174.30	\$ 477,878.10	\$ 637,170.80	\$ 819,219.60
Totals	\$ 253,630.40		\$ 1,717,771.06	\$ 1,971,401.46	\$ 2,584,678.35	\$ 3,285,566.23

NOTE: With construction occurring in 2017 and 2018 the new assessed value would likely be effective with the 2019 Tax Year.

New Tower estimated assessed value of \$10,500,000. Tax rate for all three taxing bodies is 45.5122 mills in 2016 or \$477,877.80 .

The LERTA Increment is the new assessed value less the current taxes paid or \$446,174 (Rounded, \$477,878.10-\$31,703.80).

The LERTA abatement schedule is a 7 year declining schedule of 100%, 90%, 75%, 60%, 45%, 30% and 15%.

	Assessed Value	\$ 10,500,000.00	\$ 14,000,000.00	\$ 18,000,000.00
	Total Taxes	\$ 477,878.10	\$ 637,170.80	\$ 819,219.60
	LERTA Tax Value	\$ 446,174.30	\$ 605,467.00	\$ 787,515.80

Marriott Tower Expansion Proposed Pilot Payments vs LERTA

Year	New Tower Guaranteed	Existing Tower Guaranteed	Combined Guaranteed Base Rent	Projected Participation Rent	Total Projected PILOT With New Tower	LERTA on New Tower Project at \$10,500,000 Assessed Value	LERTA on New Tower Project at \$14,000,000 Assessed Value	LERTA on New Tower Project at \$18,000,000 Assessed Value
2017	\$ 150,000.00	\$ 200,000.00	\$ 350,000.00		\$ 350,000.00	\$ 31,703.80	\$ 31,703.80	\$ 31,703.80
2018	\$ 154,500.00	\$ 206,000.00	\$ 360,500.00		\$ 360,500.00	\$ 31,703.80	\$ 31,703.80	\$ 31,703.80
2019	\$ 159,135.00	\$ 212,180.00	\$ 371,315.00		\$ 371,315.00	\$ 31,703.80	\$ 31,703.80	\$ 31,703.80
2020	\$ 163,909.05	\$ 218,545.40	\$ 382,454.45	\$ 68,131.00	\$ 450,585.45	\$ 76,321.27	\$ 92,250.50	\$ 110,455.38
2021	\$ 168,826.32	\$ 225,101.76	\$ 393,928.08	\$ 295,124.00	\$ 689,052.08	\$ 143,247.38	\$ 183,070.55	\$ 228,582.75
2022	\$ 173,891.11	\$ 231,854.81	\$ 405,745.93	\$ 366,278.00	\$ 772,023.93	\$ 210,173.52	\$ 273,890.60	\$ 346,710.12
2023	\$ 179,107.84	\$ 238,810.46	\$ 417,918.30	\$ 368,500.00	\$ 786,418.30	\$ 277,099.67	\$ 364,710.65	\$ 464,837.49
2024	\$ 184,481.08	\$ 245,974.77	\$ 430,455.85	\$ 441,024.00	\$ 871,479.85	\$ 344,025.81	\$ 455,530.70	\$ 582,964.86
2025	\$ 190,015.51	\$ 253,354.02	\$ 443,369.53	\$ 1,172,819.00	\$ 1,616,188.53	\$ 410,951.96	\$ 546,350.75	\$ 701,092.23
2026	\$ 195,715.98	\$ 260,954.64	\$ 456,670.61	\$ 1,258,730.00	\$ 1,715,400.61	\$ 477,878.10	\$ 637,170.80	\$ 819,219.60
2027	\$ 201,587.46	\$ 268,783.28	\$ 470,370.73	\$ 1,347,229.00	\$ 1,817,599.73	\$ 477,878.10	\$ 637,170.80	\$ 819,219.60
2028	\$ 207,635.08	\$ 276,846.77	\$ 484,481.85	\$ 1,446,065.00	\$ 1,930,546.85	\$ 477,878.10	\$ 637,170.80	\$ 819,219.60
2029	\$ 213,864.13	\$ 285,152.18	\$ 499,016.31	\$ 1,867,374.00	\$ 2,366,390.31	\$ 477,878.10	\$ 637,180.80	\$ 819,219.60
	\$ 2,342,668.57	\$ 3,123,558.09	\$ 5,466,226.66	\$ 8,631,274.00	\$ 14,097,500.66	\$ 3,468,443.41	\$ 4,559,608.35	\$ 5,806,632.63

Comparison of Payments to be Received by City

Scenario	Payment		Total
Existing Tower with Base Rent Payment	\$2,400,000		
Additional Participation Rent	\$5,994,549		\$8,394,549
New Tower LERTA – City Estimated AV			\$3,468,441
\$10,500,000 Assessed Value (City)	\$3,468,441		
\$14,000,000 Assessed Value	\$4,559,600		
\$18,000,000 Assessed Value (Morris)	\$5,806,635		
New Tower Pilot Agreement -Guaranteed	\$2,342,669		
Additional Participation Rent	\$8,631,274		\$10,973,943
Full PILOT Payment – Original and New Tower w/ Additional Participation Rent	\$14,097,501		\$14,097,501