

FISCAL IMPACT STATEMENT

Indicate the **Total Fiscal Impact** of the action requested, including personnel, operating, and capital costs. Indicate costs for the current fiscal year and continuing costs in future years. Include all related costs necessary to place the asset in service.

1. DESCRIPTION: 1.) One time net proceeds from sale of the Hotel Land; 2.) One time net proceeds from sale of Additional Land between the Hotel Land and W. Livingston Street, due to realignment of same; 3.) One time payment of hotel past due rent and past due catering revenues; and 4) Annual ground rent on the adjacent parking lot land.

COSTS:

2. Does the acceptance of this action require the hiring of additional or new personnel or the use of overtime?
☐ Yes ☒ No (if Yes, include all personnel costs below).

3. Is the action funded in the current year budget and/or through reallocation of existing Department resources:
☐ Yes ☒ No If No, how will this item be funded? N/A PLEASE NOTE: If the action is funded by a grant received by the City please include the fiscal year of the funding award, grantor name, granting agency or office name (if any), grant name and when the grant agreement was approved by City Council.

Did this item require BRC action? ☐ Yes ☒ No If Yes, BRC Date: N/A BRC Item #: N/A

4. This item will be charged to Fund/Dept/Program/Project: Proceeds from hotel land sale and additional land sale; past hotel rent due; and annual ground rent for parking lot land deposited to Project 2924. Past due catering revenue deposited to Program 570.

5.	(a) Current Year Estimate	(b) Next Year Annualized	(c) Annual Continuing Costs Thereafter
Personnel	\$	\$	\$
Operating			
Capital			
Total	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

6. If costs do not continue indefinitely, explain nature and expiration date of costs: N/A

7. OTHER COSTS

(a). Are there any future costs, one-time payments, lump sum payments, or other costs payable for this item at a later date that are **not** reflected above: ☐ Yes ☒ No

(b) If yes, by Fiscal Year, identify the dollar amount and year payment is due: \$ N/A Payment due date N/A

(c) What is the nature of these costs: N/A

REVENUE:

8. What is the estimated increase in "valuation" added to the tax rolls? \$ N/A. Tax roll increase is:
☐ real property, ☐ tangible personal property, ☐ other (identify N/A).

9. What is source of the revenue and the estimated annual recurring revenue? Source: Annual ground lease payments \$ \$2,300 per month plus tax for 18 months or while hotel is under renovation; and thereafter \$110,000 annualized increasing 5% at the commencement of lease years 4, 7, and 10; and every 5 years thereafter.

10. If non-recurring, what is the estimated Fiscal Year and amount of non-recurring revenue that will be realized? Source Disposition of real property & past hotel rent due and past catering revenue due. Fiscal year Year 1 \$ Net proceeds from \$3,250,447.20 sale of hotel land; and net proceeds from \$154,000 (exact amount to be determined by survey at \$35 psf) sale of additional property due to realignment of Livingston Street; and past hotel rent due in the amount of \$1,374,110.50; and past due catering revenue of \$311,105.92 (all calculated thru the end of January 2014). non-recurring revenue

11. What is the Payback period? N/A years

12. **JUSTIFICATION:** Document justification for request. Include anticipated economies or efficiencies to be realized by the City, including reductions in personnel or actual cost (cash flow) reductions to be realized in your budget. Net proceeds from the Agreement for Purchase and Sale for the hotel land and additional land is based upon the appraised

value of \$35 psf of land areas. Past hotel rent due and past catering revenues due are actual amounts calculated thru January 2014. The ground lease income on the adjacent parking lot land is \$2,300 per month plus tax for up to 18 months while the hotel is being renovated; and then annualized at \$110,000 plus tax, increasing 5% at commencement of years 4, 7, 10 and every 5 years thereafter.

13. APPROVED: Laurie Botts, Real Estate Division Manager (Submitting Director or authorized Division Mgr **Only**)
FIS 3/14/08