

Land Clearance for Redevelopment Authority Model / Guidance

LCRA Incentive Worksheet:	Project Name:	Kevin Higdon Construction				Project Investments:	
Green highlighted cells are for input.						Real property	607,500
Yellow highlighted cells are the result of a formula						Taxable personal property	200,000
Key Considerations:					Weighting	TOTAL	807,500
	Remediation and Prevention of Blight / Tax base stabilization				33.33%		
	New Tax to the City				33.33%		
	New Jobs to the City				33.33%		
Inputs:	Current Market Value:				683		
	Est. % of increase in market value of RE from investment:				50%		
	Projected abatement year 1 sales				180,000		
	Projected annual sales growth rate				5.0%		
	Percent of sales that are taxable				100.0%		
	# of jobs <70 of Jackson County median wage				0		
	# of Jobs > 70% and < 80% of Jackson County median wage				0		
	# of Jobs that are > or = to 80% but < 99.9% of the Jackson County median wage				1		
	# of Jobs that are > or = to 100% but < 120% of the Jackson County median wage				1		
	# of Jobs that are > or = to 120% of the Jackson County median wage				3		
Results:	10 year incremental abatement amount				98,739		
	Total real estate project renovation costs/investment				607,500		
	Maximum tax abatement \$ based on RE investment				151,875	(Maximum Incentive may not exceed 25% of total project costs)	
	Jobs created and/or retained over abatement period				5		
	Estimated increase in LS tax collections during abatement				29,146	(over 10 year period - calculated below)	
	Estimated increase in market value of the property				303,750	Commercial property increase per assessor	
	Estimated Tax Increment:				9,874	per year	
	Guidance abatement amount from spreadsheet				44,099		
	Estimated abatement period				4.47		