
**City of Cape Girardeau
(River Campus Arts Expansion Project)**

COST BENEFIT ANALYSIS
PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT



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This information is provided based on the factual information and assumptions provided to Gilmore & Bell, P.C. by a party to or a representative of a party to the proposed transaction. This information is intended to provide factual information only and is provided in conjunction with our legal representation. It is not intended as financial advice or a financial recommendation to any party. Gilmore & Bell, P.C. is not a financial advisor or a “municipal advisor” as defined in the Securities Exchange Act of 1934, as amended.

Project Assumptions

♦ Appraised value of Project Site and existing structures	\$ 400,800
♦ Assessed value as a percentage of appraised value (commercial)	32.0%
♦ Assessed value of Project Site and existing structures	\$ 128,260
♦ Estimated costs of Phase 1	\$ 4,000,000
♦ Estimated costs of Phase 2	\$ 5,000,000
♦ Appraised value of Phase 1 after completion (90% of estimated costs)	\$ 3,600,000
♦ Appraised value of Phase 2 after completion (90% of estimated costs)	\$ 4,500,000
♦ Assessed value of Phase 1 after completion (commercial)	\$ 1,152,000
♦ Assessed value of Phase 2 after completion (commercial)	\$ 1,440,000
♦ Initial year Phase 1 taxes assessed	2022
♦ Initial year Phase 2 taxes assessed	2023
♦ Bi-annual growth rate of appraised values	2.0%
♦ Each Phase's taxes are abated at 100% for 15 years	

Summary of Property Tax Abatement

Taxing Jurisdiction	Commercial Tax Rate	Projected Real Property Tax Revenues if Project is Built (Without Abatement)				Projected Real Property PILOTs if Project is Built		Projected Tax Abatement if Project is Built	
		Projected Real Property Tax Revenues if Project is Not Built	Projected Real Property Tax Revenues if Project is Built (Without Abatement)	Projected Real Property PILOTs if Project is Built	Projected Real Property PILOTs if Project is Built	Projected Real Property PILOTs if Project is Built	Projected Real Property PILOTs if Project is Built	Projected Tax Abatement if Project is Built	Projected Tax Abatement if Project is Built
State of Missouri	0.0300	\$ 667	\$ 12,911	\$ -	\$ -	\$ -	\$ -	\$ 12,506	\$ 12,506
County of Cape Girardeau - General Revenue	0.0750	1,668	32,278	-	-	-	-	31,266	31,266
County of Cape Girardeau - Mental Health	0.0772	1,717	33,225	-	-	-	-	32,183	32,183
County of Cape Girardeau - Public Health	0.0960	2,135	41,316	-	-	-	-	40,021	40,021
County of Cape Girardeau - Senior Services	0.0478	1,063	20,572	-	-	-	-	19,927	19,927
County of Cape Girardeau - Developmentally Disabled	0.0553	1,230	23,800	-	-	-	-	23,053	23,053
City of Cape Girardeau - General	0.3044	6,769	131,007	-	-	-	-	126,898	126,898
City of Cape Girardeau - Health	0.0570	1,268	24,532	-	-	-	-	23,762	23,762
Cape Girardeau School District	4.1567	92,433	1,788,950	-	-	-	-	1,732,845	1,732,845
Cape Girardeau Public Library	0.3152	7,009	135,655	-	-	-	-	131,401	131,401
Commercial Surtax	0.3690	8,206	158,809	-	-	-	-	153,829	153,829
	5.5836	\$ 124,164	\$ 2,403,056	\$ -	\$ -	\$ -	\$ -	\$ 2,327,691	\$ 2,327,691

Projected Real Property Tax Revenues if Project is Not Built

Estimated Assessed Value of Project Site		\$ 128,260	\$ 130,825	\$ 130,825	\$ 133,442	\$ 133,442	\$ 136,111	\$ 136,111	\$ 138,833
Taxing Jurisdiction	Tax Rate per \$100	2022	2023	2024	2025	2026	2027	2028	2029
State of Missouri	0.0300	\$ 38	\$ 39	\$ 39	\$ 40	\$ 40	\$ 41	\$ 41	\$ 42
County of Cape Girardeau - General Revenue	0.0750	96	98	98	100	100	102	102	104
County of Cape Girardeau - Mental Health	0.0772	99	101	101	103	103	105	105	107
County of Cape Girardeau - Public Health	0.0960	123	126	126	128	128	131	131	133
County of Cape Girardeau - Senior Services	0.0478	61	63	63	64	64	65	65	66
County of Cape Girardeau - Developmentally Disabled	0.0553	71	72	72	74	74	75	75	77
City of Cape Girardeau - General	0.3044	390	398	398	406	406	414	414	423
City of Cape Girardeau - Health	0.0570	73	75	75	76	76	78	78	79
Cape Girardeau School District	4.1567	5,331	5,438	5,438	5,547	5,547	5,658	5,658	5,771
Cape Girardeau Public Library	0.3152	404	412	412	421	421	429	429	438
Commercial Surtax	0.3690	473	483	483	492	492	502	502	512
	5.5836	\$ 7,162	\$ 7,305	\$ 7,305	\$ 7,451	\$ 7,451	\$ 7,600	\$ 7,600	\$ 7,752

Estimated Assessed Value of Project Site		\$ 138,833	\$ 141,609	\$ 141,609	\$ 144,442	\$ 144,442	\$ 147,330	\$ 147,330	\$ 150,277	
	Tax Rate									
Taxing Jurisdiction	per \$100	2030	2031	2032	2033	2034	2035	2036	2037	Total
State of Missouri	0.0300	\$ 42	\$ 42	\$ 42	\$ 43	\$ 43	\$ 44	\$ 44	\$ 45	\$ 667
County of Cape Girardeau - General Revenue	0.0750	104	106	106	108	108	111	111	113	1,668
County of Cape Girardeau - Mental Health	0.0772	107	109	109	112	112	114	114	116	1,717
County of Cape Girardeau - Public Health	0.0960	133	136	136	139	139	141	141	144	2,135
County of Cape Girardeau - Senior Services	0.0478	66	68	68	69	69	70	70	72	1,063
County of Cape Girardeau - Developmentally Disabled	0.0553	77	78	78	80	80	81	81	83	1,230
City of Cape Girardeau - General	0.3044	423	431	431	440	440	448	448	457	6,769
City of Cape Girardeau - Health	0.0570	79	81	81	82	82	84	84	86	1,268
Cape Girardeau School District	4.1567	5,771	5,886	5,886	6,004	6,004	6,124	6,124	6,247	92,433
Cape Girardeau Public Library	0.3152	438	446	446	455	455	464	464	474	7,009
Commercial Surtax	0.3690	512	523	523	533	533	544	544	555	8,206
	5.5836	\$ 7,752	\$ 7,907	\$ 7,907	\$ 8,065	\$ 8,065	\$ 8,226	\$ 8,226	\$ 8,391	\$ 124,164

Projected Real Property Tax Revenues if Project is Built (Without Abatement)

Estimated Assessed Value of Phase 1	\$	1,152,000	\$	1,175,040	\$	1,175,040	\$	1,198,541	\$	1,198,541	\$	1,222,512	\$	1,222,512	\$	1,246,962
Estimated Assessed Value of Phase 2	\$	-	\$	1,440,000	\$	1,440,000	\$	1,468,800	\$	1,468,800	\$	1,498,176	\$	1,498,176	\$	1,528,140
Estimated Assessed Value of Project (Both Phases)	\$	1,152,000	\$	2,615,040	\$	2,615,040	\$	2,667,341	\$	2,667,341	\$	2,720,688	\$	2,720,688	\$	2,775,101

Taxing Jurisdiction	Tax Rate per \$100	2022	2023	2024	2025	2026	2027	2028	2029
State of Missouri	0.0300	\$ 346	\$ 785	\$ 785	\$ 800	\$ 800	\$ 816	\$ 816	\$ 833
County of Cape Girardeau - General Revenue	0.0750	864	1,961	1,961	2,001	2,001	2,041	2,041	2,081
County of Cape Girardeau - Mental Health	0.0772	889	2,019	2,019	2,059	2,059	2,100	2,100	2,142
County of Cape Girardeau - Public Health	0.0960	1,106	2,510	2,510	2,561	2,561	2,612	2,612	2,664
County of Cape Girardeau - Senior Services	0.0478	551	1,250	1,250	1,275	1,275	1,300	1,300	1,327
County of Cape Girardeau - Developmentally Disabled	0.0553	637	1,446	1,446	1,475	1,475	1,505	1,505	1,535
City of Cape Girardeau - General	0.3044	3,507	7,960	7,960	8,119	8,119	8,282	8,282	8,447
City of Cape Girardeau - Health	0.0570	657	1,491	1,491	1,520	1,520	1,551	1,551	1,582
Cape Girardeau School District	4.1567	47,885	108,699	108,699	110,873	110,873	113,091	113,091	115,353
Cape Girardeau Public Library	0.3152	3,631	8,243	8,243	8,407	8,407	8,576	8,576	8,747
Commercial Surtax	0.3690	4,251	9,650	9,650	9,842	9,842	10,039	10,039	10,240
	5.5836	\$ 64,323	\$ 146,013	\$ 146,013	\$ 148,934	\$ 148,934	\$ 151,912	\$ 151,912	\$ 154,951

Estimated Assessed Value of Phase 1	\$	1,246,962	\$	1,271,901	\$	1,271,901	\$	1,297,339	\$	1,297,339	\$	1,323,286	\$	1,323,286	\$	1,349,752
Estimated Assessed Value of Phase 2	\$	1,528,140	\$	1,558,702	\$	1,558,702	\$	1,589,876	\$	1,589,876	\$	1,621,674	\$	1,621,674	\$	1,654,107
Estimated Assessed Value of Project (Both Phases)	\$	2,775,101	\$	2,830,603	\$	2,830,603	\$	2,887,215	\$	2,887,215	\$	2,944,960	\$	2,944,960	\$	3,003,859

Taxing Jurisdiction	Tax Rate per \$100	2030	2031	2032	2033	2034	2035	2036	2037	Total
State of Missouri	0.0300	\$ 833	\$ 849	\$ 849	\$ 866	\$ 866	\$ 883	\$ 883	\$ 901	\$ 12,911
County of Cape Girardeau - General Revenue	0.0750	2,081	2,123	2,123	2,165	2,165	2,209	2,209	2,253	32,278
County of Cape Girardeau - Mental Health	0.0772	2,142	2,185	2,185	2,229	2,229	2,274	2,274	2,319	33,225
County of Cape Girardeau - Public Health	0.0960	2,664	2,717	2,717	2,772	2,772	2,827	2,827	2,884	41,316
County of Cape Girardeau - Senior Services	0.0478	1,327	1,353	1,353	1,380	1,380	1,408	1,408	1,436	20,572
County of Cape Girardeau - Developmentally Disabled	0.0553	1,535	1,565	1,565	1,597	1,597	1,629	1,629	1,661	23,800
City of Cape Girardeau - General	0.3044	8,447	8,616	8,616	8,789	8,789	8,964	8,964	9,144	131,007
City of Cape Girardeau - Health	0.0570	1,582	1,613	1,613	1,646	1,646	1,679	1,679	1,712	24,532
Cape Girardeau School District	4.1567	115,353	117,660	117,660	120,013	120,013	122,413	122,413	124,861	1,788,950
Cape Girardeau Public Library	0.3152	8,747	8,922	8,922	9,101	9,101	9,283	9,283	9,468	135,655
Commercial Surtax	0.3690	10,240	10,445	10,445	10,654	10,654	10,867	10,867	11,084	158,809
	5.5836	\$ 154,951	\$ 158,050	\$ 158,050	\$ 161,211	\$ 161,211	\$ 164,435	\$ 164,435	\$ 167,723	\$ 2,403,056

Projected Real Property PILOTs if Project is Built

Estimated Assessed Value of Project (Total)		\$	1,152,000	\$	2,615,040	\$	2,615,040	\$	2,667,341	\$	2,667,341	\$	2,720,688	\$	2,720,688	\$	2,775,101	\$	2,775,101	\$	2,830,603	\$	2,830,603	\$	2,887,215	\$	2,887,215	\$	2,944,960	\$	2,944,960	\$	3,003,859
Taxing Jurisdiction	Tax Rate per																																
	\$100	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total															
State of Missouri	0.0300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -															
County of Cape Girardeau - General Revenue	0.0750	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
County of Cape Girardeau - Mental Health	0.0772	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
County of Cape Girardeau - Public Health	0.0960	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
County of Cape Girardeau - Senior Services	0.0478	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
County of Cape Girardeau - Developmentally Disabled	0.0553	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
City of Cape Girardeau - General	0.3044	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
City of Cape Girardeau - Health	0.0570	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
Cape Girardeau School District	4.1567	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
Cape Girardeau Public Library	0.3152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
Commercial Surtax	0.3690	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-															
5.5836		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -															

Projected Tax Abatement if Project is Built

Taxing Jurisdiction	Tax Rate per \$100	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
State of Missouri	0.0300	\$ 346	\$ 785	\$ 785	\$ 800	\$ 800	\$ 816	\$ 816	\$ 833	\$ 833	\$ 849	\$ 849	\$ 866	\$ 866	\$ 883	\$ 883	\$ 496	\$ 12,506
County of Cape Girardeau - General Revenue	0.0750	864	1,961	1,961	2,001	2,001	2,041	2,041	2,081	2,081	2,123	2,123	2,165	2,165	2,209	2,209	1,241	31,266
County of Cape Girardeau - Mental Health	0.0772	889	2,019	2,019	2,059	2,059	2,100	2,100	2,142	2,142	2,185	2,185	2,229	2,229	2,274	2,274	1,277	32,183
County of Cape Girardeau - Public Health	0.0960	1,106	2,510	2,510	2,561	2,561	2,612	2,612	2,664	2,664	2,717	2,717	2,772	2,772	2,827	2,827	1,588	40,021
County of Cape Girardeau - Senior Services	0.0478	551	1,250	1,250	1,275	1,275	1,300	1,300	1,327	1,327	1,353	1,353	1,380	1,380	1,408	1,408	791	19,927
County of Cape Girardeau - Developmentally Disabled	0.0553	637	1,446	1,446	1,475	1,475	1,505	1,505	1,535	1,535	1,565	1,565	1,597	1,597	1,629	1,629	915	23,053
City of Cape Girardeau - General	0.3044	3,507	7,960	7,960	8,119	8,119	8,282	8,282	8,447	8,447	8,616	8,616	8,789	8,789	8,964	8,964	5,035	126,898
City of Cape Girardeau - Health	0.0570	657	1,491	1,491	1,520	1,520	1,551	1,551	1,582	1,582	1,613	1,613	1,646	1,646	1,679	1,679	943	23,762
Cape Girardeau School District	4.1567	47,885	108,699	108,699	110,873	110,873	113,091	113,091	115,353	115,353	117,660	117,660	120,013	120,013	122,413	122,413	68,756	1,732,845
Cape Girardeau Public Library	0.3152	3,631	8,243	8,243	8,407	8,407	8,576	8,576	8,747	8,747	8,922	8,922	9,101	9,101	9,283	9,283	5,214	131,401
Commercial Surtax	0.3690	4,251	9,650	9,650	9,842	9,842	10,039	10,039	10,240	10,240	10,445	10,445	10,654	10,654	10,867	10,867	6,104	153,829
	5.5836	\$ 64,323	\$ 146,013	\$ 146,013	\$ 148,934	\$ 148,934	\$ 151,912	\$ 151,912	\$ 154,951	\$ 154,951	\$ 158,050	\$ 158,050	\$ 161,211	\$ 161,211	\$ 164,435	\$ 164,435	\$ 92,359	\$ 2,327,691

Sales Tax Exemption

Sales Tax

MO	4.225%
County	1.500%
City	2.750%

Use Tax

MO	4.225%
County	1.500%
City	

	Sales Tax	Use Tax	Total
State	\$ 121,680.00	\$ 30,420.00	\$ 152,100.00
County	\$ 10,800.00	\$ 10,800.00	\$ 21,600.00
City	\$ 4,950.00	\$ -	\$ 4,950.00
TOTAL	\$ 137,430.00	\$ 41,220.00	\$ 178,650.00

Cost of Construction Materials \$3,600,000