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Late Backup

City of Austin

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COST/BENEFIT ANALYSIS

Category	No-Growth Scenario	More Conservative	Moderately Conservative	Less Conservative
TOTAL KNOWN COSTS	$162,838,164	$184,673,510	$212,521,515	$248,127,357
Known Direct Costs	$22,876,045	$22,876,045	$22,876,045	$22,876,045
CapMetro Subsidies (Bus & Train)[1]	$13,640,000	$13,640,000	$13,640,000	$13,640,000
Insurance[1]	$3,091,440	$3,091,440	$3,091,440	$3,091,440
Capital Repairs Subsidies[1]	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Event Services[1]	$3,644,605	$3,644,605	$3,644,605	$3,644,605
Known Indirect Costs	$139,962,118	$161,797,465	$189,645,470	$225,251,311
Forgone Property Tax Revenue[2]	$101,621,912	$123,457,258	$151,305,263	$186,911,105
Forgone Market Rent[3]	$38,340,207	$38,340,207	$38,340,207	$38,340,207
UNKNOWN COSTS	-	-	-	-
Training Complex	-	-	-	-
Infrastructure	-	-	-	-
COMMUNITY BENEFITS (USING PSV ESTIMATES)				
Community Benefits Under Term Sheet[4]	**$73,136,987**	**$73,136,987**	**$73,136,987**	**$73,136,987**
Non-Profit Donations	$16,839,981	$16,839,981	$16,839,981	$16,839,981
Parks Maintenance	$3,644,605	$3,644,605	$3,644,605	$3,644,605
Use of City Property	$9,475,974	$9,475,974	$9,475,974	$9,475,974
Soccer-Related and Required Programs	$43,176,426	$43,176,426	$43,176,426	$43,176,426
DEFICIT / COST OF 'INTANGIBLE BENEFITS[5]				
Deficit / Cost of 'Intangible Benefits'	**$89,701,177**	**$111,536,523**	**$139,384,528**	**$174,990,370**

[1] *Estimate from City staff.*
[2] *Estimate taken by applying current property tax rates for all local governments to estimated McKalla Place property value after stadium construction. Property value after construction estimated using the cost approach, which TCAD has described as an appropriate method for estimation in the absence of other information. No-Growth Scenario assumes no growth in property tax burden, More Conservative Scenario assumes 2 percent growth annually. Moderately Conservative Scenario assumes 4 percent growth annually, Less Conservative Scenario assumes 6 percent growth annually.*
[3] *Forgone Market Rent is calculated using the estimate of market rent at highest and best use in City staff's memo regarding the 2016 McKalla Appraisal.*
[4] *Benefits do not include revenues the City would receive under any scenario (such as sales taxes), because these are requirements of any project and not actual benefits offered by PSV.*
[5] *Deficit / Cost of 'Intangible Benefits' is the Total Known Cost minus the value of the Community Benefits Under Term Sheet.*