



Capital Budget Work Session #3

Tax Increment Financing Projects

April 28, 2025

MUNICAP, INC.
— PUBLIC FINANCE —

Includes an annual review of:

- Review of the TIF Area Fiscal Impact Analysis,
- Remaining Area Fiscal Impact Analysis,
- Capital Improvement Projection, and
- Summary of Fiscal Results.

ASSUMPTIONS REVIEWED

Assumptions reviewed and considered annually include:

- Development density and completion status with HRD and DPZ,
- Adopted budget amounts and tax rates with county staff,
- Appeal status updates with SDAT,
- Tax credit updates with SDAT,
- Existing statistics of the County (residents, labor force, and student generation),
- Capital improvement budgets and timing with county staff, and
- Review of updated assessed value assumptions tied to:
 - Actual development values from SDAT
 - Net operating income (NOI) assumptions from HRD
 - Projected market data from SDAT
 - Third party market data

2025 CONSIDERATIONS

- No changes to overall development density in TIF Area or in total Columbia Plan Area
- Updated development timing:
 - 2024 saw significant delays in timing of overall development densities:
 - 4-year delay in MF
 - 11-year delay in office
 - 15-year delay in retail
 - 12-year delay in restaurant
 - 2025 analysis continued with same delayed assumptions and did not adjust timing from 2024
- Updated appeals for 2025 actuals
- Updated base budget amounts for FY 26:
 - Non-departmental expenses saw a significant decrease YoY due to significantly less use of fund balance (PAYGO) assumed based on discussions with county staff

2025 CONSIDERATIONS, CONTINUED

- Updated CIP improvements:
 - Delayed library from 2027 to 2028
 - Delayed schools from 2035 to 2037
- Updated assessed values:
 - Multiple multifamily buildings are occupying and stabilizing increasing actual values in the TIF area
 - Metropolitan, 10M, Juniper, and Marlow
 - Multifamily values overall saw modest increase in values
 - Office values continue to see reduced valuations and appeals
 - One Merriweather, Two Merriweather, 3OA/Tenable
 - Continued to delay office inflationary increases until next SDAT revaluation in 2028
 - Restaurant and retail on a combined basis saw flat to modest increases in values
 - Hotels per SDAT are still seeing decreases although selected comparables (Merriweather Lakehouse) saw an increase in assessed value; note that no hotels are currently completed in the model

RESULTS – CIP Costs

Tax Year	Construction start year	Fire Station	Library	Arts Center	Traffic Improvements	Transit Center ³	Schools	Total Capital
		Funded from Fire Fund		(NCC Building and Parking)				(Debt Service)
	Principal Amount (Uninflated)	NA	2028	2026	2033	2033	2037	
Beginning	Principal Amount (Inflated) ²	\$0	\$80,000,000	\$57,485,000	\$75,000,000	\$4,400,000	\$33,845,511	\$250,730,511
		\$0	\$84,896,640	\$58,634,700	\$87,874,454	\$5,155,301	\$42,924,292	\$279,485,386
1-Jul-21		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-22		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-23		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-24		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-25		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-26		\$0	\$0	\$0	\$0	\$0	\$0	\$0
1-Jul-27		\$0	\$0	(\$4,870,376)	\$0	\$0	\$0	(\$4,870,376)
1-Jul-28		\$0	\$0	(\$4,870,376)	\$0	\$0	\$0	(\$4,870,376)
1-Jul-29		\$0	(\$6,482,262)	(\$4,870,376)	\$0	\$0	\$0	(\$11,352,638)
1-Jul-30		\$0	(\$6,482,262)	(\$4,870,376)	\$0	\$0	\$0	(\$11,352,638)
1-Jul-31		\$0	(\$6,482,262)	(\$4,870,376)	\$0	\$0	\$0	(\$11,352,638)
1-Jul-32		\$0	(\$6,482,262)	(\$4,870,376)	\$0	\$0	\$0	(\$11,352,638)
1-Jul-33		\$0	(\$6,482,262)	(\$4,870,376)	\$0	\$0	\$0	(\$11,352,638)
1-Jul-34		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	\$0	(\$18,455,902)
1-Jul-35		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	\$0	(\$18,455,902)
1-Jul-36		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	\$0	(\$18,455,902)
1-Jul-37		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	\$0	(\$18,455,902)
1-Jul-38		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-39		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-40		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-41		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-42		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-43		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-44		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-45		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-46		\$0	(\$6,482,262)	(\$4,870,376)	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$21,733,376)
1-Jul-47		\$0	(\$6,482,262)	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$16,863,000)
1-Jul-48		\$0	(\$6,482,262)	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$16,863,000)
1-Jul-49		\$0	\$0	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$10,380,738)
1-Jul-50		\$0	\$0	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$10,380,738)
1-Jul-51		\$0	\$0	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$10,380,738)
1-Jul-52		\$0	\$0	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$10,380,738)
1-Jul-53		\$0	\$0	\$0	(\$6,709,632)	(\$393,632)	(\$3,277,474)	(\$10,380,738)
1-Jul-54								
1-Jul-55								
1-Jul-56								
1-Jul-57								
Total		\$0	(\$129,645,245)	(\$97,407,515)	(\$134,192,649)	(\$7,872,635)	(\$52,439,581)	(\$421,557,626)

MuniCap, Inc.

1-Mar-25

¹Assumes projects funded by issuance of general obligation bonds, interest rate 4.50%, twenty year term. Cost totals are counted up to 2050 to align with projected revenues.

²Costs increase at 2% rate of inflation until time of issuance, excluding the Arts Center. Base year 2025.

³\$4.4 million represents the County's share of the total \$8.8 million costs for the project.

RESULTS – NET FISCAL IMPACTS AFTER DEBT SERVICE

Tax Year	(A)	(B)	(A - B = C)	(D)	(E)	(D - E = F)	(C + F)
	Surplus Real Property Tax Revenues Available After TIF Debt Service (\$48 million)	Net Capital Impact Capital Improvement Projects (Includes Library) (Debt Service) ¹	Sub-total Net Capital Impact		Net Operating Budget Impact	Sub-total	Overall Net Fiscal Impact
	Beginning			Revenues	Expenses		
1-Jul-16							
1-Jul-17							
1-Jul-18							
1-Jul-19							
1-Jul-20							
1-Jul-21							
1-Jul-22							
1-Jul-23							
1-Jul-24							
1-Jul-25	\$2,524,051	\$0	\$2,524,051	\$6,087,683	(\$6,233,736)	(\$146,053)	\$2,377,998
1-Jul-26	\$3,124,091	\$0	\$3,124,091	\$6,106,557	(\$6,358,411)	(\$251,854)	\$2,872,237
1-Jul-27	\$3,298,579	(\$4,870,376)	(\$1,571,797)	\$6,519,198	(\$6,748,449)	(\$229,250)	(\$1,801,048)
1-Jul-28	\$6,080,067	(\$4,870,376)	\$1,209,691	\$9,757,288	(\$8,772,646)	\$984,642	\$2,194,333
1-Jul-29	\$7,578,900	(\$11,352,638)	(\$3,773,739)	\$11,225,606	(\$10,872,393)	\$353,214	(\$3,420,525)
1-Jul-30	\$9,799,421	(\$11,352,638)	(\$1,553,217)	\$14,771,079	(\$15,008,189)	(\$237,110)	(\$1,790,327)
1-Jul-31	\$11,771,537	(\$11,352,638)	\$418,899	\$16,602,617	(\$18,012,267)	(\$1,409,651)	(\$990,752)
1-Jul-32	\$13,692,963	(\$11,352,638)	\$2,340,325	\$18,781,729	(\$20,714,793)	(\$1,933,064)	\$407,260
1-Jul-33	\$16,522,124	(\$11,352,638)	\$5,169,486	\$22,239,725	(\$23,952,972)	(\$1,713,247)	\$3,456,240
1-Jul-34	\$18,984,566	(\$18,455,902)	\$528,664	\$22,768,631	(\$25,616,020)	(\$2,847,388)	(\$2,318,725)
1-Jul-35	\$21,656,808	(\$18,455,902)	\$3,200,905	\$24,693,727	(\$27,712,582)	(\$3,018,856)	\$182,050
1-Jul-36	\$23,436,786	(\$18,455,902)	\$4,980,883	\$25,775,043	(\$29,138,675)	(\$3,363,632)	\$1,617,251
1-Jul-37	\$24,816,660	(\$18,455,902)	\$6,360,758	\$25,953,683	(\$29,940,563)	(\$3,986,880)	\$2,373,878
1-Jul-38	\$26,071,986	(\$21,733,376)	\$4,338,610	\$27,461,189	(\$31,747,404)	(\$4,286,215)	\$52,395
1-Jul-39	\$27,834,244	(\$21,733,376)	\$6,100,868	\$28,586,331	(\$33,189,120)	(\$4,602,789)	\$1,498,079
1-Jul-40	\$28,571,236	(\$21,733,376)	\$6,837,860	\$28,694,938	(\$33,852,902)	(\$5,157,965)	\$1,679,895
1-Jul-41	\$29,988,219	(\$21,733,376)	\$8,254,843	\$29,933,732	(\$35,204,766)	(\$5,271,034)	\$2,983,810
1-Jul-42	\$30,707,338	(\$21,733,376)	\$8,973,962	\$30,218,455	(\$35,908,861)	(\$5,690,407)	\$3,283,555
1-Jul-43	\$31,810,602	(\$21,733,376)	\$10,077,226	\$30,822,824	(\$36,627,039)	(\$5,804,215)	\$4,273,011
1-Jul-44	\$32,550,643	(\$21,733,376)	\$10,817,267	\$32,305,818	(\$38,249,282)	(\$5,943,463)	\$4,873,803
1-Jul-45	\$34,391,540	(\$21,733,376)	\$12,658,164	\$32,540,784	(\$39,014,267)	(\$6,473,483)	\$6,184,680
1-Jul-46	\$39,286,031	(\$21,733,376)	\$17,552,655	\$33,191,599	(\$39,794,552)	(\$6,602,953)	\$10,949,702
1-Jul-47	\$40,869,524	(\$16,863,000)	\$24,006,524	\$34,604,212	(\$41,350,384)	(\$6,746,172)	\$17,260,352
1-Jul-48	\$41,755,267	(\$16,863,000)	\$24,892,266	\$34,942,735	(\$42,177,392)	(\$7,234,657)	\$17,657,610
1-Jul-49	\$43,162,188	(\$10,380,738)	\$32,781,450	\$35,641,590	(\$43,020,940)	(\$7,379,350)	\$25,402,100
1-Jul-50	\$45,062,900	(\$10,380,738)	\$34,682,162	\$37,095,857	(\$44,414,514)	(\$7,318,657)	\$27,363,505
Total	\$615,348,270	(\$390,415,412)	\$224,932,858	\$627,322,629	(\$723,633,120)	(\$96,310,491)	\$128,622,368

25-Apr-25

¹Includes fire station, library, arts center, traffic improvements and transit center.

²Represents school and road excise and transfer tax revenues that are available for restricted uses per state and county law.

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