

Saint Paul Downtown Special Service District Proposed Service Charge -- Calculation Summary

Exhibit B

Proposed Service Charge:

Full program implementation in 2022 = **\$1,190,000**

Method of Financing: Service charge on commercial and industrial parcels in the Downtown Special Service District, plus volunteer tax-exempt properties

Allocation of Service Charges: Annual service charges for affected parcels are based upon allocating program costs across all parcels according to two variables: building square footage and linear front footage. After deducting the voluntary contribution associated with city- and county-owned tax-exempt parcels, seventy percent (70%) of remaining costs are allocated based on building square footage; thirty percent (30%) of costs are allocated based on linear front footage.

Calculation:	<u>2022 Charges</u>	<u>Square Footage/Front Footage</u>	<u>Proposed Rates</u>
Total:	\$1,190,000.00		
-26%	(\$310,238.53) less City/County Contribution		
74%	\$879,761.47 Commercial and industrial parcels subject to service charge		
70%:	\$615,870.55	10,522,502 square feet	\$0.0585 per square foot
30%:	\$263,890.92	21,170.52 front feet	\$12.47 per linear front foot

For each property subject to the service charge: 1) the building square footage is multiplied by the per-square-foot rate to produce a sub-total, and 2) the linear front footage is multiplied by the per-linear-front-foot rate to produce another sub-total. The two sub-totals are added to produce the total special service charge for the property.

Sample Property:

<u>Square footage</u>	<u>Linear front footage</u>
50,000 square feet	350 linear feet
<u>\$0.0585</u> rate per square foot	<u>\$12.47</u> rate per linear front foot
\$2,925 Sub-total	\$4,365
\$7,290 Total 2022 Service Charge	