

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

Exhibit A

Proposed Budget:

* Partial program implementation in Year 1 (2021)	=	\$610,716
* Full program implementation in Year 2 (2022)	=	\$1,413,689

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

Cost: 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:	2021 Costs	Square Footage/Front Footage	Proposed Rates
Total:	\$610,716		
-25%	(\$155,680) less City/County Contribution		
75%	\$455,036 Commercial and industrial parcels subject to service charge		
70%:	\$318,525	10,636,754 square feet	\$0.0299 per square foot
30%:	\$136,511	22,333 front feet	\$6.11 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:

Square footage	Linear front footage
30,000 square feet	350 linear feet
<u>\$0.0299</u> rate per square foot	<u>\$6.11</u> rate per linear front foot
\$897 Sub-total	\$2,139
\$3,036	Total 2021 Service Charge

Note: The rates and charges will increase substantially in 2022 as the full program is implemented.