



**Consulting & Municipal
ENGINEERS**

MS&B McMANIMON • SCOTLAND • BAUMANN

Riverton

Summary Presentation

1/28/21



NW Capital Markets Inc.

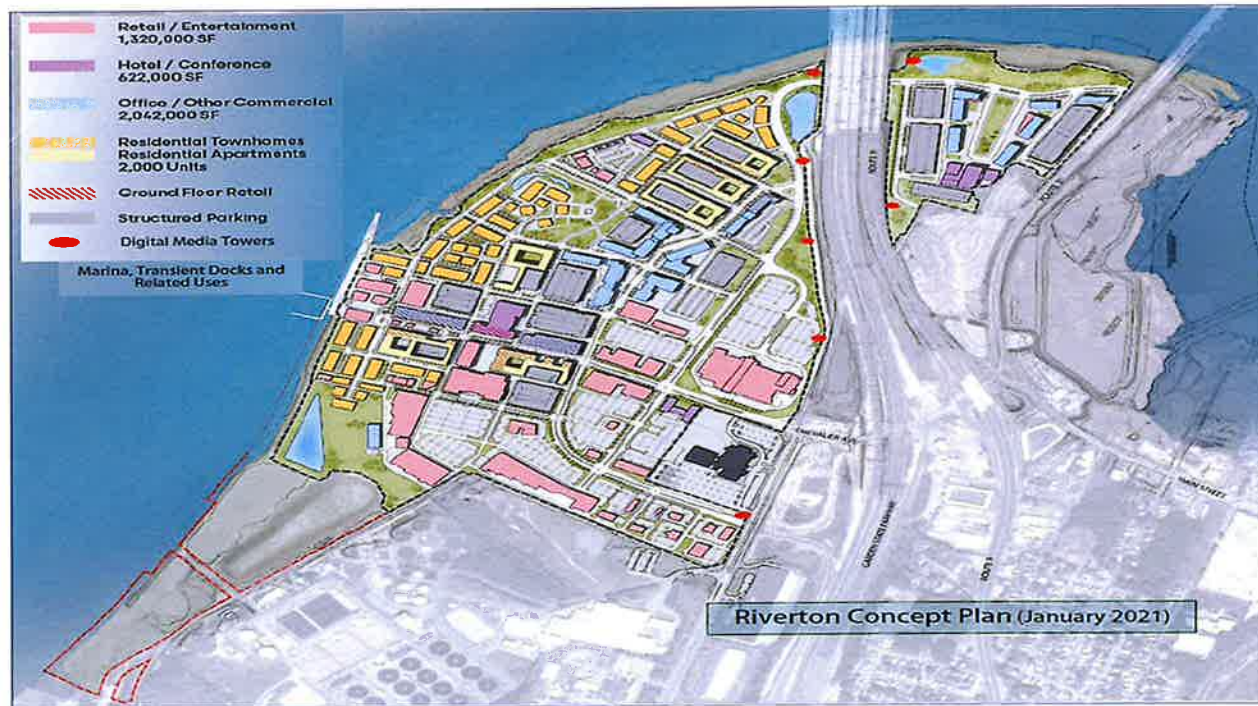


Guiding Principles

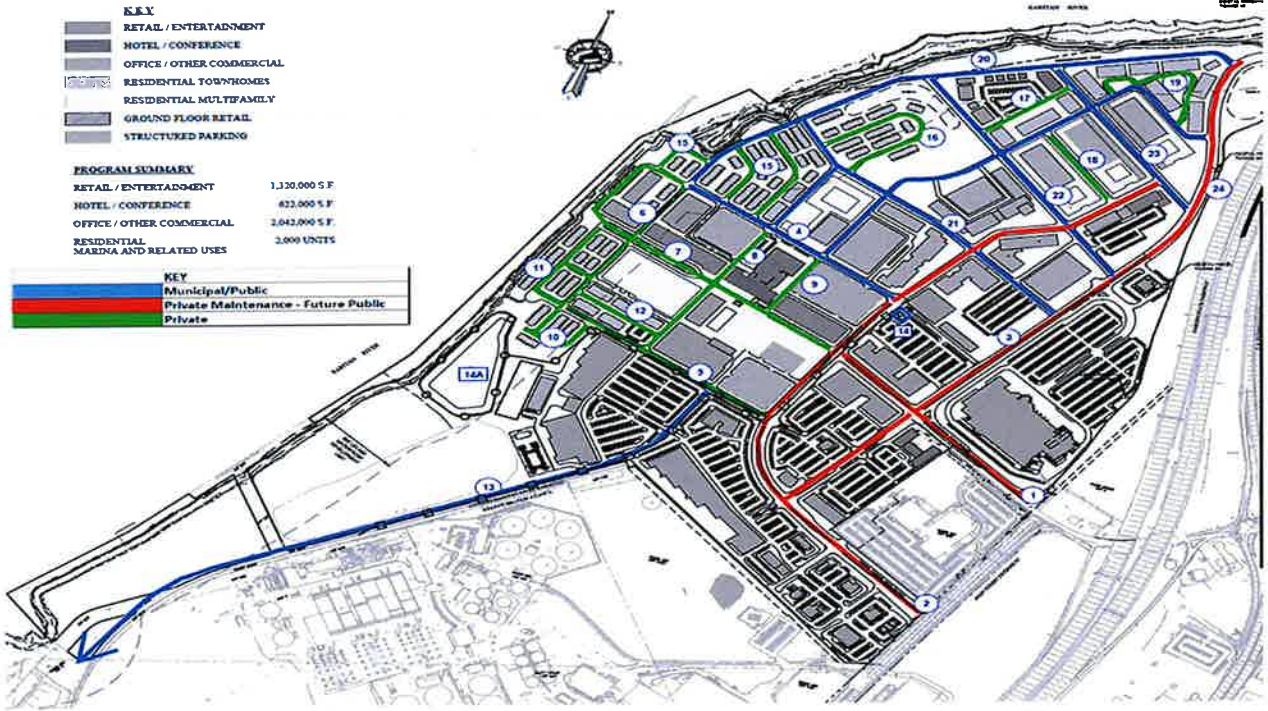
The Negotiating Team established firm policy principals to assure the development would deliver significant public benefit

1. Townhome residents should pay “full tax” equivalent (land + improvements)
2. All PILOT payments should escalate at annually at a predetermined rate
3. PILOT should produce a predictable and sustainable revenue surplus for the Borough from the initial stages of development
4. The Borough’s revenue surplus should grow steadily and reasonably throughout the life of the PILOT
5. Base PILOT for each category should cover its own municipal/school operating expenses
6. Additional School Surcharge payments should produce a value of at Least \$20 million and be supported by a transparent income stream
7. All Contributions (borough amenities, facilities and payments per Section 12.15, other than school payments) should be delivered using RAB proceeds from the Special Assessment revenues, with relative priority over Project Infrastructure
8. The deal should be “fair” to the Borough and Redeveloper








Concept Plan






Public and Private Roads

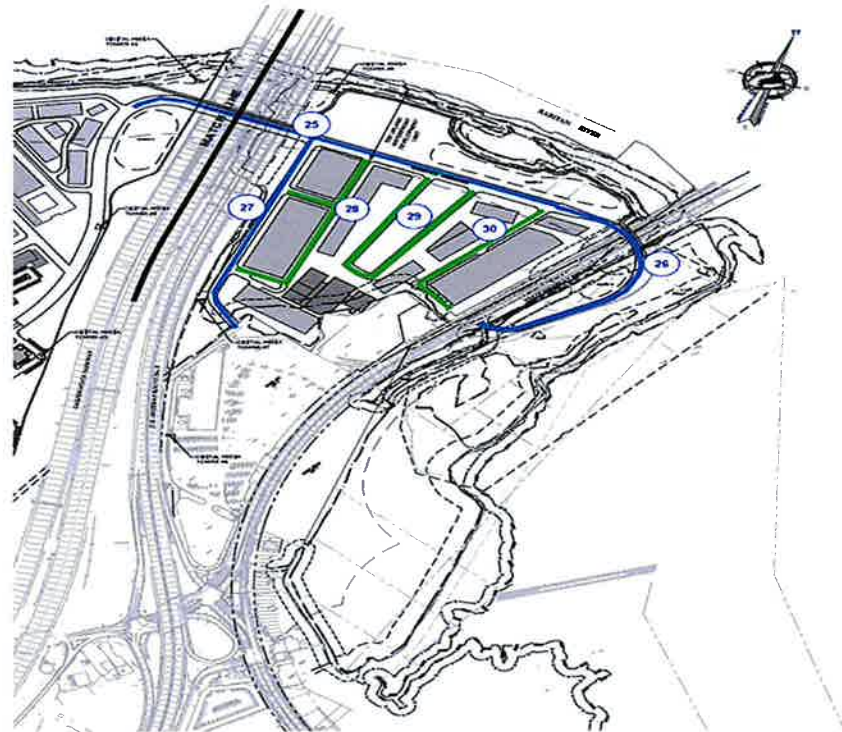


Additional Roads

KEY	
	RETAIL / ENTERTAINMENT
	HOTEL / CONFERENCE
	OFFICE / OTHER COMMERCIAL
	RESIDENTIAL TOWNHOMES
	RESIDENTIAL MULTIFAMILY
	GROUND FLOOR RETAIL
	STRUCTURED PARKING

PROGRAM SUMMARY	
RETAIL / ENTERTAINMENT	1,330,000 S.F.
HOTEL / CONFERENCE	632,000 S.F.
OFFICE / OTHER COMMERCIAL	2,042,000 S.F.
RESIDENTIAL MARINA AND RELATED USES	3,000 UNITS

KEY	
	Municipal/Public
	Private Maintenance - Future Public
	Private



Key Points

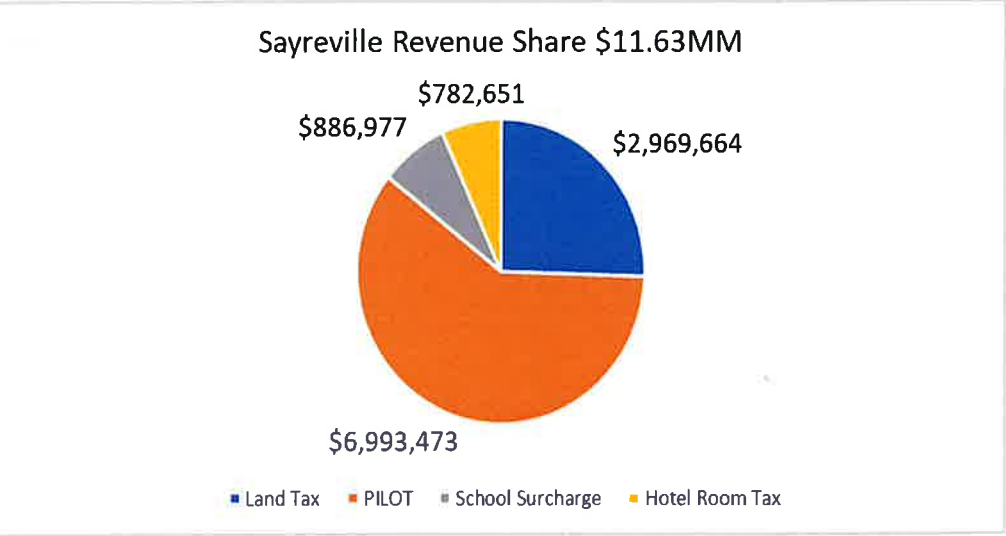
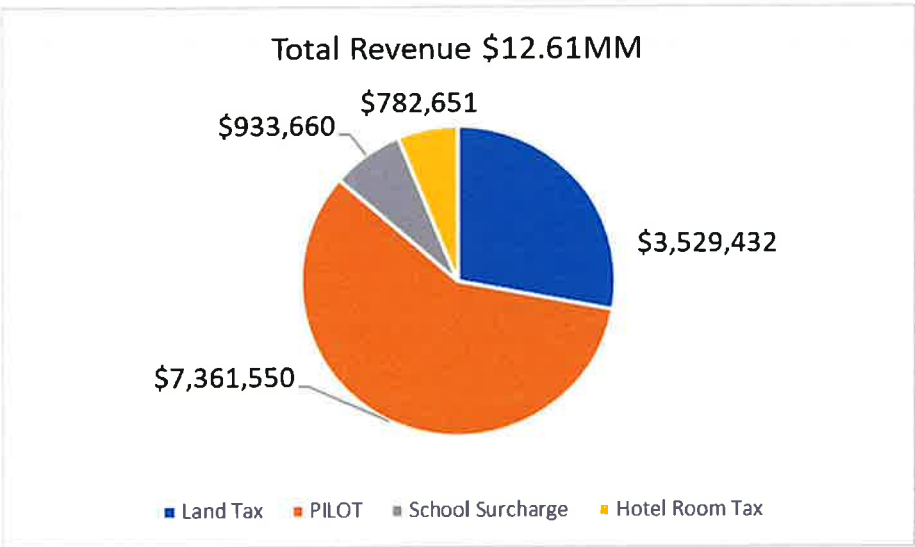
- Revenue from each project component fully covers related costs
- Project will deliver \$35 million of public amenities usable by all members of the public
- School Surcharge produces over \$34 million over 30 years
- Combination of Governmental Charges and required Pledged Special Assessment compare favorably to the typical percentage of Revenue PILOT approach
- Payments will automatically increase by 1.5% in the first 10 years and then jump to an annual increase of 2.00% per annum

Project Development Plan

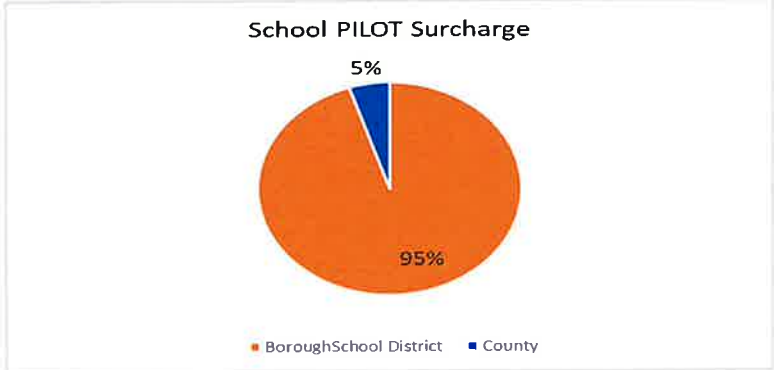
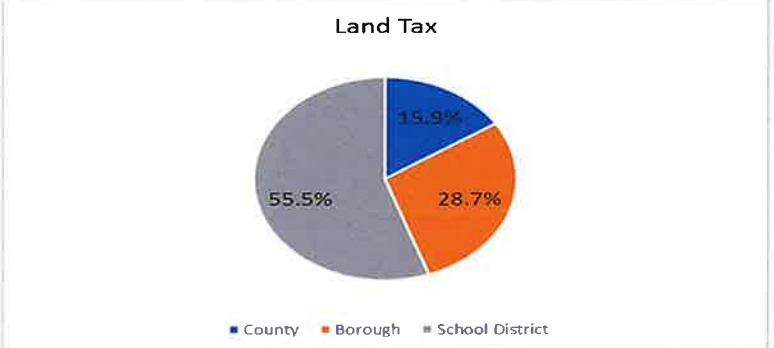
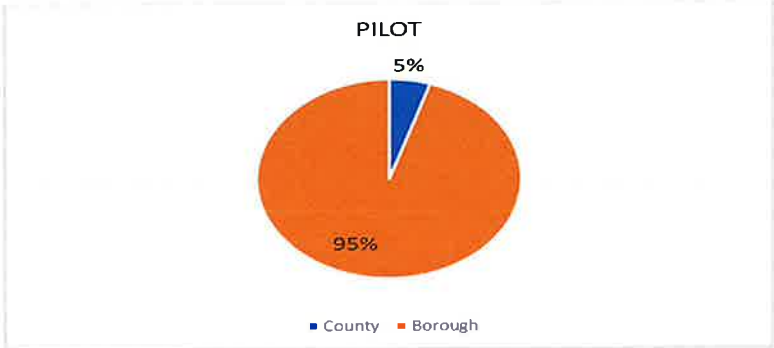
Riverton Overview

Use	Section	1	2	3	Totals
Retail Square Footage	Square Feet	702,118	510,170	52,000	1,264,288
Hotel Rooms/Conf. Center	Rooms	300	225	100	625
	Square Feet	220,000	110,000	42,000	372,000
Office	Square Feet	281,000		980,000	1,261,000
Multifamily Rental Units	Units	575		925	1,500
	Square Feet	517,500		832,500	1,350,000
Townhouse Units	Units	146		354	500
	Square Feet	323,244		783,756	1,107,000

Governmental Revenues First Operating Year



Governmental Revenue Sharing



Sayreville Revenue Projection

First Operating Year

Sayreville Revenue Share \$11.63MM

Land Tax	\$ 2,969,664
PILOT	\$ 6,993,473
School Surcharge	\$ 886,977
Hotel Room Tax	\$ 782,651
	<u>\$ 11,632,765</u>

30 Years of PILOT Agreement

Sayreville Revenue Share 30 Years

Land Tax	\$ 137,788,030
PILOT	\$ 273,023,195
School Surcharge	\$ 34,627,332
Hotel Room Tax	\$ 30,554,484
Total	<u>\$ 475,993,042</u>

Sayreville Revenue Splits

	PILOT	Land Tax	School Surcharge	Hotel Tax	Totals
Borough	\$ 6,993,473	\$ 956,720		\$ 782,651	\$ 8,732,844
School Board		\$1,953,107	\$ 886,977		\$ 2,840,084
Library		\$ 43,660			\$ 43,660
Local Open Space		\$ 25,835			\$ 25,835
Totals	\$ 6,993,473	\$2,979,322	\$ 886,977	\$ 782,651	\$ 11,642,422

Tax Equivalent Structure

Use	Net Base PILOT per square foot	Pledged Special Assessment per square foot	School Surcharge	Total Charges
Bass Pro Shops	\$ 0.50	\$ 0.50		\$ 1.00
All Other Retail	\$ 1.50	\$ 2.25		\$ 3.75
Hotel	\$ 1.00	\$ 2.75		\$ 3.75
Office	\$ 1.00	\$ 2.75		\$ 3.75
Multi-family	\$ 2.05	\$ 1.32	\$ 0.38	\$ 3.75
Townhomes	\$ 4.15	\$ 0.87	\$ 0.38	\$ 5.40

Townhomes pay the equivalent of full taxes like other homeowners

Projected Results over Time

This chart shows projected net benefit after expenses based upon the current expected development schedule

