

Estimated City Campus (Cost)/Savings to Vacate and Relocate on 4/01/15

TABLE 1A (OPERATING): Estimated Cost to Vacate - Reasonable Case

Operating (Costs) Savings	Type/Source of Funding	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Core - Professional Design Fees	Cash/2014 Budget	(235,200)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Core - Consulting	Cash/2014 Budget	(64,400)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Core - Leaseholds	Cash/2014 Budget/DSR	(184,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Core - Furniture, Fixtures & Equipment	Cash/2014 Budget/DSR	(754,975)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Core - Relocation Costs	Cash/2014 Budget	(230,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Core - Contingency	Cash/2014 Budget/DSR	(73,429)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Professional Design Fees	Cash/2014 Budget	(10,063)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Consulting	Cash/2014 Budget	(8,050)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Leaseholds	Cash/2014 Budget/DSR	(40,250)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Furniture, Fixtures & Equipment	Cash/2014 Budget/DSR	(59,770)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Relocation Costs	Cash/2014 Budget/DSR	(27,600)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing - Contingency	Cash/2014 Budget/DSR	(7,285)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Professional Design Fees	Cash/2014 Budget	(17,595)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Consulting	Cash/2014 Budget/DSR	(2,040)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Leaseholds	Cash/2014 Budget/DSR	(15,640)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Furniture, Fixtures & Equipment	Cash/2014 Budget/DSR	(3,800)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Relocation Costs	Cash/2014 Budget/DSR	(20,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DOT - Contingency	Cash/2014 Budget/DSR	(2,954)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL: Estimated Cost to Vacate - Reasonable Case:		(1,757,050)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 1B (OPERATING): City Campus Tenant Relocation to Leased Space; City Campus Vacated Savings

Lease Costs for Relocated City Campus Tenants***	Type/Source of Funding	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Core - Rent & Utilities	2015+ Operating Budget		(398,298)	(546,791)	(562,984)	(579,667)	(596,842)	(610,268)	(632,971)	(651,960)	(671,519)	(691,664)	(712,414)	(733,786)	(755,800)	(778,474)	(801,828)	(825,883)
Housing - Rent & Utilities	2015+ Operating Budget	See "Est Costs to Vacate" shown above.	(87,797)	(117,035)	(120,096)	(123,249)	(126,496)	(129,841)	(133,286)	(136,835)	(140,490)	(144,255)	(148,132)	(152,126)	(156,240)	(160,477)	(164,842)	(169,337)
DOT - Rent & Utilities	2015+ Operating Budget		(46,531)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL: Lease Payments:			(532,626)	(663,826)	(683,080)	(702,916)	(723,338)	(740,109)	(766,257)	(788,795)	(812,009)	(835,919)	(860,546)	(885,913)	(912,040)	(938,951)	(966,670)	(995,220)
City Campus Vacated Savings (Costs)/Savings***	Cash/Operating	0	761,500	1,045,820	1,077,194	1,109,510	1,142,795	1,177,079	1,212,392	1,248,763	1,286,226	1,324,813	1,364,558	1,405,494	1,447,659	1,491,089	1,535,822	1,581,896
SUBTOTAL: Vacated Savings:		0	761,500	1,045,820	1,077,194	1,109,510	1,142,795	1,177,079	1,212,392	1,248,763	1,286,226	1,324,813	1,364,558	1,405,494	1,447,659	1,491,089	1,535,822	1,581,896
TOTAL: Lease + Vacated City Campus = Net (Cost)/Savings:		0	228,874	381,994	394,115	406,594	419,457	436,971	446,135	459,969	474,218	488,894	504,011	519,582	535,619	552,138	569,152	586,676

TABLE 1C (OPERATING): EST (COSTS)/SAVINGS for TABLE 1A + TABLE 1B

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TABLE 1A Summary:	(1,757,050)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TABLE 1B Summary:	0	228,874	381,994	394,115	406,594	419,457	436,971	446,135	459,969	474,218	488,894	504,011	519,582	535,619	552,138	569,152	586,676
Total Annual (Cost) / Savings (TABLE 1A + TABLE 1B):	(1,757,050)	228,874	381,994	394,115	406,594	419,457	436,971	446,135	459,969	474,218	488,894	504,011	519,582	535,619	552,138	569,152	586,676
Cumulative (Cost) / Savings (TABLE 1A + TABLE 1B)	(1,757,050)	(1,528,176)	(1,146,182)	(752,068)	(345,473)	73,984	510,955	957,089	1,417,058	1,891,276	2,380,170	2,884,181	3,403,763	3,939,382	4,491,520	5,060,671	5,647,348

TABLE 2 (CAPITAL-Rehab Existing City Campus Facility)

Capital (Costs) Savings	Type/Source of Funding	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Demolition Costs*	Cash	0	(3,800,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land/Building Sale**	Cash	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Project Cost Avoidance****	Bond	0	0	1,817,025	1,697,808	1,687,602	1,673,112	1,654,086	1,630,902	1,603,812	1,573,194	1,539,552	1,503,516	1,465,842	1,426,530	1,385,958	1,344,252	1,231,412
Total Annual (Cost) / Savings		0	(3,799,999)	1,817,025	1,697,808	1,687,602	1,673,112	1,654,086	1,630,902	1,603,812	1,573,194	1,539,552	1,503,516	1,465,842	1,426,530	1,385,958	1,344,252	1,231,412
Cumulative (Cost) / Savings		0	(3,799,999)	(1,982,974)	(285,166)	1,402,436	3,075,548	4,729,634	6,360,536	7,964,348	9,537,542	11,077,094	12,580,610	14,046,452	15,472,982	16,858,940	18,203,192	19,434,604

TABLE 3 (OPERATING + CAPITAL)

Combined Operating (Cost) Savings & Capital Cost Avoidance	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Annual Ops/Cap (Cost) / Savings / Cost Avoidance	(1,757,050)	(3,571,125)	2,199,019	2,091,923	2,094,196	2,092,569	2,091,057	2,077,037	2,063,781	2,047,412	2,028,446	2,007,527	1,985,424	1,962,149	1,938,096	1,913,404	1,818,088
Cumulative Annual Ops/Cap (Cost) / Savings / Cost Avoidance	(1,757,050)	(5,328,175)	(3,129,156)	(1,037,234)	1,056,963	3,149,532	5,240,589	7,317,625	9,381,406	11,428,818	13,457,264	15,464,791	17,450,215	19,412,364	21,350,460	23,263,863	25,081,952

Footnotes

* Assumes demolition and hazardous material remediation for three buildings; demo costs could possibly be reduced by approximately \$800,000 if second story remained; outstanding debt of approximately \$275,000 not factored as a cost because is an outstanding obligation regardless of the timing of the payment.

** Assumes no value in land at time of sale.

*****"CORE"** 2015-2019 lease costs are adjusted to reflect the terms included in the proposed lease agreement with Towne Realty Inc. for lease space located at 633 West Wisconsin Ave (Milwaukee, WI), Suites 900, 1000, and 1100; Beginning in April 2020, lease terms assume a 3% increase over the 2019 monthly lease. **"Housing"** assumes 2015 -2019 lease rate beginning in April 2015 with a 3% annual inflationary increase beginning in 2016. **"DOT"** assumes an annual not to exceed amount of \$51,000 (prorated) for 2015. **"City Campus Vacated Savings"** 2015 savings assumes that the County pays all operating expenses through April 2015 in City Campus and assumes a 3% annual inflationary increase for City Campus in 2016. "CORE", "HOUSING", and "DOT" tenants assume April 1, 2015 move-in dates to the leased facilities

**** This analysis assumes the cost avoidance related to having to investing at least \$18.45 million (\$26.0 million in total when bond interest is included over a 20-year term) in City Campus for a long term viable and efficient office facility. Please refer to Page 31 of the January 13, 2014 CBRE report. Interest Rate was adjusted to reflect more recent trend in interest rates (3.52% in CBRE adjusted to 2.56% in Table 2 of this report) and the term of financing was changed to reflect the County's bond policy (20 year term CBRE adjusted to 15 year term in Table 2 of this report). Total Bond amount is amortized over 15 years and paid with Tax Levy via the Debt Service Fund.