

# Quality of Life Facility Financing Scenarios

**August 28<sup>th</sup>, 2023**  
**City of Grand Forks, ND**  
**Committee of the Whole**



# ESTIMATED COST & FINANCING

- **Updated Estimated Facility Construction Costs (8/25/2023)**

Indoor Facility Hard Costs: \$97.3M

Acquire Land South of Alerus Center Parking Lot

Includes Aquatics, Pickleball, Turf, & 300-Meter Track

Courts: Additional \$22M – Construction TBD - Depending on Ability to Borrow

- **Extended City 3/4% Sales Tax Bonding Capacity**

Potential to Borrow up to \$90M over 30 Years @ 6%

Option to Use Cash & Investments to Pay Off Existing Alerus Center Debt

Call Date in December 2025

Increases Borrowing Capacity by ~\$10M = \$100M Total Borrowing Capacity

*Timing of Construction Dependent on Amount Borrowed*

Initial Plan to Begin Construction in 2025



# POST-2029 LONG RANGE CASH FLOW ANALYSIS

- **Extended Sales Tax Projected to Collect \$12.6M by 2030**

Based on 3% Sales Tax Growth as Currently Recommended by Bond Counsel

- **New Debt Service Between \$7M-\$9M Annually**

Varies Based on Amount Borrowed, Construction Timing, Payoff of Alerus Debt

- **Alerus Center Capital Average “Allocation” of \$3.75M Annually**

Unchanged from Previous Presentations

Short-Term & Long-Term CIP Fully Funded as Presented

Actual Annual Expenditures Fluctuate Annually per Long-Range CIP

- **New Facility Capital “Allocation” of \$1.5M Annually**

Unchanged from Previous Presentations

Beginning in 2030 | Inflated at 2.5% Annually

