

**Penn Reconstruction, Expansion and Public Realm & Transit Improvements
Project Cost Assumptions**

Draft - 07/24/2022

PROJECT COST BREAKDOWN	
Project	Estimated Cost
Penn Reconstruction	\$7.00B
Penn Expansion	\$13.00B
Public Realm Improvements	\$500M
Transit Improvements	\$1.50B
Total	\$22.00B

FEDERAL/NY/NJ COST SHARING - 50/25/25 SPLIT						
Partner	Penn Project Share %	Penn Reconstruction Share \$	Penn Expansion Share \$	PRTI Share %*	PRTI Share \$	Total Cost \$
Federal	50%	\$3.50B	\$6.50B	0%	-	\$10.00B
NY	25%	\$1.75B	\$3.25B	100%	\$2.0B	\$7.00B
NJ	25%	\$1.75B	\$3.25B	0%	-	\$5.00B
Total		\$7.00B	\$13.00B		\$2.00B	\$22.00B

*PRTI - Public Realm & Transit Improvements

CITY-STATE PILOT CAP				
Project	PILOT Cap %	PILOT Cap \$	Remaining Non-PILOT NYS Cost	Total NYS Cost
Penn Reconstruction	12.5%	\$875M	\$875M	\$1.75B
Penn Expansion	12.5%	\$1.63B	\$1.63B	\$3.25B
Public Realm Improvements	100%	\$500M	-	\$500M
Transit Improvements	50%	\$750M	\$750M	\$1.50B
Total		\$3.75B	\$3.25B	\$7.00B

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Sources & Uses - NYS 25% Local Share*

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*For illustrative purposes; NYS will continue to pursue additional funding sources to reduce local cost

SOURCES & USES - NYS SHARE (1)	
USES	\$
<u>Penn Reconstruction</u>	
Penn Reconstruction	\$1.75B
Early Public Realm Improvements	\$100M
Early Transit Improvements	\$900M
Total Reconstruction Uses	\$2.75B
<u>Penn Expansion</u>	
Penn Expansion	\$3.25B
Longer Term Public Realm Improvements	\$400M
Longer Term Transit Improvements	\$600M
Illustrative NYS Upfront Payments - Expansion (1)	\$200M
Total Expansion Uses	\$4.45B
Total Uses	\$7.20B
SOURCES	\$
<u>Penn Reconstruction</u>	
Existing NYS Appropriation	\$1.25B
PILOT - Reconstruction (2)	\$792M
PILOT - Early Public Realm Improvements (2)	\$100M
PILOT - Early Transit Improvements (2)	\$450M
Other Development-generated Revenues (3)	\$158M
Total Reconstruction Sources	\$2.75B
<u>Penn Expansion</u>	
PILOT - Expansion (2)	\$1.63B
PILOT - Longer Term Public Realm Improvements (2)	\$400M
PILOT - Longer Term Transit Improvements (2)	\$33M
Other Development-generated Revenues (3)	\$2.39B
Total Expansion Sources	\$4.45B
Total Sources	\$7.20B

Notes

(1) NYS Upfront Payments include possible NYS payments to support interest on future financing and City Make-Whole payments until underlying projects generate sufficient PILOT revenues. Discounted to 2022\$ at a 6.25% discount rate.

(2) PILOT preliminary estimates assume:

- Maximum PILOT amount allowed under City-State percentage caps (see Project Cost Assumptions)
- 2022\$ at a 6.25% discount rate
- 3% annual growth rate in assessed values
- Approximately \$900M (2022\$/6.25% discount rate) and additional amounts for financing costs netted out from PILOT estimates

(3) Other Development-generated Revenues include additional development rights, land value, PILOST, and PILOMRT payments and are discounted to 2022\$ at a 6.25% discount rate.