

July 7, 2016

Anthony P. Corso, AIA, LEED AP
Chief Innovation Officer (i-team Director)
City of Peoria
456 Fulton Street, Suite 420B
Peoria, IL 61602

Re: City of Peoria Economic Analytics

Anthony:

Thank you for your interest in working with Urban3. Our analysis focuses on the revenue generation of land-use, and with that, the revenue production for all forms of government.

Normalizing tax value by the amount of acres consumed is an effective metric to measure the efficiency of various building types and development patterns. As you know, more urban, smaller-footprint parcels yield consistently higher value per acres than less dense patterns. Below please find a proposal for a Value Per Acre study for Peoria, as discussed.

Thanks again, and we are excited at the prospect of working with you and your community!

Respectfully,



Cate Ryba
New Projects Director

Economic Model/Value Per Acre Model for Peoria

Goal:

Urban3 will develop an economic 3D model and drill down to measure the economic effect of land uses within Peoria.

Deliverables:

Our analysis will consider the following:

- The relative economic potency of land uses and the creation of 2D and 3D graphics
- The delivery of those models to your Economic Development department
- An isolated analysis of various land use patterns within your community
- Comparative analysis of your municipality within your County
- Presentations of the models and powerpoint to your community, audiences determined by client (two days, up to six presentations)
- An online "StoryMap" website which will contain all graphics created as part of your analysis and an executive level narrative to complement the graphic. This will tell your community's economic "story".

Process:

Urban3's analytic method focuses on normalizing tax values on a per-acre basis. Our core process is broken into two phases. First, CAMA parcel data with ownership, tax values, exemptions, and building information is cataloged and processed. Many times, there are anomalies in Tax Assessor's files that misrepresent acreage amounts or allocate tax values across multiple semi-related parcels. Our team will dedicate time to correcting and synthesizing Peoria's different tax parcel data.

After the parcel data is processed and all errors are corrected, U3 will move on to visualizing the information. While we use a variety of visual techniques, the primary method for displaying value per acre and revenue metrics is with ESRI's ArcScene. ArcScene's ability to create three-dimensional representations of land value, tax value and value per acre trends in vertical "spikes" displays a huge amount of information in just a quick glance. Market variability and inequitable tax valuations, and of course, value per acre efficiency across the city is easily displayed in 3D using ArcScene. Also, tax millage rates will be applied to parcel data to show the amount of taxes each development or area actually pays, versus its assessed tax value.

Timeline and Stakeholders:

A project of the scale of your community will typically take two months for data processing. During the time of processing, we will engage your staff if we have data needs or questions about the data. We will also share our maps and information in a format that is useable with 'off the shelf' software in your office. We will rely on your office and staff to help coordinate and market the presentations. You know your community best, and you know the critical audiences that need to be engaged. We typically recommend two full days of presentations in your community. We place few restrictions on the number of presentations per day, but

we typically suggest no more than three per day. This will give you up to six presentations in your community to audiences of your choosing. This could be your Chamber, Downtown Association, County Leadership, City Leadership, general public presentation at night, etc. Our staff will work with you to prepare a schedule for the week as the project advances.

Site Visits:

To perform the analysis, our project analyst will need to make an initial site visit. His work will be to procure data, connect with key members of your team that have the data and can field our questions, as well as make site visits to key properties in the study. Presentations will take place during a second visit. We typically do up to three presentations a day, as arranged by our client. We also offer a facilitated conversation with your local elected officials following the formal presentation. In this conversation, our project facilitator will help elected officials discern next steps to create a roadmap of action items for the community based on the study findings. These next steps will include specific recommendations for policies and incentive programs based on the study outcomes.

Cost:

We estimate that it would cost approximately \$25,000 to conduct a Value Per Acre analysis of Peoria, plus \$2,400 in travel-related expenses. Therefore, the total project cost would be billed in the not to exceed amount of \$27,400. We request a 30% retainer at the signing of the contract, with the rest being paid upon your receipt of the final presentation and associated final materials.

Site Visit #1: Due Diligence and Data Collection

	Monday	Tuesday	Wednesday	Thursday	Friday
Morning		Site visit: Peoria	Site visit: Peoria		
Lunch	Travel day	Lunch with staff		Travel day	
Afternoon		Peoria - Staff meeting	Site visit: Peoria		

Site Visit #2: Presentations to Community

	Monday	Tuesday	Wednesday	Thursday	Friday
Task	Travel	Presentations	Presentations and facilitated discussions	Travel	

Urban3 Rates

Staff	Position	Hourly	Day Rate	Travel Rate
Joe Minicozzi	Principal	\$250	\$2,000	\$1,000
Josh McCarty or John Tyler Barnes	Analyst	\$100	\$800	\$400
Cate Ryba	Policy Facilitator	\$100	\$800	\$400
Deborah Robertson	Administrative	\$54	n/a	n/a