

Exhibit A. Mountain Village Incentives for New Telluride Region Medical Center

Questions 4.3.4, 6.1.1, 6.1.12, 6.4.3, 6.4.4

The Town Council has provided its support for the following incentives to locate the new Telluride Region Medical Center in Mountain Village

1. **De Minimis Land or Lease Costs.** The Town will convey or lease to Hospital District or developer at de minimis cost.
2. **Fees and Taxes.** The Town will cut a check to the Hospital District or developer of the TMC for all fees and taxes due based on adopted fee schedules since current fee schedules do not allow waiving fees and taxes cannot be waived. The following fees and taxes are based on the TMC planned building area and Shaw Construction range of construction prices per square foot as shown in the table:

Telluride Medical Center Building Area	25,755	
Current Shaw Construction Costs Per Square Foot	\$547.00	\$630.00
Estimated Facility Costs	\$14,087,985.00	\$16,225,650.00
Building Permit	\$75,411.92	\$86,634.66
Plan Check	\$49,017.75	\$56,312.53
Town Use Tax	\$253,583.73	\$292,061.70
Road Impact Fee	\$25,755.00	\$25,755.00
Water and Sewer Tap Fee	\$128,775.00	\$128,775.00
Conceptual Worksession Fee	\$1,000.00	\$1,000.00
Design Review Process Fee	\$18,500.00	\$18,500.00
Total Town Fees and Taxes (Excludes County Use Tax)	\$552,043.40	\$609,038.89

The actual fees and taxes will be calculated based on the actual building submitted.

3. **Enterprise Zone Property Tax Incentive for Developer Option.** Since Mountain Village is located in an Enterprise Zone, the Town will authorize an incentive payment or property tax credit for the developer option up to 50 percent of the jurisdiction's levy on taxable personal property, used in connection with operation of the new or expanded business facility for current property tax year. The duration can be up to ten years.
4. **Enterprise Zone Contribution Project Status.** The Town Council will seek "Contribution Project" status for the new Telluride Region Medical Center from Region 10. "Contribution Project" status will significantly help private fund raising with 25% state and 25% federal tax credits up to a maximum \$100,000 donation.
5. **Other Enterprise Zone Incentives for Developer Option.** The Town will seek other Enterprise Zone benefits, such as the 3% investment tax credit and new employee credits in the developer option.
6. **Parking Payment In-lieu.** The Town Council will approve waving the parking payment in-lieu for the required 32 parking spaces that has a value approximately \$25,000 per parking space, equating to approximately \$800,000 incentive.

*The Town Council has directed staff to include these incentives and will need to formally ratify them in an open, public Town Council meeting.