Office of the Legislative Fiscal Analyst

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Memorandum

To: Executive Appropriations Committee

From: Jonathan Ball

Date: November 14, 2023

Re: **Point of the Mountain Infrastructure Fund**

Over the past two fiscal years, the Legislature has appropriated a total of $165 million one-time from the General Fund to the Point of the Mountain Infrastructure Fund (POMIF). The POMIF is a revolving loan fund from which the State Division of Finance may make loans to the Point of the Mountain State Land Authority (POMSLA) for infrastructure development on the former state prison site in Draper.

In the latest appropriation to that fund, Senate Bill 2, Item 214, the Legislature required POMSLA to report to Executive Appropriations prior to loan execution the terms of any proposed loan. POMSLA requests a loan of $165 million at 3% interest and 35 years repayment period, with interest and payments deferred until one year after first occupancy.

The Executive Appropriations Chairs propose slightly modified terms: $165 million in three tranches of $25 million, $50 million, and $90 million; interest and payments deferred for three years after loan origination date; 3% annual percentage rate, capitalized interest accruing after deferral period, 35-year repayment term after deferral period. While the Division of Finance will determine final details of the loan contract, one potential repayment schedule is attached as an example.

POMSLA Loan Calculator

Summary Information	
Loan #1	$ 25,000,000
Loan #2	$ 50,000,000
Loan #3	$ 90,000,000
Annual Interest Rate	3.00%
Length of Loan (Years)	35
Number of Payments per Year	1
Total Number of Payments	35
Payment per Period Loan #1	$1,163,482.29
Payment per Period Loan #2	$2,326,964.58
Payment per Period Loan #3	$4,188,536.24

Loan #1 - $25,000,000						
Date	Year	Payment Amount	Interest	Principal	Cap Int	Loan Bal
1/1/27	0	$ 1,163,482.29	$ 750,000.00	$ 413,482.29	-$1,009,810.84	$ 25,596,328.55
1/1/28	1	$ 1,163,482.29	$ 767,889.86	$ 395,592.43	-$543,230.16	$ 25,743,966.28
1/1/29	2	$ 1,163,482.29	$ 772,318.99	$ 391,163.30	$76,247.29	$ 25,276,555.69
1/1/30	3	$ 1,163,482.29	$ 758,296.67	$ 405,185.62	$76,247.29	$ 24,795,122.78
1/1/31	4	$ 1,163,482.29	$ 743,853.68	$ 419,628.61	$76,247.29	$ 24,299,246.89
1/1/32	5	$ 1,163,482.29	$ 728,977.41	$ 434,504.88	$76,247.29	$ 23,788,494.72
1/1/33	6	$ 1,163,482.29	$ 713,654.84	$ 449,827.45	$76,247.29	$ 23,262,419.98
1/1/34	7	$ 1,163,482.29	$ 697,872.60	$ 465,609.69	$76,247.29	$ 22,720,563.00
1/1/35	8	$ 1,163,482.29	$ 681,616.89	$ 481,865.40	$76,247.29	$ 22,162,450.31
1/1/36	9	$ 1,163,482.29	$ 664,873.51	$ 498,608.78	$76,247.29	$ 21,587,594.24
1/1/37	10	$ 1,163,482.29	$ 647,627.83	$ 515,854.46	$76,247.29	$ 20,995,492.49
1/1/38	11	$ 1,163,482.29	$ 629,864.77	$ 533,617.51	$76,247.29	$ 20,385,627.69
1/1/39	12	$ 1,163,482.29	$ 611,568.83	$ 551,913.46	$76,247.29	$ 19,757,466.94
1/1/40	13	$ 1,163,482.29	$ 592,724.01	$ 570,758.28	$76,247.29	$ 19,110,461.37
1/1/41	14	$ 1,163,482.29	$ 573,313.84	$ 590,168.45	$76,247.29	$ 18,444,045.63
1/1/42	15	$ 1,163,482.29	$ 553,321.37	$ 610,160.92	$76,247.29	$ 17,757,637.43
1/1/43	16	$ 1,163,482.29	$ 532,729.12	$ 630,753.17	$76,247.29	$ 17,050,636.97
1/1/44	17	$ 1,163,482.29	$ 511,519.11	$ 651,963.18	$76,247.29	$ 16,322,426.50
1/1/45	18	$ 1,163,482.29	$ 489,672.80	$ 673,809.49	$76,247.29	$ 15,572,369.72
1/1/46	19	$ 1,163,482.29	$ 467,171.09	$ 696,311.20	$76,247.29	$ 14,799,811.23
1/1/47	20	$ 1,163,482.29	$ 443,994.34	$ 719,487.95	$76,247.29	$ 14,004,075.99
1/1/48	21	$ 1,163,482.29	$ 420,122.28	$ 743,360.01	$76,247.29	$ 13,184,468.69
1/1/49	22	$ 1,163,482.29	$ 395,534.06	$ 767,948.23	$76,247.29	$ 12,340,273.17
1/1/50	23	$ 1,163,482.29	$ 370,208.20	$ 793,274.09	$76,247.29	$ 11,470,751.79
1/1/51	24	$ 1,163,482.29	$ 344,122.55	$ 819,359.74	$76,247.29	$ 10,575,144.77
1/1/52	25	$ 1,163,482.29	$ 317,254.34	$ 846,227.95	$76,247.29	$ 9,652,669.53
1/1/53	26	$ 1,163,482.29	$ 289,580.09	$ 873,902.20	$76,247.29	$ 8,702,520.04
1/1/54	27	$ 1,163,482.29	$ 261,075.60	$ 902,406.69	$76,247.29	$ 7,723,866.06
1/1/55	28	$ 1,163,482.29	$ 231,715.98	$ 931,766.31	$76,247.29	$ 6,715,852.46
1/1/56	29	$ 1,163,482.29	$ 201,475.57	$ 962,006.72	$76,247.29	$ 5,677,598.46
1/1/57	30	$ 1,163,482.29	$ 170,327.95	$ 993,154.34	$76,247.29	$ 4,608,196.84
1/1/58	31	$ 1,163,482.29	$ 138,245.91	$ 1,025,236.38	$76,247.29	$ 3,506,713.16
1/1/59	32	$ 1,163,482.29	$ 105,201.39	$ 1,058,280.89	$76,247.29	$ 2,372,184.98
1/1/60	33	$ 1,163,482.29	$ 71,165.55	$ 1,092,316.74	$76,247.29	$ 1,203,620.95
1/1/61	34	$ 1,163,482.29	$ 36,108.63	$ 1,127,373.66	$76,247.29	$ (0.00)

Loan #2 - $50,000,000						
Date	Year	Payment Amount	Interest	Principal	Cap Int	Loan Bal
1/1/28	0	$ 2,326,965	$ 1,500,000	$ 826,965	-$2,326,964.58	$ 51,500,000
1/1/29	1	$ 2,326,965	$ 1,545,000	$ 781,965	-$2,456,628.37	$ 53,174,664
1/1/30	2	$ 2,326,965	$ 1,595,240	$ 731,725	-$1,942,711.68	$ 54,385,651
1/1/31	3	$ 2,326,965	$ 1,631,570	$ 695,395	-$1,395,500.19	$ 55,085,756
1/1/32	4	$ 2,326,965	$ 1,652,573	$ 674,392	-$821,943.12	$ 55,233,307
1/1/33	5	$ 2,326,965	$ 1,656,999	$ 669,965	-$221,065.19	$ 54,784,407
1/1/34	6	$ 2,326,965	$ 1,643,532	$ 683,432	$528,106.77	$ 53,572,868
1/1/35	7	$ 2,326,965	$ 1,607,186	$ 719,779	$528,106.77	$ 52,324,983
1/1/36	8	$ 2,326,965	$ 1,569,749	$ 757,215	$528,106.77	$ 51,039,661
1/1/37	9	$ 2,326,965	$ 1,531,190	$ 795,775	$528,106.77	$ 49,715,779
1/1/38	10	$ 2,326,965	$ 1,491,473	$ 835,491	$528,106.77	$ 48,352,181
1/1/39	11	$ 2,326,965	$ 1,450,565	$ 876,399	$528,106.77	$ 46,947,675
1/1/40	12	$ 2,326,965	$ 1,408,430	$ 918,534	$528,106.77	$ 45,501,034
1/1/41	13	$ 2,326,965	$ 1,365,031	$ 961,934	$528,106.77	$ 44,010,994
1/1/42	14	$ 2,326,965	$ 1,320,330	$ 1,006,635	$528,106.77	$ 42,476,252
1/1/43	15	$ 2,326,965	$ 1,274,288	$ 1,052,677	$528,106.77	$ 40,895,468
1/1/44	16	$ 2,326,965	$ 1,226,864	$ 1,100,101	$528,106.77	$ 39,267,261
1/1/45	17	$ 2,326,965	$ 1,178,018	$ 1,148,947	$528,106.77	$ 37,590,208
1/1/46	18	$ 2,326,965	$ 1,127,706	$ 1,199,258	$528,106.77	$ 35,862,843
1/1/47	19	$ 2,326,965	$ 1,075,885	$ 1,251,079	$528,106.77	$ 34,083,656
1/1/48	20	$ 2,326,965	$ 1,022,510	$ 1,304,455	$528,106.77	$ 32,251,095
1/1/49	21	$ 2,326,965	$ 967,533	$ 1,359,432	$528,106.77	$ 30,363,556
1/1/50	22	$ 2,326,965	$ 910,907	$ 1,416,058	$528,106.77	$ 28,419,392
1/1/51	23	$ 2,326,965	$ 852,582	$ 1,474,383	$528,106.77	$ 26,416,902
1/1/52	24	$ 2,326,965	$ 792,507	$ 1,534,458	$528,106.77	$ 24,354,338
1/1/53	25	$ 2,326,965	$ 730,630	$ 1,596,334	$528,106.77	$ 22,229,897
1/1/54	26	$ 2,326,965	$ 666,897	$ 1,660,068	$528,106.77	$ 20,041,722
1/1/55	27	$ 2,326,965	$ 601,252	$ 1,725,713	$528,106.77	$ 17,787,902
1/1/56	28	$ 2,326,965	$ 533,637	$ 1,793,328	$528,106.77	$ 15,466,468
1/1/57	29	$ 2,326,965	$ 463,994	$ 1,862,971	$528,106.77	$ 13,075,391
1/1/58	30	$ 2,326,965	$ 392,262	$ 1,934,703	$528,106.77	$ 10,612,581
1/1/59	31	$ 2,326,965	$ 318,377	$ 2,008,587	$528,106.77	$ 8,075,887
1/1/60	32	$ 2,326,965	$ 242,277	$ 2,084,688	$528,106.77	$ 5,463,093
1/1/61	33	$ 2,326,965	$ 163,893	$ 2,163,072	$528,106.77	$ 2,771,914
1/1/62	34	$ 2,326,965	$ 83,157	$ 2,243,807	$528,106.77	$ (0)

Loan #3 - $90,000,000						
Date	Year	Payment Amount	Interest	Principal	Cap Int	Loan Bal
1/1/29	0	$ 4,188,536.24	$ 2,700,000.00	$ 1,488,536.24	-$4,188,536.24	$ 92,700,000.00
1/1/30	1	$ 4,188,536.24	$ 2,781,000.00	$ 1,407,536.24	-$4,188,536.24	$ 95,481,000.00
1/1/31	2	$ 4,188,536.24	$ 2,864,430.00	$ 1,324,106.24	-$4,188,536.24	$ 98,345,430.00
1/1/32	3	$ 4,188,536.24	$ 2,950,362.90	$ 1,238,173.34	-$4,188,536.24	$ 101,295,792.90
1/1/33	4	$ 4,188,536.24	$ 3,038,873.79	$ 1,149,662.45	-$4,188,536.24	$ 104,334,666.69
1/1/34	5	$ 4,188,536.24	$ 3,130,040.00	$ 1,058,496.24	-$4,308,501.85	$ 107,584,672.30
1/1/35	6	$ 4,188,536.24	$ 3,227,540.17	$ 960,996.07	-$3,649,926.19	$ 110,273,602.42
1/1/36	7	$ 4,188,536.24	$ 3,308,208.07	$ 880,328.17	-$2,960,906.03	$ 112,354,180.28
1/1/37	8	$ 4,188,536.24	$ 3,370,625.41	$ 817,910.83	-$2,240,330.73	$ 113,776,600.18
1/1/38	9	$ 4,188,536.24	$ 3,413,298.01	$ 775,238.24	-$1,487,053.20	$ 114,488,415.14
1/1/39	10	$ 4,188,536.24	$ 3,434,652.45	$ 753,883.79	-$699,888.66	$ 114,434,420.01
1/1/40	11	$ 4,188,536.24	$ 3,433,032.60	$ 755,503.64	$122,386.43	$ 113,556,529.94
1/1/41	12	$ 4,188,536.24	$ 3,406,695.90	$ 781,840.34	$981,035.61	$ 111,793,653.99
1/1/42	13	$ 4,188,536.24	$ 3,353,809.62	$ 834,726.62	$1,212,644.93	$ 109,746,282.44
1/1/43	14	$ 4,188,536.24	$ 3,292,388.47	$ 896,147.77	$1,450,044.48	$ 107,400,090.19
1/1/44	15	$ 4,188,536.24	$ 3,222,002.71	$ 966,533.54	$1,693,379.02	$ 104,740,177.63
1/1/45	16	$ 4,188,536.24	$ 3,142,205.33	$ 1,046,330.91	$1,942,796.93	$ 101,751,049.78
1/1/46	17	$ 4,188,536.24	$ 3,052,531.49	$ 1,136,004.75	$2,198,450.28	$ 98,416,594.75
1/1/47	18	$ 4,188,536.24	$ 2,952,497.84	$ 1,236,038.40	$2,460,494.97	$ 94,720,061.39
1/1/48	19	$ 4,188,536.24	$ 2,841,601.84	$ 1,346,934.40	$2,729,090.77	$ 90,644,036.21
1/1/49	20	$ 4,188,536.24	$ 2,719,321.09	$ 1,469,215.15	$3,004,401.47	$ 86,170,419.59
1/1/50	21	$ 4,188,536.24	$ 2,585,112.59	$ 1,603,423.65	$3,286,594.94	$ 81,280,401.00
1/1/51	22	$ 4,188,536.24	$ 2,438,412.03	$ 1,750,124.21	$3,454,500.00	$ 76,075,776.79
1/1/52	23	$ 4,188,536.24	$ 2,282,273.30	$ 1,906,262.94	$3,454,500.00	$ 70,715,013.85
1/1/53	24	$ 4,188,536.24	$ 2,121,450.42	$ 2,067,085.83	$3,454,500.00	$ 65,193,428.02
1/1/54	25	$ 4,188,536.24	$ 1,955,802.84	$ 2,232,733.40	$3,454,500.00	$ 59,506,194.62
1/1/55	26	$ 4,188,536.24	$ 1,785,185.84	$ 2,403,350.40	$3,454,500.00	$ 53,648,344.22
1/1/56	27	$ 4,188,536.24	$ 1,609,450.33	$ 2,579,085.91	$3,454,500.00	$ 47,614,758.30
1/1/57	28	$ 4,188,536.24	$ 1,428,442.75	$ 2,760,093.49	$3,454,500.00	$ 41,400,164.81
1/1/58	29	$ 4,188,536.24	$ 1,242,004.94	$ 2,946,531.30	$3,454,500.00	$ 34,999,133.52
1/1/59	30	$ 4,188,536.24	$ 1,049,974.01	$ 3,138,562.24	$3,454,500.00	$ 28,406,071.28
1/1/60	31	$ 4,188,536.24	$ 852,182.14	$ 3,336,354.10	$3,454,500.00	$ 21,615,217.18
1/1/61	32	$ 4,188,536.24	$ 648,456.52	$ 3,540,079.73	$3,454,500.00	$ 14,620,637.45
1/1/62	33	$ 4,188,536.24	$ 438,619.12	$ 3,749,917.12	$3,454,500.00	$ 7,416,220.33
1/1/63	34	$ 4,188,536.24	$ 222,486.61	$ 3,966,049.63	$3,450,170.70	$ 0.00