

Pebble Labs Campus Project

Asset	How is it acquired?	What is Pebble's contribution to the public?	What secures Pebble's obligation?	How does it benefit the Campus Project?	What is the County's risk / cost?
New Mexico Consortium building and lot	Pebble Holdco raises \$12M to buy the IRB bonds and becomes the bondholder. The bond Trustee will use bond proceeds to buy the property for the benefit of Pebble Labs. Title to the property will be held in the County's name until \$12M are repaid in full.	Economic development direct and indirect benefits identified by economic impact analysis (greater than \$50M). Also, Pebble Labs will make payments in lieu of taxes (PiLoT).	Under the IRB, Pebble Labs repays the bondholder over 20 years; default in repayment is a risk to the bondholder (not the County).	Under the IRB, Pebble Labs gets a 20-year loan to buy the property and reduced property taxes and GRTs.	County foregoes some property taxes and GRTs (e.g., on equipment purchases) in exchange for economic benefits.
Lot 6B-2 and arroyo owned by LA County ("Real Property" under the LEDA PPA)	Donated by County through LEDA	125 FTE jobs over 10 years (tied to the State LEDA application); \$60M investment over 10 years (tied to the County LEDA application)	If Pebble Labs does not proceed with permitting construction (w/in 24 months), County can clawback the property. In addition, the County will have a financial guaranty tied to PPA performance in the amount of the appraised value of the "Real Property" (\$1.4M)	Two important pieces of property for the Campus Project.	The County donates County-owned property but it can be made whole upon default by either: return of the Real Property to the County or performance bond in the value of the Real Property.
Annex property	Pebble Labs will raise funds to purchase	This becomes part of the overall campus project	Traditional mortgage	Within Campus	Non-performance under LEDA

County Costs:

1. Land donation - \$1,406,500 - LEDA
2. Property Tax and GRT abatement 20 year – est. \$3.5M/IRB – County only
3. Opportunity costs, risks of non-performance

County benefits:

1. 125 new jobs, avg salary of \$80K - \$10M in new payroll
2. \$60 million invested in Los Alamos - ~\$2M in GRT revenue
3. Before any economic multipliers, investment is ~ 12X
4. Positive economic impact greater than \$50M