

Memorandum




DATE **May 29, 2015**

TO **Members of the Economic Development Committee: Tennell Atkins (Chair),
Rick Callahan (Vice Chair) Scott Griggs, Adam Medrano, Jerry R. Allen, Lee Kleinman**

SUBJECT **Saint Elm Hotel and Corrigan Tower- Downtown Connection TIF**

On Monday, June 1, 2015, the Economic Development Committee will be briefed on the Saint Elm Hotel and Corrigan Tower- Downtown Connection TIF. The briefing materials are attached for your review.

Should you have any questions, please contact me.



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager

Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Saint Elm Hotel and Corrigan Tower
Downtown Connection TIF District

Economic Development Committee
June 1, 2015

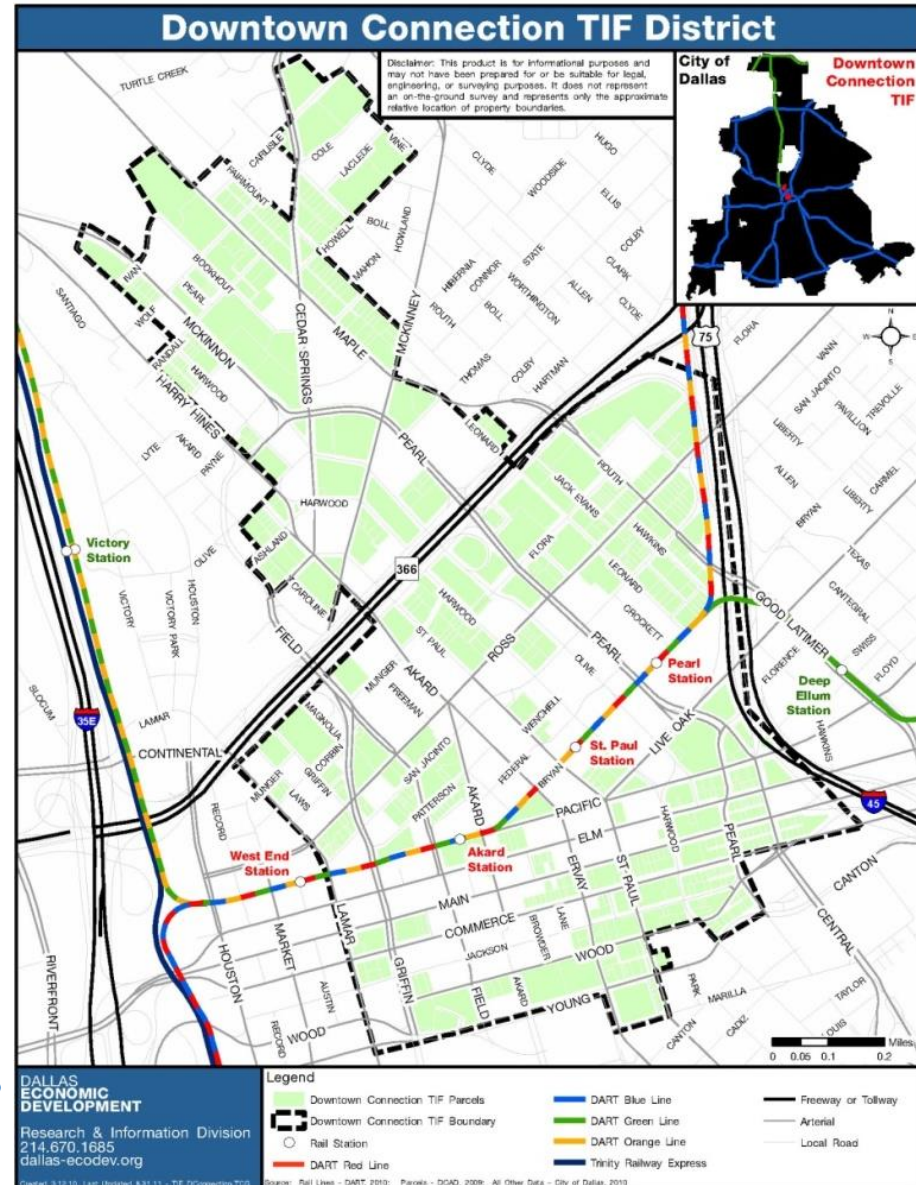
Purpose

- Provide background information on Downtown Connection TIF District
- Review proposed development agreement amendments
- Review the Saint Elm Hotel and Corrigan Tower redevelopment project
- Review Budget Status of Downtown Connection TIF District
- Obtain Economic Development Committee's approval for consideration of the proposed development agreement amendments by City Council on June 10, 2015

Downtown Connection TIF District

Background

- Created June 2005
- Project Plan and Reinvestment Zone Financing Plan originally approved August 2005, amended May 2013 to increase budget for district
- Expires December 31, 2035, or when approximately \$491.8 million in TIF increment has been collected (NPV of \$231.6 million), see Appendix E.
- Established to fund projects creating a greater density/critical mass of development within an expanded Downtown core with focus on strengthening connectivity to/between the core and growing downtown areas



Tower Petroleum and Corrigan Tower

Background – 2012 Development Agreement

- August 2012, City Council authorized development agreement with PetroCorrigan Towers, L.P. for redevelopment of Tower Petroleum and Corrigan Tower buildings
- Project Included
 - 258 residential units (in both buildings)
 - 4,400 square feet of ground floor retail
 - First four floors of Corrigan Tower would be converted to parking for residents
- TIF Incentives: \$10,300,000
- Not financially feasible due to lack of on-site parking



Saint Elm Hotel and Corrigan Tower

Project Description – Amended Project Scope

Phased Project (see Appendices B, C and D)

- **Phase I – Saint Elm Hotel** (Tower Petroleum Bldg and First 4 levels of Corrigan Tower)
 - 150 Hotel Rooms
 - Hotel lobby and restaurant on ground level of Tower Petroleum Building
 - 3 retail/restaurant spaces and motor court on ground level of Corrigan Tower Building
 - Levels 2 thru 4 of Corrigan Tower will be renovated for hotel use and future residential management offices, residential fitness center
 - **Start Construction:** June 2015
 - **Complete Construction:** December 2017



Saint Elm Hotel and Corrigan Tower

Project Description – Amended Project Scope

Phased Project (see Appendices B, C and D)

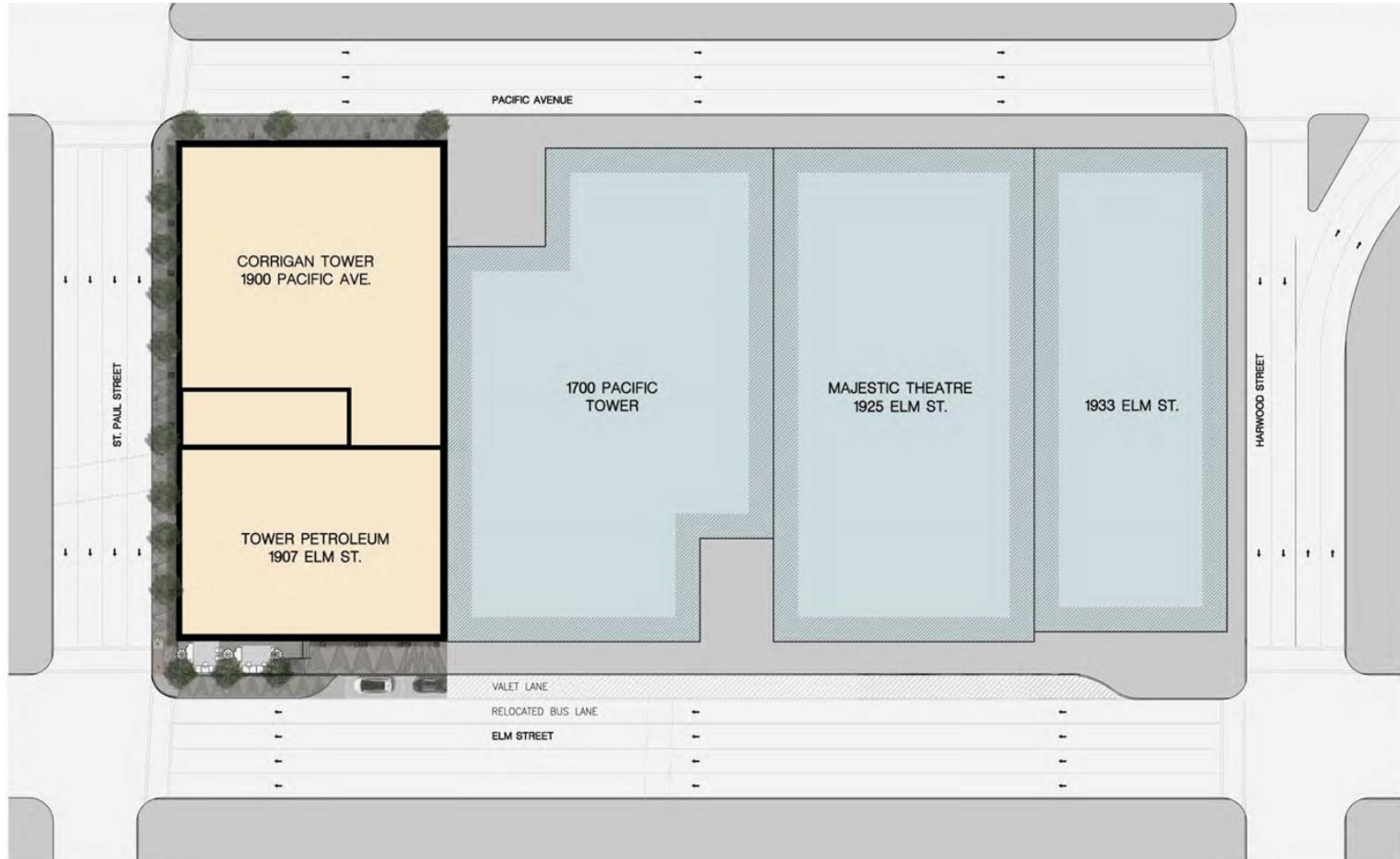
- **Phase II – Floors 5 thru 17 of Corrigan Tower Building**
 - 150 Residential Units
 - Rooftop Pool
 - **Start Construction:** December 2020 or within 3 years of Saint Elm Hotel opening
 - **Complete Construction:** June 2022
- **Total Project Cost:** \$102,402,463 (Phase I - \$68.6M; Phase II - \$33.8M)
- **Amended TIF Funding Request:** \$20,000,000 (Phase I - \$10.3M; Phase II - \$9.7M)
- **Phase II construction must start within 3 years of Saint Elm Hotel opening or Phase II TIF funding will be forfeited.**
- **Parking:** Project design includes a motor court for valet service
 - **Phase I:** Hotel valet and off-site parking managed by Parking Company of America
 - **Phase II:** Developer is currently negotiating parking for future residents
- **Design Review:** Urban Design Peer Review Panel reviewed project's design
- **Historic Tax Credits:** Developer has applied for State and Federal Historic Tax Credits

Saint Elm Hotel and Corrigan Tower

Developer – PetroCorrigan Towers, LP

- **John Kirtland** – Prior to founding PetroCorrigan Towers, LP in 2013, Mr. Kirtland and his affiliated businesses participated in over a billion dollars in transactions over the last 15 years, successfully funding the acquisition, improvement, and operation of over 250 properties, and personally managing assets valued in excess of \$100,000,000. Texas based hotel development, construction, and management firm.
- **Robert Boulogne** – A 30-year veteran of the hospitality industry, Mr. Boulogne most recently served as Chief Operating Officer of Rosewood Hotels & Resorts, a privately held luxury hospitality management company. While with Rosewood, Bob led the expansion of the company's hotel portfolio, overseeing the opening of six new Rosewood properties in a period of three years, while developing five others. Additionally, under his leadership, Rosewood completed four extensive, highly regarded renovations on existing properties.

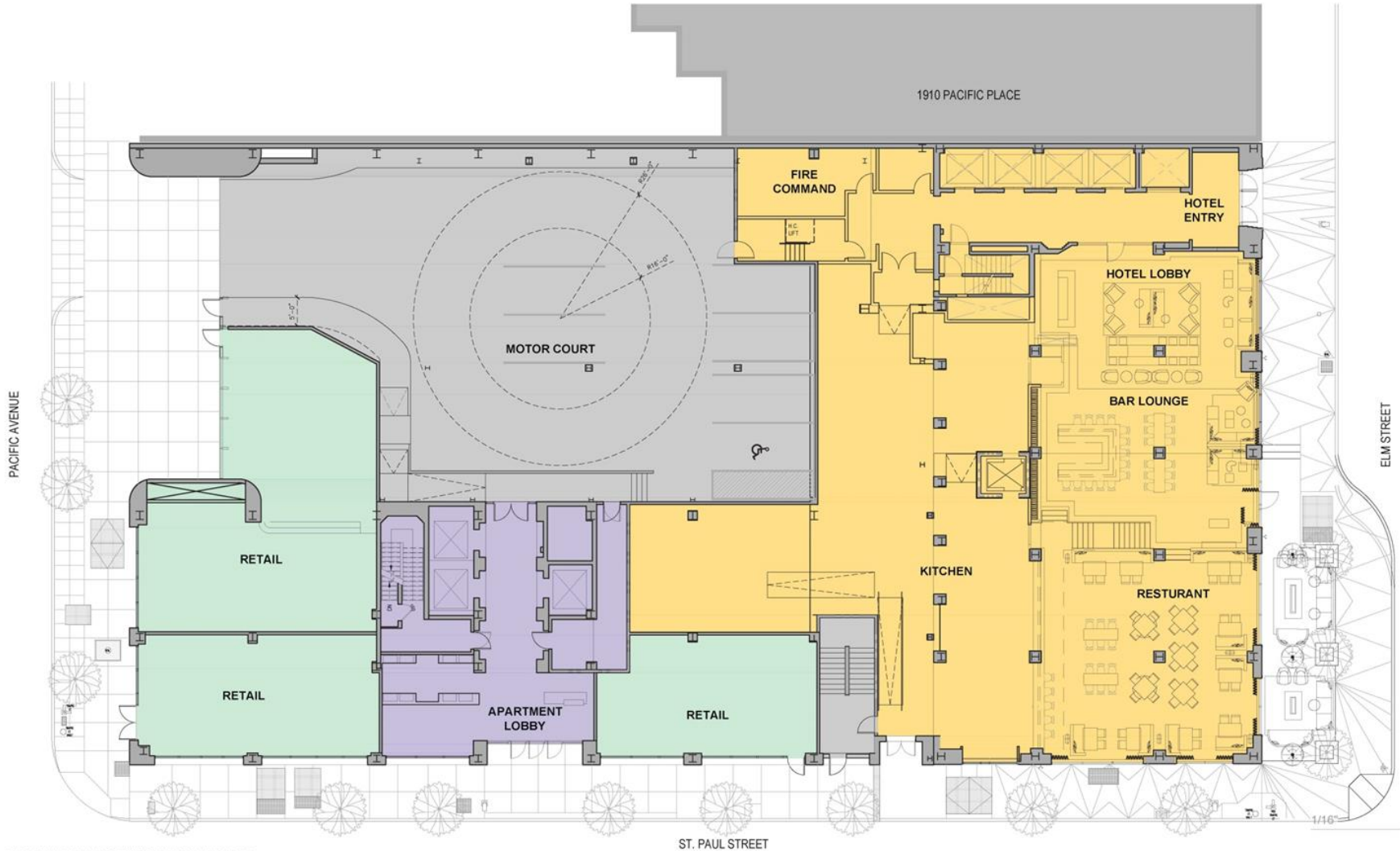
Saint Elm Hotel and Corrigan Tower *Project Site Plan*



The SAINT ELM Hotel
dallas, texas
maa.2014024 08.01.14

Saint Elm Hotel and Corrigan Tower

Ground Level Plan



THE SAINT ELM HOTEL/CORRIGAN TOWER

dallas, texas

maa 2014024/2015024

03.05.2015

dallas-ecodev.org

Saint Elm Hotel and Corrigan Tower *Project Renderings*



Elm St. Rendering – Tower Petroleum Bldg

Pacific Ave. Rendering – Corrigan Tower Bldg



Saint Elm Hotel and Corrigan Tower

Project Funding Sources and Uses

Sources	Phase I	Phase II	Total	%	Uses
Private Equity	\$12,000,000	\$5,500,000	\$17,500,000	17%	Acquisition and Construction
State and Federal Historic Tax Credits	\$15,964,047	\$7,312,035	\$23,276,082	23%	Construction
Deferred Developer's Fee	\$5,900,000	\$2,700,000	\$8,600,000	8%	Construction
Construction Loan	\$34,759,032	\$18,267,529	\$53,026,561	52%	Construction
Totals	\$68,623,079	\$33,779,564	\$102,402,643	100%	

Saint Elm Hotel and Corrigan Tower

Proposed TIF Funding

- Proposed TIF funds will reimburse costs associated with redeveloping a vacant building: environmental remediation/demolition, historic façade restoration, streetscape and utilities
- This project would not occur, but for TIF funding
- Specific TIF Funding Conditions, see **Appendix A**

Description	Amount
Redevelopment of Vacant/Underutilized Downtown Buildings	
Phase I	
<i>Streetscape Improvements</i>	\$500,000
<i>Economic Development TIF Grant</i>	\$9,800,000
Total TIF Funding Recommended - Phase I	\$10,300,000
Phase II	
<i>Economic Development TIF Grant</i>	\$9,700,000
Total TIF Funding Recommended - Phase II	\$9,700,000
Total TIF Funding Recommended - Phases I & II	\$20,000,000

Saint Elm Hotel and Corrigan Tower

TIF Board Funding Recommendation

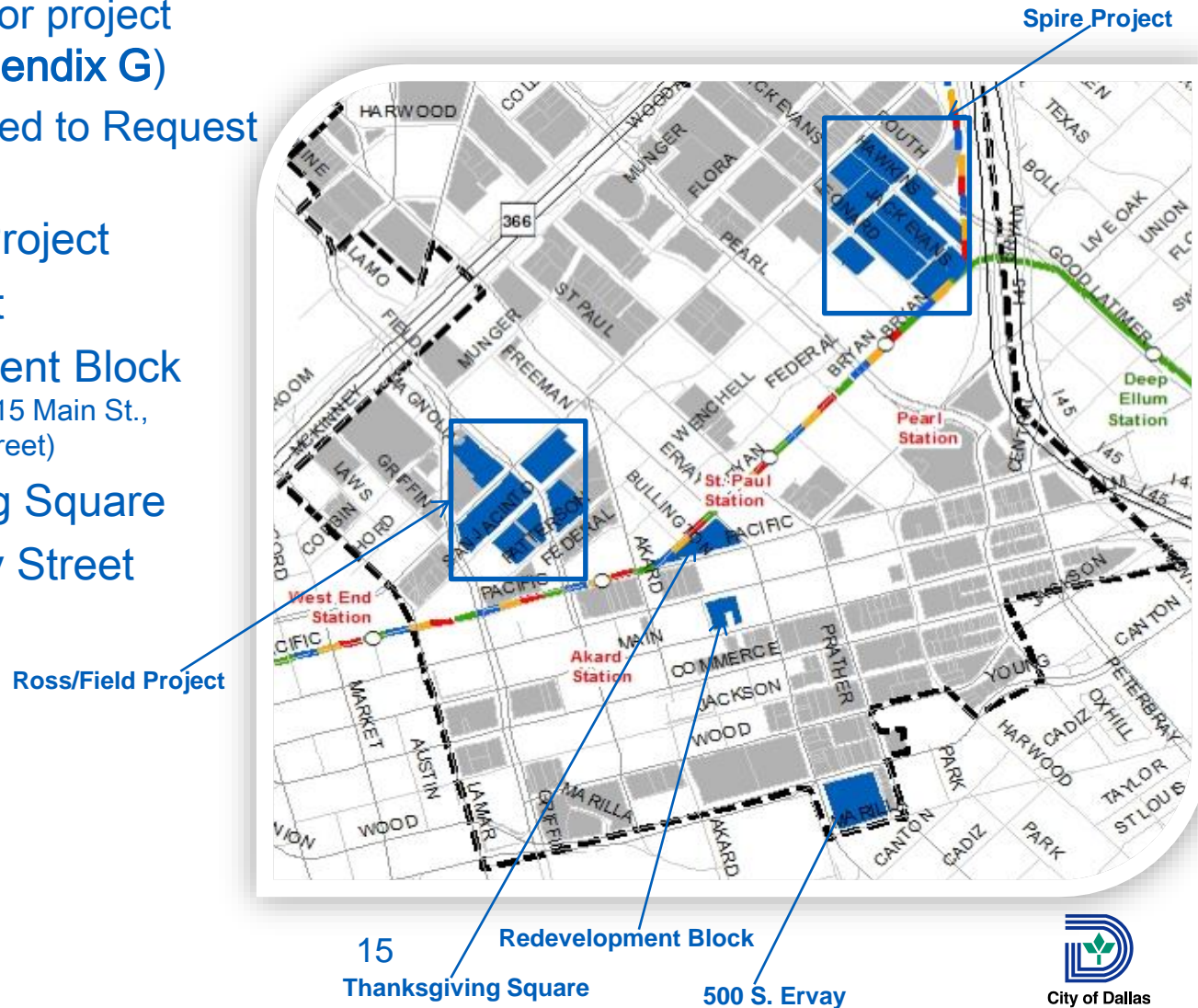
- On March 12, 2015, the Downtown Connection TIF District Board of Directors reviewed and recommended approval of: (1) an increase in TIF incentives from an amount not to exceed \$10,300,000 to an amount not to exceed \$20,000,000, of which 19,500,000 is in the form of an Economic Development TIF Grant, in consideration of increase in private investment; (2) separation of project into two phases; (3) change in use of the buildings from residential to hotel, retail, and/or restaurant use in the Tower Petroleum building and commercial, retail, restaurant and/or residential uses in the Corrigan Tower building; and (4) amending project requirements and deadlines to reflect the change in project scope.
- Specific TIF Funding Conditions, see **Appendix A**

Strategic Importance of Proposed Project

- Activates two vacant buildings in the downtown core
- Historic restoration of the buildings
- Project is adjacent to planned Pacific Plaza park
- Increases downtown residential population and hotel rooms helping to create critical mass in the CBD
- Creates ground floor activity on Elm Street, Pacific Avenue and St. Paul Street

Remaining Downtown Projects/Priorities

- \$11.9M remains for project funding (see Appendix G)
- Projects Anticipated to Request TIF Funding:
 - Ross/Field Project
 - Spire Project
 - Redevelopment Block (1607 Main St., 1615 Main St., 1600 -1614 Elm Street)
 - Thanksgiving Square
 - 500 S. Ervay Street



Recommendation

- Staff requests Economic Development Committee's approval of consideration of a development agreement amendment with PetroCorrigan Towers, L.P., to: (1) increase TIF incentives from \$10,300,000 to an amount not to exceed \$20,000,000, of which 19,500,000 is in the form of an Economic Development TIF Grant; (2) separate the project into two phases; (3) change the use of the buildings; and (4) amend project requirements and deadlines to reflect the changes in project scope.

APPENDICES

Appendix A: Saint Elm Hotel and Corrigan Tower *TIF Funding Conditions*

- Redevelopment of the Property will be phased and shall include (the “Project Improvements”):
 - **Phase I**
 - Minimum 3,000 square feet of ground floor retail/restaurant/bar space, exclusive of hotel lobby space; and
 - Minimum 70,000 square feet hotel room/meeting rooms/fitness/spa/office/public space (approximately 150 rooms); and
 - Renovation of floors 1 through 4 of the Corrigan Tower building to a white box condition, as described below; and
 - Public Infrastructure Improvements for both buildings, as depicted on approved streetscape plans for the Project.
 - **Phase II**
 - Minimum 130,000 square feet of commercial and/or residential lease space on floors 5 through 17 of the Corrigan Tower building renovated to a white box condition, as described below.
- To obtain \$10,300,000 of the TIF Reimbursement for Phase I of the Project:
 - Minimum private investment of \$51,750,000 for Phase I of the Project, inclusive of acquisition, construction and construction related soft costs.
- Phase I Investment shall include a minimum of \$2,550,000 for the following TIF Eligible expenditures associated with the Project:
 - Streetscape Improvements Per Approved Plan – minimum \$250,000; and
 - Historic Façade Restoration for both buildings – minimum \$1,300,000; and
 - Demolition and Abatement – minimum \$1,000,000.

Appendix A: Saint Elm Hotel and Corrigan Tower *TIF Funding Conditions (Continued)*

- Obtain a building permit and start construction and/or demolition of either phase of the Project by June 30, 2015;and
- Complete construction of Phase I Project Improvements and obtain a Certificate of Occupancy (CO) for the hotel portion of the Project by December 31, 2017; and
- Saint Elm Hotel shall be operational and a minimum of at least 50% of ground floor retail/restaurant space in both buildings shall obtain a CO and must be occupied prior to TIF Reimbursement for Phase I of the Project; and
- Obtain a final Green Tag and/or completion status report issued by the Building Inspections division of the Sustainable Development and Construction Department for the unoccupied portion of level 1 and levels 2 through 4 of the Corrigan Tower indicating completion of construction that brings floors 2 through 4 of the Corrigan Tower to a “white box” condition (completion of improvements consisting of heating/cooling with delivery systems, lighting, electrical switches and outlets, lavatories, a finished ceiling, walls prepped for painting, and a concrete slab floor) ready to lease and for tenant improvements by December 31, 2017. Notwithstanding, level 4 of the Corrigan Tower must be improved to a “white box” condition, but only to the extent necessary to facilitate life safety improvements; and
- Complete Public Infrastructure Improvements for both buildings.

Appendix A: Saint Elm Hotel and Corrigan Tower *TIF Funding Conditions (Continued)*

- Obtain final acceptance of public infrastructure improvements associated with the Project, as evidenced by the issuance of a Green Tag from the Public Works and Transportation Department by December 31, 2017 and submit documentation to the Office of Economic Development (the “OED”);
- Execute an Operating and Maintenance agreement for non-standard public infrastructure improvements associated with the Project by December 31, 2017, for a period of 20 years;
- The hotel component of the Project shall not permanently discontinue or close at any time during the TIF Reimbursement payment period. If the hotel component is temporarily discontinued or closed, a 90 day cure period will be granted, if issues are not addressed within cure period, Project shall not be eligible to receive further TIF reimbursements.
- Payment of Phase I TIF Reimbursement is not contingent upon completion of Phase II of the Project;
- To obtain the remaining \$9,700,000 of the TIF Reimbursement for Phase II of the Project:
 - Minimum private investment of \$21,000,000 for Phase II of the Project, inclusive of construction and construction related soft costs only.

Appendix A: Saint Elm Hotel and Corrigan Tower *TIF Funding Conditions (Continued)*

- Obtain a building permit and start construction and/or demolition for Phase II improvements within three (3) years after the date that the Phase I hotel opens; and
 - Obtain a final Green Tag and/or completion status report issued by the Building Inspections division of the Sustainable Development and Construction Department for levels 5 through 17 of the Corrigan Tower indicating completion of construction that brings the floors to a “white box” condition, ready to lease and for tenant improvements by June 30, 2022.
- Construction of Project Improvements (Phases I & II) shall be in substantial conformance with design plans approved by the Downtown Connection TIF District Board of Directors and Dallas City Council;
 - The Saint Elm Hotel shall be managed by a management company acceptable to the Director of the Office of Economic Development (OED);
 - Owner shall submit to the Director of the OED a quarterly status report for ongoing work on the Project, as well as public improvements. Status reports will be due once every three months after the Council approval date;
 - Comply with the Business Inclusion and Development (“BID”) goal of twenty-five percent (25%) Minority/Women-owned Business Enterprise (M/WBE) participation for construction expenditures for the Project, and meet all reporting requirements for both Phases of the Project;

Appendix A: Saint Elm Hotel and Corrigan Tower *TIF Funding Conditions (Continued)*

- If any portion of the buildings is renovated into residential space, Owner shall comply with the Mixed Income Housing Requirement:
 - A minimum of 10% of the Project's residential units must comply with the City's Mixed Income Housing Guidelines for the Downtown Connection TIF District
 - Market the apartments pursuant to an affirmative fair housing marketing plan approved by the City
- PetroCorrigan Towers, L.P., shall retain its current priority ranking of eleven (11) in the Downtown Connection TIF District's Reimbursement Queue, for a TIF reimbursement amount not to exceed \$10,300,000 for Phase I of the Project. PetroCorrigan Towers, L.P., must secure a priority ranking number in the queue for the remaining portion of the TIF Reimbursement - \$9,700,000 for Phase II of the Project, in accordance with the Downtown Connection TIF District Increment Allocation Policy.
- If necessary, the project deadline can be extended up to 6 months, subject to the Office of Economic Development Director's and Downtown Connection TIF District Board of Director's approval;

Appendix B: Saint Elm Hotel and Corrigan Tower Comparison – Original Project to Proposed Project

	Hotel Rooms	Residential Units	Ground Floor Retail/Restaurant Space (sf)	Total Project Cost	TIF Funding
Original Project	N/A	258	4,400	\$44,660,000	\$10,300,000
Proposed Project	150	150	6,174	\$102,402,463	\$20,000,000
Increase in Project Costs				\$57,742,463	
Increase in TIF Funding					\$9,700,000

Appendix C: Saint Elm Hotel and Corrigan Tower

Summary of Project Highlights

Saint Elm Hotel and Corrigan Tower - Project Facts	
Minimum Phase I Hotel Space (required)	70,000 s.f. Approx. 150 Rooms
Minimum Phase I Retail/Restaurant Space (required)	3,000 s.f.
Minimum Phase II Commercial or Residential Space (required)	143,167 s.f.
Minimum Affordable Housing Units if Phase II is Residential (required)	10% of Total Residential Units
Required Private Investment <small>(acquisition, hard and soft construction costs)</small>	Phase I - Min. \$51,750,000 Phase II - Min. \$21,000,000
Expected Total Project Cost (Phases I & II)	\$102,402,643
TIF Incentive	Phase I - \$10,300,000 Phase II - \$9,700,000
% TIF funds to Total Project Cost	19.53%
Return on Cost without TIF Reimbursement	Phase I - 5.3% Phase II - 5.6%
Return on Cost with TIF Reimbursement	Phase I - 6.3% Phase II - 8.1%
Deadline to Obtain Building Permit	Phase I - 06/2015 Phase II - 3 yrs after Saint Elm Hotel opening
Deadline to Obtain Final CO	Phase I - 12/2017 Phase II - 06/2022

Appendix D: Saint Elm Hotel and Corrigan Tower Project Proforma – Phase I

Saint Elm Hotel Project Pro Forma - Phase I		
Downtown Connection TIF District		
PROJECT DESCRIPTION:	1907 Elm St. and Floor 1 thru 4 of 1900 Pacific Ave.	
PROJECT TYPE:	Mixed Use	
PHASE I CONSTRUCTION START DATE:	June 30, 2015	
PHASE I CONSTRUCTION COMPLETION DATE:	December 31, 2017	
Use Breakdown	SF	Total Leasable SF
Hotel	73,796	86,647
Restaurant	6,597	
Meeting Room	6,254	Total Blds SF (Gross)
Amenity Space	14,495	229,357
Motor Court	5,511	
Lobby/Circulation/Back of House	115,246	
Mechanical/Maintenance/Kitchen	7,458	
Project Costs		
Hard Cost	\$39,068,827	
Soft Cost (less Developer Fee)	\$21,654,252	
Acquisition	\$2,000,000	
Total Project Cost (without City \$)	\$62,723,079	
Total Project Cost	\$62,723,079	
TIF Assistance	\$10,300,000	
Net Cost to Developer (after TIF reimbursement)	\$52,423,079	
Return on Cost Analysis		
NOI/Total Project Costs		
Return on Cost (without City \$)	5.3%	
Return on Cost (with City \$)	6.3%	
		Revenue
		Hotel Revenue \$9,167,340
		Non-Room Revenue (banquet, rest., mtg rooms) \$2,841,875
		Corrigan Tower Retail Revenue \$106,088
		Total Revenue \$12,115,303
		Expenses
		Hotel Operating Expenses (\$8,646,635)
		Valet Parking (180 off-site spaces) (\$168,578)
		Insurance, Utilities, Taxes (\$201,336)
		Management (\$17,551)
		Maintenance (\$21,938)
		Misc./Reserve for Replacement (\$6,647)
		Total Expenses (\$8,815,213)
		NOI \$3,300,090
		Note: Stabilized rate in year 2022, 5 years after completion

Appendix E: Saint Elm Hotel and Corrigan Tower Project Proforma – Phase II

Corrigan Tower Project Pro Forma - Phase II		
Downtown Connection TIF District		
PROJECT DESCRIPTION:	Floors 5 thru 18 of 1900 Pacific Ave	
PROJECT TYPE:	Mixed Use	
PHASE I CONSTRUCTION START DATE:	January 1, 2020	
PHASE I CONSTRUCTION COMPLETION DATE:	June 30, 2022	
Use Breakdown	SF	Total Leasable SF
Residential	152,902	152,902
Lobby/Circulation/Back of House	29,331	
Amenity Space	10,870	
Mechanical/Maintenance/Kitchen	2,045	
		Total Bids SF (Gross)
		195,148
Project Costs		
Hard Cost	\$26,180,928	
Soft Cost (less Developer Fee)	\$3,898,636	
Acquisition	\$1,000,000	
Total Project Cost (without City \$)	\$31,079,564	
Total Project Cost	\$31,079,564	
TIF Assistance	\$9,700,000	
Net Cost to Developer (after TIF reimbursement)	\$21,379,564	
Return on Cost Analysis		
NOI/Total Project Costs		
Return on Cost (without City \$)	5.6%	
Return on Cost (with City \$)	8.1%	
Revenue		
Residential Revenue	\$2,889,848	
Total Revenue	\$2,889,848	
Expenses		
Residential Operating Expenses	(\$1,155,939)	
Total Expenses	(\$1,155,939)	
NOI		
	\$1,733,909	
Note: Stabilization rates 5 years after completion with 10%vacancy		

Appendix F: Downtown Connection TIF District Reimbursement Queue

Downtown Connection TIF District Reimbursement Queue As of May 2015

Reimbursement Priority ¹	Project Name	Priority Date	Construction Status	Primary TIF Reimbursement	Maximum Interest	Total Eligible TIF Reimbursement	Project Generated Increment Only ⁴	Reimbursement Status
1	Stoneleigh Hotel	5/30/2010	Completed	\$2,500,000	\$0	\$2,500,000	Yes	In Progress
2	Hall Lone Star ²	5/30/2010	Completed	\$852,764	\$225,871	\$1,078,635	No	Paid In Full
3	Santa Fe IV - Aloft Hotel	5/30/2010	Completed	\$3,734,419	\$0	\$3,734,419	No	Paid In Full
4	Grand Ricchi Dallas - 1600 Pacific	10/26/2010	Completed	\$8,830,000	\$4,040,200	\$9,230,391	No	Paid In Full
5	Joule Hotel Expansion	1/19/2011	Completed	\$20,658,500	\$0	\$20,658,500	No	In Progress
6	Atmos Complex Phase I	6/20/2011	Completed	\$3,250,000	\$3,000,000	\$6,250,000	No	In Progress
7	Joule Hotel Expansion Amendment	8/10/2011	Completed	\$3,194,409	\$0	\$3,194,409	No	In Progress
8	Continental Building ³	9/16/2011	Completed	\$13,305,700	\$4,222,588	\$17,528,288	No	To Be Paid
9	Atmos Complex Phase II	5/21/2013	Completed	\$11,750,000	\$5,000,000	\$16,750,000	No	N/A
10	Hall Lone Star Project - Phase II ²	8/22/2013	Under Construction	\$5,000,000	\$1,774,129	\$6,774,129	No	N/A
11	PetroCorrigan Project - Phase I (Saint Elm Hotel)	2/13/2014	Under Consideration	\$10,300,000	\$0	\$10,300,000	No	N/A
12	LTV Tower Project	5/5/2014	Under Construction	\$17,500,000	\$0	\$17,500,000	No	N/A
13	The Olympic	10/24/2014	Under Construction	\$45,000,000	\$5,000,000	\$50,000,000	No	N/A
TBD	500 S. Ervay	TBD	Under Construction	\$5,000,000	\$0	\$5,000,000	Yes	N/A
TBD	Statler/Library/Jackson Street	TBD	Under Construction	\$46,500,000	\$0	\$46,500,000	No	N/A
TBD	Mayflower Building (411 N. Akard St.)	TBD	Approved	\$10,000,000	\$0	\$9,000,000	No	N/A
TBD	1712 Commerce	TBD	Under Consideration	\$10,500,000	\$0	\$10,500,000	No	N/A
TBD	PetroCorrigan Project - Phase II (Corrigan Tower)	TBD	Under Consideration	\$9,700,000	\$0	\$9,700,000	No	N/A

\$246,198,771

Notes:

¹The priority ranking of an approved project is established by the submittal of evidence to the City of an executed construction loan and building permit for the project.

²Hall Lone Star Project, Phases I and II, is eligible to receive up to \$2M in interest. The full \$2M in interest is shown in Phase I of the project.

³The Total TIF Reimbursement for the Continental Building project is \$22,028,288 (includes an additional \$2.5M in bond proceeds and \$2M in affordable housing funds).

⁴Based on the development agreement for the project, reimbursement may take the form of project generated increment only or project generated increment plus shared increment.

Appendix G: Downtown Connection TIF District

Budget Status

- Total Remaining Funds for Projects: \$11,973,122
- Projects Anticipated to Request TIF Funding
 - Ross/Field Project
 - Spire Project
 - Redevelopment Block (1607 Main Street, 1615 Main Street, 1600 -1614 Elm Street)
 - Thanksgiving Tower Area
 - 500 S. Ervay Street

Downtown Connection TIF District			
Current Projected Increment Revenues to Retire TIF Fund Obligations			
	B	C	B - C
Category	Estimated Total Dollar TIF Budget	Allocated ³	Estimated Total Dollar Balance
Catalyst Projects: - Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non project costs, including, but not limited to machinery, equipment, materials and supplies	\$68,000,000	\$68,000,000	\$0
Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots - Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing	\$258,171,893	\$246,198,771	\$11,973,122
Uptown/Downtown connection improvements	\$0	\$0	\$0
Park and plaza design and acquisition	\$3,185,059	\$0	\$3,185,059
Affordable Housing²	\$3,000,000	\$3,000,000	\$0
Retail Initiative/Streetscape Improvements	\$1,985,000	\$459,845	\$1,525,155
Downtown Area Plan	\$515,000	\$512,464	\$2,536
Administration and Implementation	\$6,539,500	\$1,299,539	\$5,239,961
Debt Service (Interest Only)	\$150,363,000	\$150,363,000	\$0
Total Project Costs	\$491,759,452	\$469,833,619	\$21,925,833

Budget values may fluctuate as a result of district property value changes as provided by DCAD, completion of projects within the district, changes in tax rates for taxing jurisdictions, etc.

¹TIF Budget shown above in total dollars; TIF Project Plan shows the budget in net present value

²The Affordable Housing line item has been reduced by the amount of money allocated to the Continental and 411 N. Akard projects

³The Allocated total shown for the Redevelopment of Vacant/Underutilized Downtown Building line item reflects the total TIF District's commitment to projects currently in the Reimbursement Queue

Appendix H: Increment Collection Projections

Downtown Connection TIF District

Projected TIF Increment Schedule

Tax Year	Total Property Value Estimate ¹	Property Value Growth	Comp. Value Growth	Anticipated Captured Value	Anticipated Accumulated Revenue (NPV)	Tax Increment Revenue into TIF * CITY @ 90%	Tax Increment Revenue into TIF ** COUNTY @ 55%	Anticipated Increment Revenue	NPV Anticipated Increment Revenue (2006)
Base 2005	\$561,696,137	(1)							
Base 2009	\$564,917,317	(2)							
1 2006	\$759,033,448	35.13%	35.13%	\$197,337,311	\$1,370,108	\$1,208,059		\$1,438,614	\$1,370,108
County	\$759,016,948			\$197,320,811			\$230,555		
2 2007	\$989,078,707	30.31%	76.09%	\$427,382,570	\$4,450,867	\$2,844,731		\$3,396,536	\$4,450,867
County	\$988,341,787			\$426,645,650			\$551,805		
3 2008	\$1,515,616,786	53.24%	169.83%	\$953,920,649	\$10,691,983	\$6,065,898		\$7,224,872	\$10,691,983
County	\$1,595,047,713			\$1,033,501,376			\$1,158,974		
4 2009	\$1,512,292,589	-0.22%	169.24%	\$947,375,272	\$17,179,939	\$6,768,369		\$7,886,151	\$17,179,939
County	\$1,559,199,640			\$994,432,123			\$1,117,782		
5 2010	\$1,539,047,900	1.77%	174.00%	\$974,130,583	\$23,590,942	\$6,849,382		\$8,182,245	\$23,590,942
County	\$1,583,755,734			\$1,018,988,217			\$1,332,864		
6 2011	\$1,546,807,101	0.50%	175.38%	\$981,889,784	\$29,976,530	\$7,235,640		\$8,557,298	\$29,976,530
County	\$1,589,222,014			\$1,024,304,697			\$1,321,658		
7 2012	\$1,747,004,927	12.94%	211.02%	\$1,182,087,610	\$37,100,585	\$8,408,406		\$10,024,261	\$37,100,585
County	\$1,791,557,491			\$1,226,640,174			\$1,615,855		
8 2013	\$2,151,461,278	23.15%	283.03%	\$1,586,543,961	\$46,190,348	\$11,306,531		\$13,429,720	\$46,190,348
County	\$2,194,764,321			\$1,629,847,004			\$2,123,189		
9 2014	\$2,336,630,090	8.61%	316.00%	\$1,771,712,773	\$55,950,501	\$12,708,496		\$15,141,200	\$55,950,501
County	\$2,384,374,137			\$1,819,456,820			\$2,432,705		
10 2015	\$2,656,724,026	13.70%	372.98%	\$2,091,806,709	\$66,879,004	\$15,004,530		\$17,801,380	\$66,879,004
11 2016	\$2,941,818,166	10.73%	423.74%	\$2,376,900,849	\$78,705,631	\$17,049,510		\$20,227,545	\$78,705,631
12 2017	\$3,196,815,380	8.67%	469.14%	\$2,631,898,063	\$91,177,444	\$18,878,605		\$22,397,584	\$91,177,444
13 2018	\$3,337,901,687	4.41%	494.25%	\$2,772,984,370	\$103,692,092	\$19,890,617		\$23,598,236	\$103,692,092
14 2019	\$3,661,954,636	9.71%	551.95%	\$3,097,037,319	\$117,003,634	\$22,215,049		\$26,355,942	\$117,003,634
15 2020	\$3,885,896,296	6.12%	591.81%	\$3,320,978,979	\$128,544,828	\$23,821,382		\$23,993,314	\$128,544,828
16 2021	\$3,989,147,872	2.66%	610.20%	\$3,424,230,555	\$139,796,966	\$24,562,006	\$0	\$24,562,006	\$139,796,966
17 2022	\$4,068,930,829	2.00%	624.40%	\$3,504,013,512	\$150,762,973	\$25,134,289	\$0	\$25,134,289	\$150,762,973
18 2023	\$4,153,498,366	2.08%	639.46%	\$3,588,581,049	\$161,458,845	\$25,740,892	\$0	\$25,740,892	\$161,458,845
19 2024	\$4,236,568,333	2.00%	654.25%	\$3,671,651,016	\$171,881,193	\$26,336,753	\$0	\$26,336,753	\$171,881,193
20 2025	\$4,326,633,080	2.13%	670.28%	\$3,761,715,763	\$182,050,721	\$26,982,787	\$0	\$26,982,787	\$182,050,721
21 2026	\$4,413,165,741	2.00%	685.69%	\$3,848,248,424	\$191,958,782	\$27,603,486	\$0	\$27,603,486	\$191,958,782
22 2027	\$4,501,429,056	2.00%	701.40%	\$3,936,511,739	\$201,611,459	\$28,236,599	\$0	\$28,236,599	\$201,611,459
23 2028	\$4,598,545,137	2.16%	718.69%	\$4,033,627,820	\$211,031,283	\$28,933,212	\$0	\$28,933,212	\$211,031,283
24 2029	\$4,690,516,040	2.00%	735.06%	\$4,125,598,723	\$220,207,098	\$29,592,920	\$0	\$29,592,920	\$220,207,098
25 2030	\$4,760,933,700	1.50%	747.60%	\$4,196,016,383	\$229,095,128	\$30,098,026	\$0	\$30,098,026	\$229,095,128
26 2031	\$4,808,543,037	1.00%	756.08%	\$4,243,625,720	\$231,593,554	\$8,883,584	\$0	\$8,883,584	\$231,593,554
27 2032	\$4,856,628,468	1.00%	764.64%	\$4,291,711,151	\$231,593,554	\$0	\$0	\$0	\$231,593,554
28 2033	\$4,905,194,752	1.00%	773.28%	\$4,340,277,435	\$231,593,554	\$0	\$0	\$0	\$231,593,554
29 2034	\$4,954,246,700	1.00%	782.02%	\$4,389,329,383	\$231,593,554	\$0	\$0	\$0	\$231,593,554
30 2035	\$5,003,789,167	1.00%	790.84%	\$4,438,871,850	\$231,593,554	\$0	\$0	\$0	\$231,593,554
Total						\$462,359,756	\$29,399,696	\$491,759,452	\$231,593,554
2006 NPV @ 5%						\$213,093,554	\$18,500,000	\$231,593,554	