

Memorandum



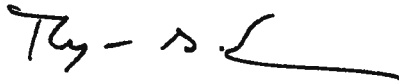
DATE April 3, 2015

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

SUBJECT **Alamo Draffhouse Cinema Project (TOD TIF District)**

On Monday, April 6, 2015, the Economic Development Committee will be briefed on the proposed Alamo Draffhouse Cinema Project – TOD TIF District. Briefing materials are attached.

Should you have any questions, please contact me at (214) 670-3296.



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

Alamo Drafthouse Cinema Project: TOD TIF District

Economic Development Committee
April 6, 2015

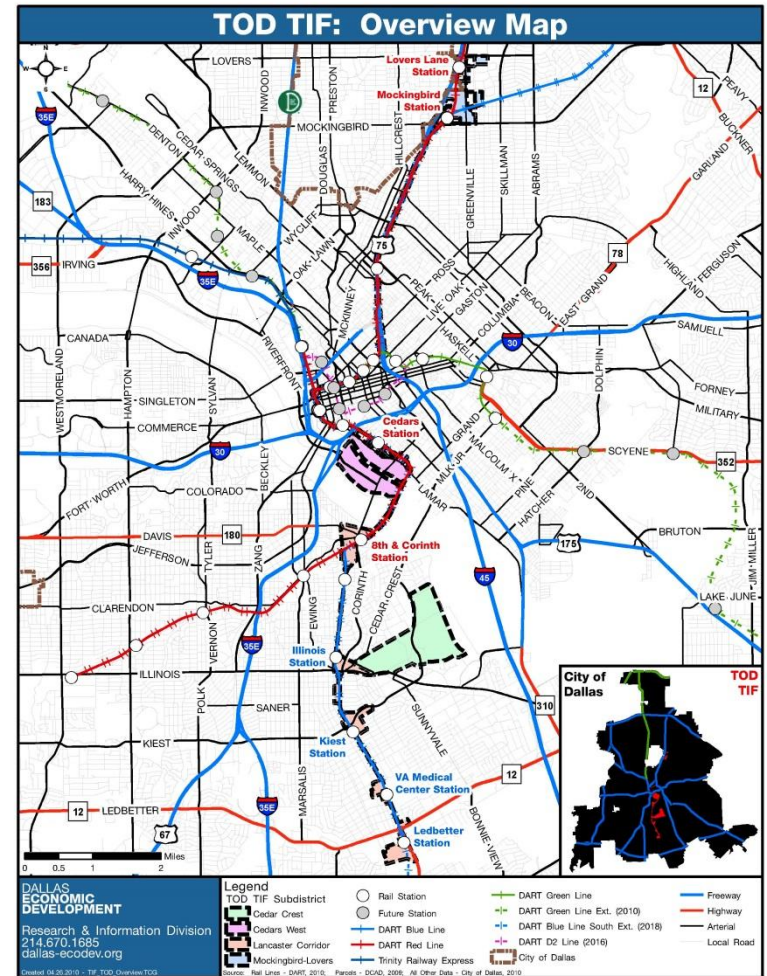


Purpose

- Review Alamo Drafthouse Cinema project proposal for funding in TOD TIF.
- Obtain Economic Development Committee approval for consideration of this item by City Council on April 22, 2015.

TOD TIF District: *Background*

- The TOD TIF District was created December 10, 2008.
- The District will encourage transit-oriented development (TOD) around DART stations in the central portion of the City, help create a series of unique destinations, and foster the construction facilities beneficial to the DART light rail system.
- The TIF District is comprised of four sub-districts that group specific station areas.



TOD TIF District: *Background (Cont'd)*

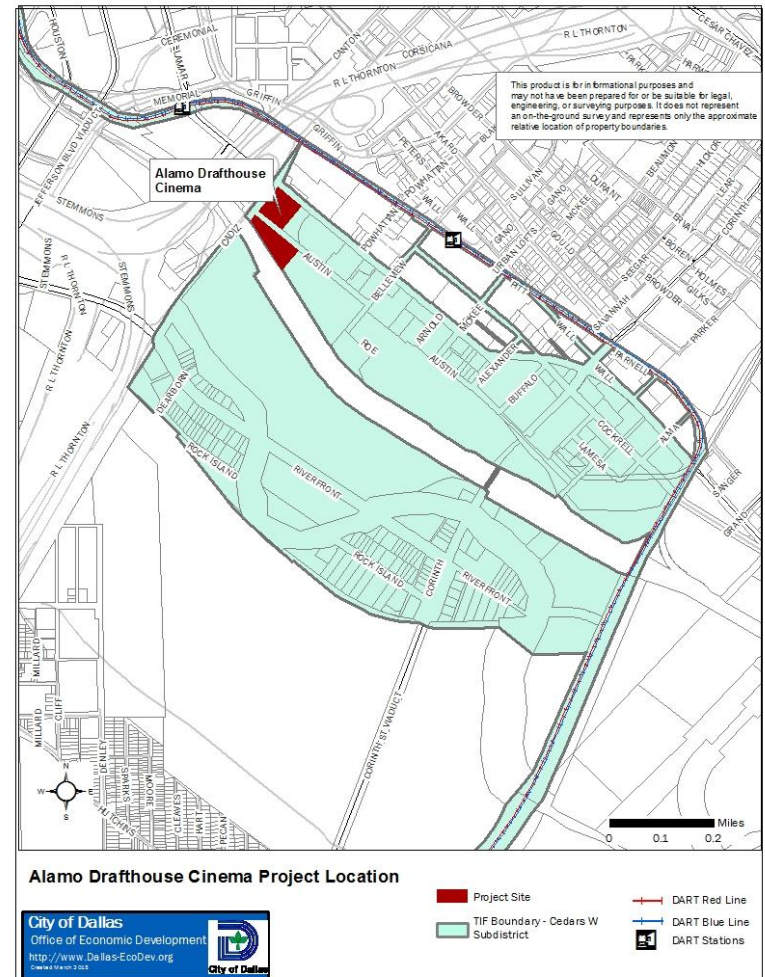
- TOD TIF Sub-Districts include:
 - Mockingbird/Lovers Lane
 - Cedars West
 - Lancaster Corridor (*includes the 8th & Corinth, Illinois, Kiest, VA Medical Center, and Ledbetter DART station areas*)
 - Cedar Crest
- Linking station areas facilitates a tax increment sharing arrangement that stimulates Lancaster Corridor development by providing additional project subsidies to the Corridor from a portion of increment transferred from the Mockingbird/Lovers and Cedars West Sub-Districts.

TOD TIF District: *Background (Cont'd)*

- A Final Project Plan and Reinvestment Zone Financing Plan was approved by Council on April 14, 2010.
- The District expires on December 31, 2038 or when approximately \$185.2 million (2009 dollars) or approximately \$369.8 million in total dollars has been collected. TIF funding is used to offset the infrastructure and other development costs in an effort to encourage redevelopment of the area.
- A grant program to support higher density/unique destination projects using a portion of future TIF funds was also created and approved on April 14, 2010.

Alamo Draffthouse Cinema *Project Location*

- Project is a new development on approximately 4.2 acres on parcels currently addressed at 800 Cadiz Street, 1005 South Lamar Street, and 1000 South Austin Street.
- This would be the first TIF project in the Cedars West Sub-District of the TOD TIF.



Alamo Drafthouse Cinema

Project Description

- The proposed venue would complement the residential and other entertainment venues in the Cedars/South Side areas and is in close proximity to the downtown convention center area.
- Project will include 38,000 square feet of movie theater and restaurant space and 330 surface parking spaces along with pedestrian amenities and streetscape.
- Alamo Drafthouse Cinema, founded in downtown Austin, has been a successful restaurant/theater concept with locations throughout Texas and other states (see Appendix). This would be the first location in the City of Dallas.
- Total project cost estimated at \$17.8 million.

Alamo Drafthouse Cinema *Site Plan*



ALAMO DRAFTHOUSE - SIDEWALK STUDY

Pacheco Koch

Alamo Drafthouse Cinema *Conceptual Elevation*



01 NORTH WEST ELEVATION

Alamo Drafthouse Cinema

Design Studio Recommendations

- Explore reorganizing programmatic elements of the building to more completely fill the frontage along Lamar Street, while also locating additional active program elements along the street frontage.
- Consider a more urban landscape and hardscape scheme along Cadiz and Lamar Streets exploring parallel parking as a potential alternative to head in parking along Cadiz Street.
- Treat Austin Street more as a true street with parallel parking along both sides coupled with an appropriately urban landscape and hardscape scheme.

Alamo Drafthouse Cinema

Proposed Public Funding

- Public Funding totaling \$1,855,000 is recommended including:
 - Public/Private Partnership grant - \$450,000
 - TIF subsidy - \$1,405,000.
- TIF funds for project would be used to offset the cost of the following improvements:

| TIF Improvement Category | Amount |
|---|--------------------|
| Cedars (West) Sub-District: | |
| <i>Infrastructure</i> | \$496,488 |
| <i>Demolition and environmental remediation</i> | \$396,000 |
| <i>Grants</i> | \$512,512 |
| TOTAL TIF REQUEST | \$1,405,000 |

Alamo Drafthouse Cinema

Funding Sources and Uses

| Funding Source | Amount | | Use |
|----------------------|---------------------|-----|------------------------------|
| Private Equity | \$6,774,690 | 38% | Acquisition and Construction |
| Construction Loan | \$10,000,000 | 56% | Construction |
| Texas Mezzanine Fund | \$1,000,000 | 6% | Construction |
| Total | \$17,774,690 | | |

Alamo Drafthouse Cinema

| Proposed Alamo Drafthouse Cinema Project | |
|--|---------------------|
| Project Square Footage | 38,000 |
| Total Project Costs (<i>acquisition cost, demolition, hard and soft costs, and public infrastructure</i>) | \$17,774,690 |
| TIF & Public/Private Partnership Funding | \$1,855,000 maximum |
| % Public Funds to Total Project Costs | 10.43% |
| Return on Cost with Public Subsidy | 4.24% |
| Return on Cost without Public Subsidy | 3.79% |
| Developer Fee | 4% |
| Anticipated Construction Start Date | December 31, 2015 |
| Anticipated Project Completion Date | June 30, 2017 |

Alamo Drafthouse Cinema

TIF Board Funding Recommendation

- On March 6, 2015, the TOD TIF Board of Directors reviewed and approved TIF funding for the Alamo Drafthouse Cinema project in an amount not to exceed \$1,405,000.

Recommendations

- Economic Development Committee recommendation for Council approval of a development agreement for TIF funding and a Chapter 380 Economic Development Grant.
- Council consideration on April 22, 2015.

Appendices

Appendix 1: TOD TIF Budget

| TOD TIF District Projected Increment Revenues to Retire TIF Fund Obligations | | | |
|---|----------------------|---------------------|----------------------|
| Category | TIF Budget | Allocated | Balance |
| Lancaster Corridor Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements. | \$80,579,888 | \$4,215,673 | \$76,364,215 |
| Cedar Crest Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements. | \$44,694,947 | \$0 | \$44,694,947 |
| Mockingbird/Lovers Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements. | \$38,715,952 | \$400,000 | \$38,315,952 |
| Cedars West Sub-District: public infrastructure improvements; environmental remediation & demolition; parks, open space, trails, gateways; façade restoration; grants for high density projects; and transit related improvements. | \$78,032,790 | \$1,405,000 | \$76,627,790 |
| Affordable Housing | \$29,112,075 | \$4,276,600 | \$24,835,475 |
| Administration and Implementation** | \$7,904,883 | \$271,085 | \$7,633,798 |
| Total Project Costs | \$277,291,428 | \$10,568,358 | \$266,723,070 |

*Pending City Council approval of Alamo Drafthouse Cinema project included in the above allocation for the Cedars (West) Sub-District

Appendix 2: Alamo Drafthouse Cinema *Pro Forma and Budget*

| | | | |
|--|---------------------|---|------------------|
| PROJECT DESCRIPTION: | | Alamo Drafthouse | |
| SITE AREA: | | 4 | |
| NUMBER OF FLOORS/STORIES: | | 2 | |
| BUILDING AREA (g.s.f.): | | 38,000 | |
| CONSTRUCTION PERIOD: | | 18 mo | |
| ANTICIPATED CONSTR START DATE: | | 12/2015 | |
| Alamo Drafthouse | SF | # of Units | Total SF |
| SF | 38,000 | | 38,000 |
| | | | \$ per SF |
| | | | \$467.76 |
| Income (Annual) | | Total Project Cost (incl. public costs) \$17,774,690 | |
| Revenue year 2 | \$934,783 | CITY ASSISTANCE (current \$) \$1,854,690 | |
| plus misc income | \$0 | Total Project Cost (with City \$) \$15,920,000 | |
| plus commercial space | \$0 | Return on Cost Analysis | |
| less vacancy | \$0 | | |
| less expenses | (\$260,393) | Return on Cost (no City \$) | 3.79% |
| NOI (w/o TIF) | \$674,390 | Return on Cost (with City \$) | 4.24% |
| Project Costs | | | |
| Acquisition & demolition | \$4,300,000 | | |
| Hard Cost | \$7,923,822 | | |
| Soft Cost | \$4,629,690 | | |
| Public costs | \$921,178 | | |
| Total Project Cost (incl. public) | \$17,774,690 | | |

Appendix 3: TIF Project Increment Chart

Alamo Drafthouse Project Only

| Tax Year | Property Value Estimate | Property Value Growth | Total Value change | Anticipated Captured Value City | Anticipated Increment Revenue | Anticipated Accumulated Revenue (NPV) 4.00% | Participation Rate City | Tax Increment Revenue City (varies) | Tax Increment Revenue County (55%) | Cumulative Unadjust |
|----------|-------------------------|-----------------------|--------------------|---------------------------------|-------------------------------|---|-------------------------|-------------------------------------|------------------------------------|---------------------|
| 2014 | \$1,054,580 | 0.00% | 0.00% | \$0 | \$0 | \$0 | 85% | \$0 | \$0 | |
| 2015 | \$1,054,580 | 0.00% | 0.00% | \$0 | \$0 | \$0 | 85% | \$0 | \$0 | |
| 2016 | \$5,855,686 | 455.26% | 455.26% | \$4,801,106 | \$40,112 | \$35,659 | 85% | \$32,525 | \$7,586 | \$40,112 |
| 2017 | \$5,943,521 | 1.50% | 463.59% | \$4,888,941 | \$40,845 | \$70,574 | 85% | \$33,120 | \$7,725 | \$80,957 |
| 2018 | \$6,032,674 | 1.50% | 472.05% | \$4,978,094 | \$41,590 | \$104,758 | 85% | \$33,724 | \$7,866 | \$122,547 |
| 2019 | \$6,123,164 | 1.50% | 480.63% | \$5,068,584 | \$42,346 | \$138,225 | 85% | \$34,337 | \$8,009 | \$164,893 |
| 2020 | \$6,215,011 | 1.50% | 489.34% | \$5,160,431 | \$43,114 | \$170,988 | 85% | \$34,959 | \$8,154 | \$208,007 |
| 2021 | \$6,308,236 | 1.50% | 498.18% | \$5,253,656 | \$43,892 | \$203,059 | 85% | \$35,591 | \$8,302 | \$251,899 |
| 2022 | \$6,402,860 | 1.50% | 507.15% | \$5,348,280 | \$44,683 | \$234,453 | 85% | \$36,232 | \$8,451 | \$296,582 |
| 2023 | \$6,498,903 | 1.50% | 516.26% | \$5,444,323 | \$45,485 | \$265,181 | 85% | \$36,883 | \$8,603 | \$342,068 |
| 2024 | \$6,596,386 | 1.50% | 525.50% | \$5,541,806 | \$46,300 | \$295,257 | 85% | \$37,543 | \$8,757 | \$388,368 |
| 2025 | \$6,695,332 | 1.50% | 534.88% | \$5,640,752 | \$47,127 | \$324,692 | 85% | \$38,213 | \$8,913 | \$435,494 |
| 2026 | \$6,795,762 | 1.50% | 544.40% | \$5,741,182 | \$47,966 | \$353,499 | 85% | \$38,894 | \$9,072 | \$483,460 |
| 2027 | \$6,897,699 | 1.50% | 554.07% | \$5,843,119 | \$48,817 | \$381,690 | 85% | \$39,584 | \$9,233 | \$532,277 |
| 2028 | \$7,001,164 | | 563.88% | \$5,946,584 | \$49,682 | \$409,276 | 85% | \$40,285 | \$9,396 | \$581,959 |
| 2029 | \$7,106,181 | | 573.84% | \$6,051,601 | \$50,559 | \$436,270 | 85% | \$40,997 | \$9,562 | \$632,518 |
| 2030 | \$7,212,774 | | 583.95% | \$6,158,194 | \$44,087 | \$458,903 | 70% | \$34,357 | \$9,731 | \$676,605 |
| 2031 | \$7,320,966 | | 594.21% | \$6,266,386 | \$44,862 | \$481,048 | 70% | \$34,960 | \$9,902 | \$721,467 |
| 2032 | \$7,430,780 | | 604.62% | \$6,376,200 | \$45,648 | \$502,715 | 70% | \$35,573 | \$10,075 | \$767,115 |
| 2033 | \$7,542,242 | | 615.19% | \$6,487,662 | \$46,446 | \$523,912 | 70% | \$36,195 | \$10,251 | \$813,561 |
| 2034 | \$7,655,376 | | 625.92% | \$6,600,796 | \$47,256 | \$544,650 | 70% | \$36,826 | \$10,430 | \$860,818 |
| 2035 | \$7,770,206 | | 636.81% | \$6,715,626 | \$48,078 | \$564,937 | 70% | \$37,466 | \$10,612 | \$908,896 |
| 2036 | \$7,886,759 | | 647.86% | \$6,832,179 | \$48,913 | \$584,782 | 70% | \$38,117 | \$10,796 | \$957,808 |
| 2037 | \$8,005,061 | | 659.08% | \$6,950,481 | \$49,760 | \$604,194 | 70% | \$38,777 | \$10,983 | \$1,007,568 |
| 2038 | \$8,125,137 | | 670.46% | \$7,070,557 | \$50,619 | \$623,182 | 70% | \$39,447 | \$11,173 | \$1,058,187 |

1.50% appreciation

80% retained per TOD TIF Plan

\$846,550

Appendix 4: TOD TIF Overall Increment Chart

| PROJECTED TIF INCREMENT SCHEDULE | | | | | | | | | | | | |
|----------------------------------|------|-------------------------|-------------------------|----------------------|----------------------------|----------------------------|------------------|-----------------------|--------------------|--------------------------------|------------------------|----------------------------|
| Tax Year | | Property Value Estimate | Property Value Estimate | Property Value Total | Cumulative Prop Val Growth | Anticipated Captured Value | Part'n Rate City | TIF Contribution City | Part'n Rate County | TIF Contribution Dallas County | Total TIF Contribution | TOTAL TIF 2009 NPV @ 4.00% |
| | | (1.5% Appreciation) | (New Development) | | | | | | | | | |
| Base | 2008 | \$167,500,498 | | \$167,500,498 | | | | | | | | |
| Adj Base | 2010 | \$34,574,023 | | | | | | | | | | |
| New Base | 2010 | \$202,074,521 | | | | | | | | | | |
| New Base | 2012 | \$202,065,011 | County | \$209,464,738 | | | | | | | | |
| 1 | 2009 | \$166,542,564 | \$360,080 | \$166,902,644 | -0.4% | (\$597,854) | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 2 | 2010 | \$188,506,897 | \$9,131,320 | \$197,638,217 | 18.0% | (\$4,436,304) | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 3 | 2011 | \$183,439,131 | \$1,632,640 | \$185,071,771 | 10.5% | (\$17,002,750) | 70% | \$0 | 55% | \$0 | \$0 | \$0 |
| 4 | 2012 | \$187,847,848 | \$0 | \$209,963,495 | 25.4% | \$7,898,484 | 85% | \$0 | 55% | \$0 | \$1 | \$0 |
| 5 | 2013 | \$252,797,446 | \$39,464,950 | \$292,262,396 | 39.2% | (\$202,074,521) | 85% | \$611,042 | | \$0 | \$0 | \$0 |
| 6 | 2014 | \$278,289,515 | \$56,382,560 | \$334,672,075 | 14.5% | \$90,197,385 | 85% | \$898,282 | 55% | \$177,290 | \$1,075,572 | \$1,443,193 |
| 7 | 2015 | \$339,692,156 | \$26,625,350 | \$366,317,506 | 9.5% | \$82,733,142 | 85% | \$1,112,664 | 55% | \$219,601 | \$1,332,266 | \$2,455,606 |
| 8 | 2016 | \$371,812,269 | \$9,284,988 | \$381,097,257 | 4.0% | \$132,597,554 | 85% | \$1,212,790 | 55% | \$239,362 | \$1,452,152 | \$3,516,679 |
| 9 | 2017 | \$386,813,716 | \$114,238,818 | \$501,053,534 | 31.5% | \$179,022,736 | 85% | \$2,025,433 | 55% | \$399,750 | \$2,425,184 | \$5,220,581 |
| 10 | 2018 | \$508,569,337 | \$145,559,910 | \$654,129,247 | 30.6% | \$298,979,013 | 85% | \$3,062,445 | 55% | \$604,420 | \$3,666,865 | \$7,697,784 |
| 11 | 2019 | \$663,941,185 | \$175,936,655 | \$839,877,840 | 28.4% | \$452,054,726 | 85% | \$4,320,799 | 55% | \$852,775 | \$5,173,574 | \$11,058,439 |
| 12 | 2020 | \$852,476,008 | \$260,861,271 | \$1,113,337,279 | 32.6% | \$637,803,319 | 85% | \$6,173,350 | 55% | \$1,218,404 | \$7,391,754 | \$15,675,307 |
| 13 | 2021 | \$1,130,037,338 | \$205,060,271 | \$1,335,097,609 | 19.9% | \$911,262,758 | 85% | \$7,675,665 | 55% | \$1,514,909 | \$9,190,574 | \$21,194,927 |
| 14 | 2022 | \$1,355,124,073 | \$358,743,555 | \$1,713,867,628 | 28.4% | \$1,133,023,088 | 85% | \$10,241,642 | 55% | \$2,021,343 | \$12,262,986 | \$28,276,496 |
| 15 | 2023 | \$1,739,575,642 | \$187,820,735 | \$1,927,396,377 | 12.5% | \$1,511,793,107 | 85% | \$11,688,193 | 55% | \$2,306,842 | \$13,995,035 | \$36,047,442 |
| 16 | 2024 | \$1,956,307,323 | \$163,148,000 | \$2,119,455,323 | 10.0% | \$1,917,380,802 | 85% | \$12,989,296 | 55% | \$2,563,634 | \$15,552,931 | \$44,351,279 |
| 17 | 2025 | \$2,151,247,153 | \$59,681,000 | \$2,210,928,153 | 4.3% | \$2,008,853,632 | 85% | \$13,608,979 | 55% | \$2,685,938 | \$16,294,917 | \$52,716,654 |
| 18 | 2026 | \$2,244,092,075 | \$0 | \$2,244,092,075 | 1.5% | \$2,042,017,554 | 85% | \$13,833,648 | 55% | \$2,730,280 | \$16,563,928 | \$60,893,074 |
| 19 | 2027 | \$2,277,753,456 | \$0 | \$2,277,753,456 | 1.5% | \$2,075,678,935 | 85% | \$14,061,687 | 55% | \$2,775,287 | \$16,836,974 | \$68,884,616 |
| 20 | 2028 | \$2,311,919,758 | \$0 | \$2,311,919,758 | 1.5% | \$2,109,845,237 | 85% | \$14,293,147 | 55% | \$2,820,969 | \$17,114,116 | \$76,695,275 |
| 21 | 2029 | \$2,346,598,555 | \$0 | \$2,346,598,555 | 1.5% | \$2,144,524,034 | 85% | \$14,528,078 | 55% | \$2,867,336 | \$17,395,414 | \$84,328,968 |
| 22 | 2030 | \$2,381,797,533 | \$0 | \$2,381,797,533 | 1.5% | \$2,179,723,012 | 70% | \$12,160,675 | 55% | \$2,914,399 | \$15,075,074 | \$90,689,976 |
| 23 | 2031 | \$2,417,524,496 | \$0 | \$2,417,524,496 | 1.5% | \$2,215,449,975 | 70% | \$12,359,995 | 0% | \$0 | \$12,359,995 | \$95,704,752 |
| 24 | 2032 | \$2,453,787,363 | \$0 | \$2,453,787,363 | 1.5% | \$2,251,712,842 | 70% | \$12,562,306 | 0% | \$0 | \$12,562,306 | \$100,605,577 |
| 25 | 2033 | \$2,490,594,174 | \$0 | \$2,490,594,174 | 1.5% | \$2,288,519,653 | 70% | \$12,767,651 | 0% | \$0 | \$12,767,651 | \$105,394,938 |
| 26 | 2034 | \$2,527,953,086 | \$0 | \$2,527,953,086 | 1.5% | \$2,325,878,565 | 70% | \$12,976,077 | 0% | \$0 | \$12,976,077 | \$110,075,269 |
| 27 | 2035 | \$2,565,872,383 | \$0 | \$2,565,872,383 | 1.5% | \$2,363,797,862 | 70% | \$13,187,628 | 0% | \$0 | \$13,187,628 | \$114,648,957 |
| 28 | 2036 | \$2,604,360,468 | \$0 | \$2,604,360,468 | 1.5% | \$2,402,285,947 | 70% | \$13,402,353 | 0% | \$0 | \$13,402,353 | \$119,118,340 |
| 29 | 2037 | \$2,643,425,876 | \$0 | \$2,643,425,876 | 1.5% | \$2,441,351,355 | 70% | \$13,620,299 | 0% | \$0 | \$13,620,299 | \$124,118,340 |
| 30 | 2038 | \$2,683,077,264 | \$0 | \$2,683,077,264 | 1.5% | \$2,481,002,743 | 70% | \$13,841,514 | 0% | \$0 | \$13,841,514 | \$129,118,340 |
| 31 | 2039 | \$2,723,323,423 | \$0 | \$2,723,323,423 | 1.5% | \$2,521,248,902 | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 32 | 2040 | \$2,764,173,274 | \$0 | \$2,764,173,274 | 1.5% | \$2,562,098,753 | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 33 | 2041 | \$2,805,635,873 | \$0 | \$2,805,635,873 | 1.5% | \$2,603,561,352 | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 34 | 2042 | \$2,847,720,411 | \$0 | \$2,847,720,411 | 1.5% | \$2,645,645,890 | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| 35 | 2043 | \$2,890,436,217 | \$0 | \$2,890,436,217 | 1.5% | \$2,688,361,696 | 70% | \$0 | 0% | \$0 | \$0 | \$0 |
| Total (2009-2038) | | | \$1,813,933,103 | | | | | \$249,215,638 | | \$29,023,154 | \$278,238,802 | |
| 2009 NPV @ 4% | | | | | | | | \$108,298,288 | | \$15,123,080 | \$127,753,305 | |

Appendix 6: Alamo Drafthouse Cinema

Conditions of TIF Funding

- Minimum private investment a minimum of \$11 million in private improvements in the Project, including all land and building acquisition, site preparation, and construction hard costs.
- Development of a minimum of a minimum of 35,000 square feet of theater, restaurant, or retail space.
- Obtain a building permit for the construction of the Project by December 31, 2015.
- Provide public access easements (if necessary).

Appendix 6: Alamo Drafthouse Cinema

Conditions of TIF Funding (Cont'd)

- Obtain final acceptance of the TIF eligible street and infrastructure improvements by June 30, 2017.
- Complete construction and pass final building inspection for the building shell of the Project by June 30, 2017.
- Execute an Operating and Maintenance Agreement for all non-standard TIF eligible improvements by June 30, 2017.

Appendix 6: Alamo Drafthouse Cinema

Conditions of TIF Funding (Cont'd)

- Owner shall make a good faith effort to comply with a Business Inclusion and Development (“BID”) goal of 25% minority/women-owned business enterprise (M/WBE) for the TIF reimbursable improvements, and 10% certified M/WBE participation for the private improvement construction and meet all reporting requirements for each.
- Submit to the Office of Economic Development a quarterly status report for ongoing work on the project.
- Construct public and private improvements that conform in design and materials to images and site plans approved by the TOD TIF Board of Directors and the Urban Design Peer Review Panel.

Appendix 6: Alamo Drafthouse Cinema

Conditions of TIF Funding (Cont'd)

- Owner will instruct the tenant(s) to provide commercially best efforts to provide evidence that reasonable efforts were made to promote the hiring of neighborhood residents for any new jobs created.
- If necessary, minor modifications may be approved and/or project deadlines can be extended up to 6 months, subject to the Office of Economic Development Director's and TOD TIF Board approval.

Appendix 7: CCH Alamo, LP

- CCH Alamo, LP was formed by members of Matthews Southwest:
 - Jack Matthews, President
 - Kristian Teleki, Senior Vice-President
 - Dave Snell, Vice-President
- Representative experience includes the South Side on Lamar, NYLO Dallas South Side Hotel, and Omni Dallas Convention Center Hotel.

Appendix 8: Alamo Drafthouse Cinema Background & Other Locations

- Alamo Drafthouse Cinema (“Alamo”) began in downtown Austin in 1997 in a warehouse district building and distinguished itself by offering food and drink service.
- The cinema offers special programming such as “feast” events with food themes to match blockbuster releases or food/wine pairings with classic films.
- Alamo has grown to include locations across Texas:
 - Five Austin locations (and a 6th planned for the Mueller neighborhood - redevelopment of former airport site)
 - Corpus Christi
 - El Paso
 - Houston
 - Laredo
 - Lubbock
 - New Braunfels
 - Richardson (the only current DFW location with plans for Las Colinas and Little Elm)
 - San Antonio

Appendix 8: Alamo Drafthouse Cinema Background & Other Locations *(Cont'd)*

- Alamo has also expanded to other states:
 - Ashburn and Winchester, Virginia
 - Baton Rouge, Louisiana
 - Denver, Colorado
 - Kalamazoo, Michigan
 - Kansas City, Missouri
 - Los Angeles and San Francisco, California
 - New York City area
 - Omaha, Nebraska
 - Phoenix, Arizona
- The Richardson, TX location had approx. 300,000 visitors in 2014 and has revitalized an old shopping center and has attracted adjacent tenants including Half Price Books and new restaurants. This theater also had the highest per person spend in the brand and highest gross profit.

Appendix 8: Alamo Drafthouse Cinema Background & Other Locations *(Cont'd)*

- Locations the size of Richardson cinema location earn between 8-million to 15-million a year in sales depending on demographics and competition.



OVER THE TOP PROMOTIONS

We have buried our customers alive to experience the same anxiety Ryan Reynolds does in *Buried*; we've brought out Robosaurus for the premiere of *Transformers* and set up a flame throwers station for the premiere of *Rambo*. Above is the football stadium Jet Pack Guy for the premiere of *Iron Man*. At the Alamo, we always try to make the show something special for the fans.

Source: *Alamo Drafthouse Cinemas*.