

# Memorandum



DATE April 17, 2015

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

SUBJECT **1712 Commerce Hotel: Downtown Connection TIF District**

On Monday, April 20, 2015, the Economic Development Committee will be briefed on the proposed 1712 Commerce Hotel Project – Downtown Connection TIF District.

Briefing material is 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

**1712 Commerce Hotel Project**  
*Downtown Connection TIF District*

Economic Development Committee  
April 20, 2015

# Purpose

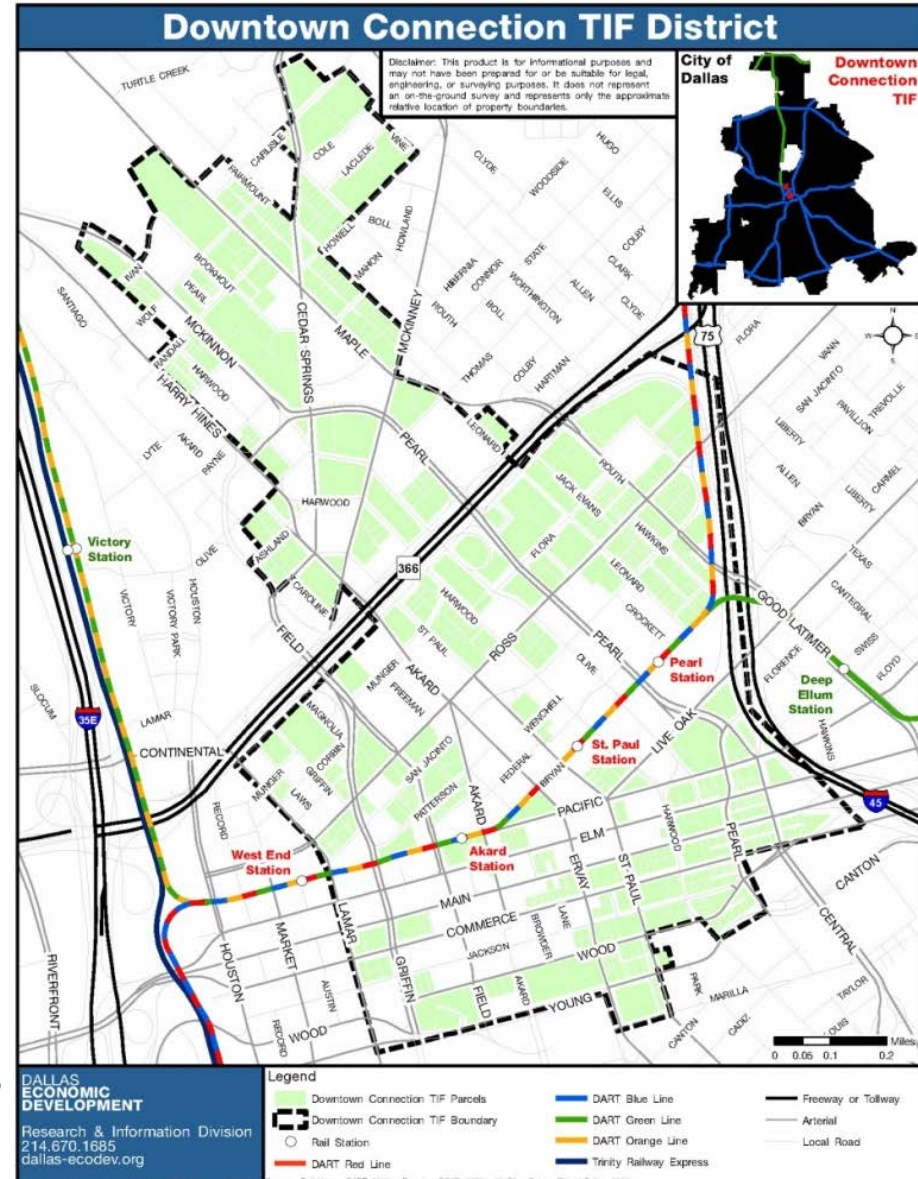
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- Provide background information on Downtown Connection TIF District
- Review the 1712 Commerce Hotel project
- Review Budget Status of Downtown Connection TIF District
- Obtain Economic Development Committee's approval for consideration of the project by City Council on May 13, 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 \$514.9 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

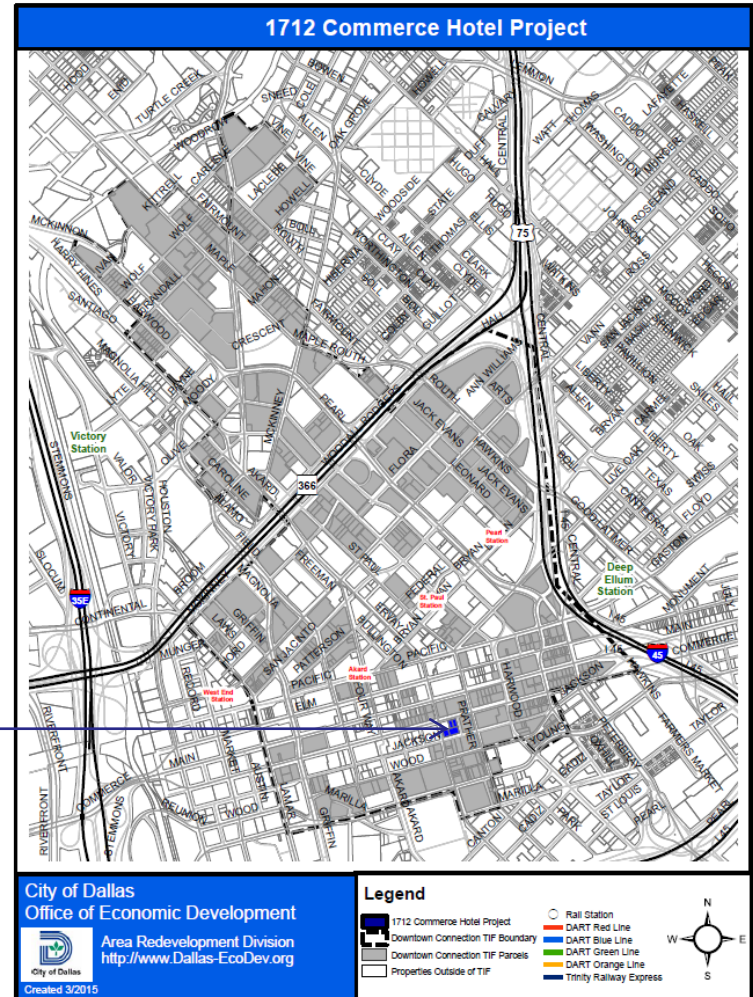


# 1712 Commerce Hotel

## *Project Location*

- Original building was built in 1955
- Located at the corner of Commerce Street, Prather Street, and Jackson Street
- Building has been vacant for the past 20 years

1712 Commerce Hotel





# 1712 Commerce Hotel

## *Project Description*

- **Hotel:** 206 hotel rooms (approximately 158,992 square feet)
- **Retail:** 16,428 square feet of retail space on ground floor
- **Parking:** 360 guest/public parking spaces (approximately 158,992 square feet) – new construction
- **Project Cost:** \$50,909,700
- **Start Construction:** 12/2015
- **Complete Construction:** 07/2017
- **Design Review:** Design Peer Review Panel (12/19/2014) reviewed and approved design of project
- **Historic Tax Credits:** Developer applied for Historic Tax Credits for project
- Developer also renovating **1700 Commerce Building:** 136,637 square feet of hotel space/176 rooms and 4,000 square feet of retail space, with an estimated project cost of \$35M (This project is in City Center TIF District and not eligible for TIF funding).

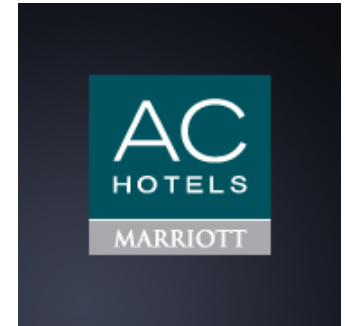


# 1712 and 1700 Commerce Hotel

## *Potential Hotel Brands*

### 1712 Commerce Hotel

- Residence Inn
  - 121 Rooms
- AC Hotels by Marriott
  - 123 Rooms(a new luxury brand boutique hotel)



### 1700 Commerce Hotel

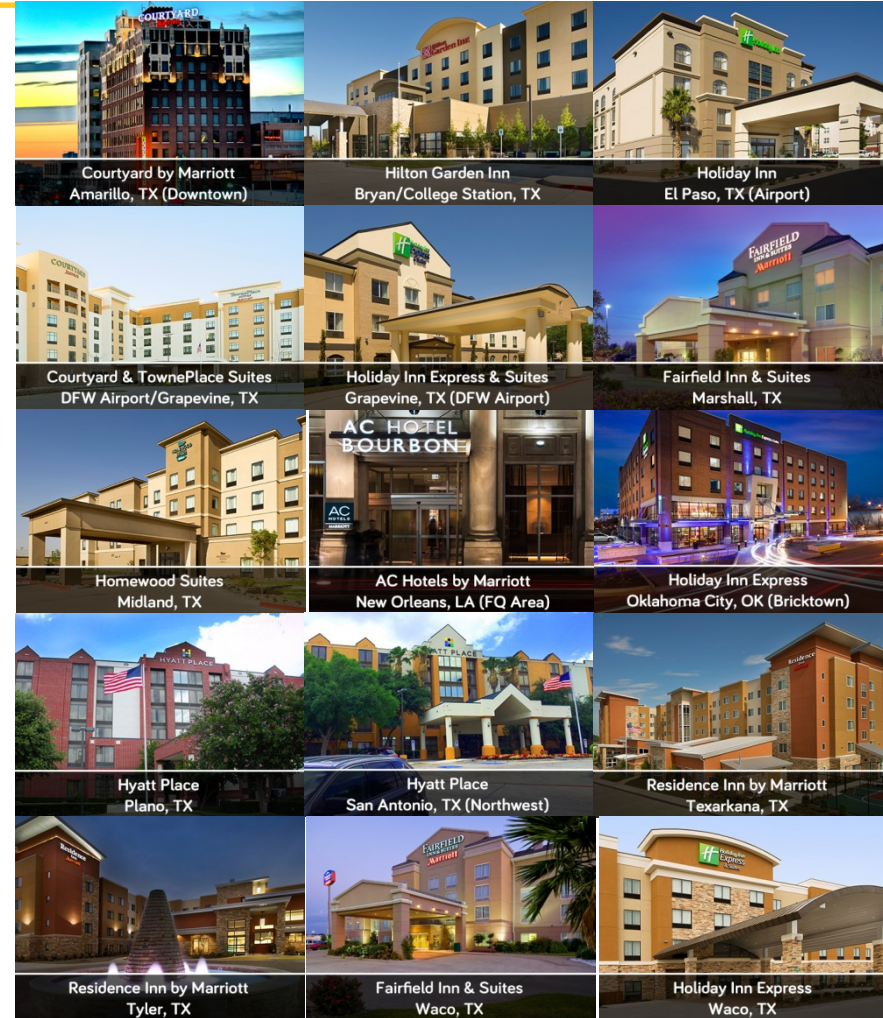
- Hampton Inn
  - 176 rooms



These two buildings will be connected internally, at the first floor for the public and at basement level for services.

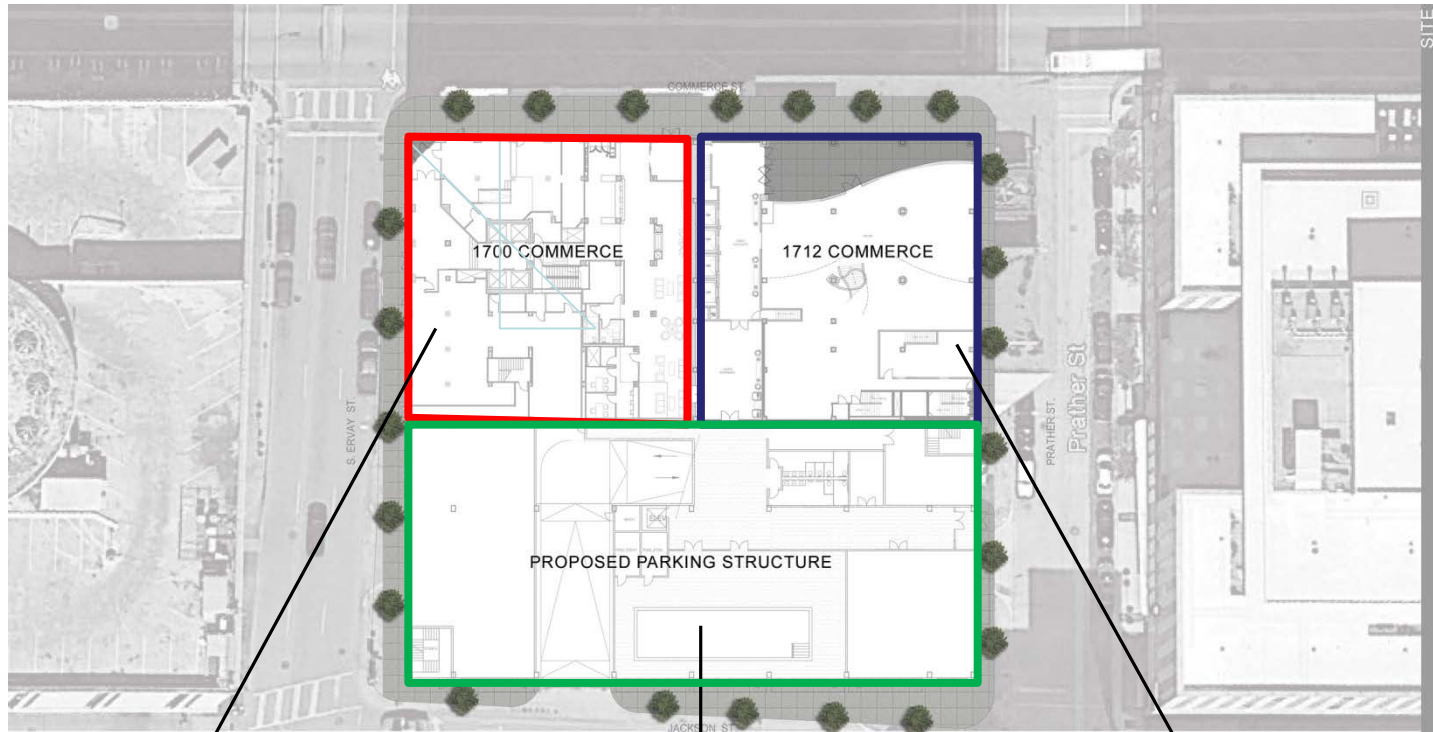
# 1712 Commerce Hotel *Developer*

- NewcrestImage, LLC, parent company of Supreme Bright Dallas II, LLC, is privately owned and operated since 1977.
- Texas based hotel development, construction, and management firm (see Appendix D).
- Successful track record in rehabilitating historic buildings
  - Fisk Medical Arts Building in Amarillo, TX
- Earned top recognition in hospitality excellence
  - Courtyard by Marriott at the Historic Fisk Building in Downtown Amarillo, TX won the top design award for adaptive reuse of a historic building from the Texas Downtown Association (TDA) in 2011
  - Hampton Inn & Suites in Waco, TX received Hilton's most prestigious award, the Connie Award in 2010
  - Fairfield Inn & Suites in Marshall, TX received Marriott's prestigious award, the Diamond Award in 2010





# 1712 Commerce Hotel *Project Site Plan*



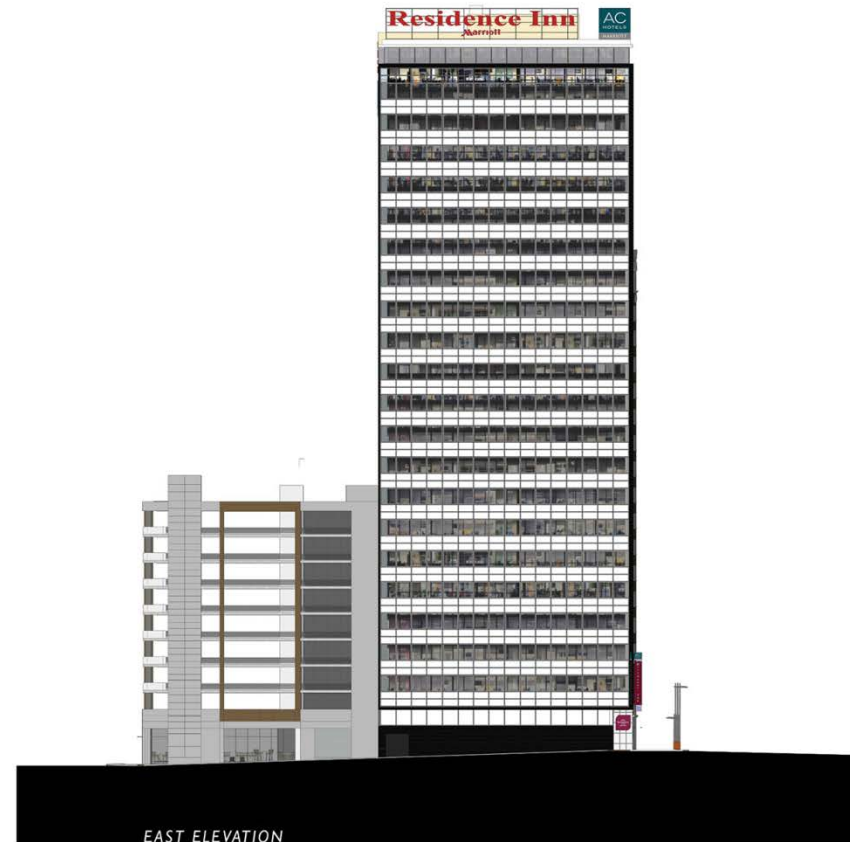
1700 Commerce Hotel  
City Center TIF  
Not eligible for TIF Funding

New construction on existing  
surface parking lot

1712 Commerce Hotel  
Downtown Connection TIF  
Requesting \$10.5 M TIF funding

# 1712 Commerce Hotel

## *Project elevations*



# 1712 Commerce Hotel *Parking Garage*



NEW PROPOSED GARAGE LOOKING NORTH



NEW PROPOSED GARAGE LOOKING NORTHWEST



NEW PROPOSED GARAGE LOOKING NORTH



NEW PROPOSED GARAGE LOOKING NORTHEAST



# 1712 Commerce Hotel

## *Project Funding Sources and Uses*

| Sources                               | Amount              | %           | Uses                         |
|---------------------------------------|---------------------|-------------|------------------------------|
| Developer Equity                      | \$3,909,700         | 8%          | Acquisition and Construction |
| Primary Lender for Hotel              | \$32,000,000        | 63%         | Construction & Renovation    |
| Federal and State Historic Tax Credit | \$15,000,000        | 29%         | Construction & Renovation    |
|                                       | <b>\$50,909,700</b> | <b>100%</b> |                              |



# 1712 Commerce Hotel

## *Proposed TIF Funding*

- Proposed TIF funds will reimburse costs associated with redeveloping a vacant building: environmental remediation/demolition , historic façade restoration, streetscape and utilities
- 1712 Commerce Hotel redevelopment project would not occur, but for TIF funding

| Description   | Amount              |
|---|---------------------|
| <b>Redevelopment of Vacant Underutilized Downtown Buildings</b>   |                     |
| <i>Façade Restoration</i>   | \$2,050,000         |
| <i>Environmental Remediation/Demolition</i>   | \$1,000,000         |
| <i>Streetscape Improvements</i>   | \$1,150,000         |
| <i>Water and Sewer upgrades</i>   | \$600,000           |
| <i>Economic Development TIF Grant (offset costs of building mechanical systems and cost of the parking)</i> | \$5,700,000         |
| <b>Total TIF Funding Recommended</b>  | <b>\$10,500,000</b> |

Note: (1) Costs may be moved between the categories based on actual expenditures except for the TIF Grant and as long as the total TIF reimbursement does not exceed \$10.5 million. (2) No interest shall accrue on any portion of the TIF Reimbursement; and (3) If Dallas Water Utility (DWU) reimburses/funds partially or completely towards the utility upgrades on Commerce Street, Prather Street, Jackson Street and Ervay Street, TIF reimbursement will be reduced by amount of DWU funding.

# 1712 Commerce Hotel

## *Summary of Project Highlights*

| 1712 Commerce Building Project Facts                             |  |
|--|--|
| Minimum Hotel Space  | 100,000 s.f.<br>Approx. 190 rooms          |
| Minimum Retail Space   | 9,000 s.f.                                 |
| Parking Spaces – new construction                                | 100,000 s.f /300 spaces<br>inside building |
| Required Private Investment – (construction hard and soft costs) | Min. \$42,000,000                          |
| Expected Total Project Cost                                      | \$50,909,700                               |
| TIF Funding  | \$10,500,000                               |
| % TIF funds to total project cost                                | 20.6%                                      |
| Return on Investment without TIF                                 | 5.94%                                      |
| Return on Investment with TIF                                    | 6.22%                                      |
| Deadline to Obtain Building Permit                               | December 1, 2015                           |
| Deadline to Obtain Final CO                                      | July 1, 2017                               |

# 1712 Commerce Hotel

## Project Proforma

|                                |                     |
|--------------------------------|---------------------|
| PROJECT DESCRIPTION:           | 1712 Commerce Hotel |
| SITE AREA:                     |                     |
| NUMBER OF FLOORS/STORIES:      | 22                  |
| BUILDING AREA (g.s.f.):        | 179,656             |
| CONSTRUCTION PERIOD:           | 14 mo.              |
| ANTICIPATED CONSTR START DATE: | April 2015          |

| Project Component            | SF             | Rooms      | Total SF       | \$ per SF     |
|------------------------------|----------------|------------|----------------|---------------|
| Residence Inn Hotel Lobby    | 2,197          |            | 2,197          | -             |
| Residence Inn Hotel Rooms    | 158,992        | 206        | 158,992        | -             |
| Basement (Common Back of Hou | 11,575         |            | 11,575         |               |
| Retail Space                 | 6,892          |            | 6,892          | -             |
| <b>Total</b>                 | <b>179,656</b> | <b>206</b> | <b>179,656</b> | <b>\$4.11</b> |

| <b>Income (Annual)</b> |                    |
|------------------------|--------------------|
| Revenue year 5         | \$7,602,277        |
| plus misc income       | \$1,263,752        |
| plus retail space      | \$271,285          |
| less vacancy           | 27%                |
| less expenses          | (\$6,114,368)      |
| <b>NOI (w/o TIF)</b>   | <b>\$3,022,946</b> |

| <b>Project Costs</b>                     |                     |
|--|---------------------|
| Acquisition Costs                        | \$7,975,000         |
| Hard Costs                               | \$30,724,700        |
| Soft Costs                               | \$4,885,000         |
| FFE Costs                                | \$3,000,000         |
| Public Improvement costs                 | \$4,325,000         |
| <b>Total Project Cost (incl. public)</b> | <b>\$50,909,700</b> |

|  |                     |
|--|---------------------|
| <b>Total Project Cost (incl. public costs)</b> | <b>\$50,909,700</b> |
| <b>CITY ASSISTANCE (current \$)</b>            | <b>\$2,285,071</b>  |
| <b>Total Project Cost (with City \$)</b>       | <b>\$48,624,629</b> |

| <b>Return on Cost Analysis</b> |       |
|--------------------------------|-------|
| <b>NOI/Total Project Costs</b> |       |
| Return on Cost (no City \$)    | 5.94% |
| Return on Cost (with City \$)  | 6.22% |

# 1712 Commerce Hotel

## *TIF Board Funding Recommendation*

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- On March 12, 2015, the Downtown Connection TIF District Board of Directors reviewed and approved TIF funding for the 1712 Commerce Hotel redevelopment project in an amount not to exceed \$10,500,000 (see Appendix A).



# Strategic Importance of Proposed Project

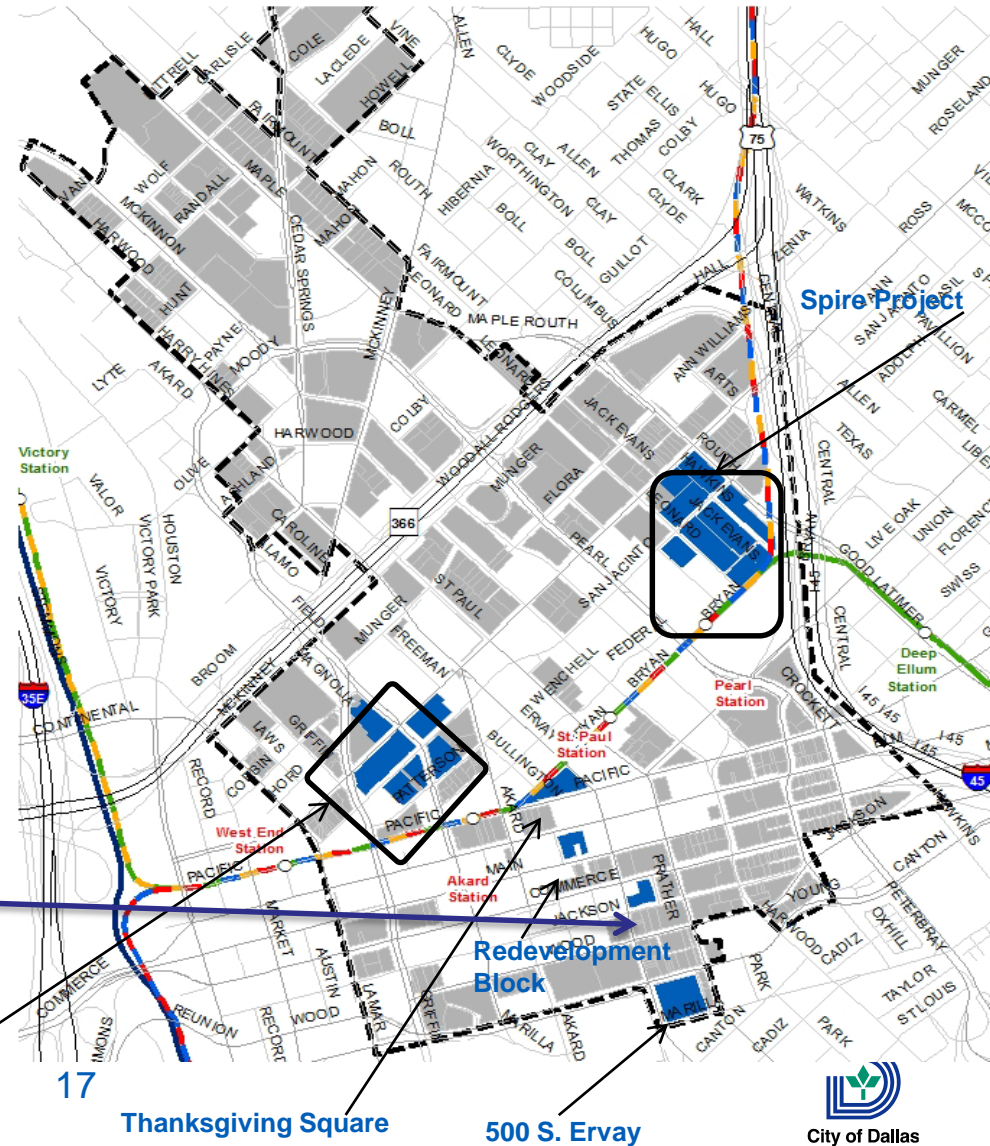
- Activates a vacant building in the downtown core
- Activates the ground floor of a building located on a street with heavy pedestrian activity



# Remaining Downtown Projects/Priorities

- \$21.3 M left for project funding (see Appendix C)
- Projects Anticipated to Request TIF Funding:
  - Ross/Field Project
  - Spire Project
  - Redevelopment Block (1607 Main Street, 1615 Main Street, 1600 - 1614 Elm Street)
  - Thanksgiving Square
  - 500 S. Ervay Street

Project under consideration  
1712 Commerce



# Recommendation

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- Staff requests ECO Committee's approval of consideration of a development agreement with Supreme Bright Dallas II, LLC, for TIF reimbursement not to exceed \$10,500,000 for the 1712 Commerce Hotel project by City Council at their May 13, 2015 Council meeting.

# APPENDICES



# Appendix A: 1712 Commerce Hotel

## *TIF Funding Conditions*

- Minimum private investment of \$39,000,000 for the Project, inclusive of acquisition, construction and construction related soft costs.
- Redevelopment of the Property shall include :
  - Minimum 9,000 square feet of retail space;
  - Minimum 100,000 square feet (approximately 190 hotel rooms) of hotel space; and
  - Minimum 100,000 square feet of parking garage (approximately 300 parking spaces)
- Obtain building permit and start construction and/or demolition for Project by September 30, 2015;
- Obtain a building and/or demolition permit by December 1, 2015;
- Obtain final acceptance of public infrastructure improvements associated with Project by July 1, 2017 and submit documentation to the Office of Economic Development (the “OED”);
- Execute Operating and Maintenance agreement for non-standard public infrastructure improvements by July 1, 2017, for a period of 20 years;

# Appendix A: 1712 Commerce Hotel

## *TIF Funding Conditions (Continued)*

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- On December 19, 2014, Urban Design Peer Review Panel (the “UDPRP”), met and recommended the following changes:
  - Utilize the pool area as a way to activate the street level interaction and suggests increasing the height of the pool area to vibrate the presence along the street
  - Soften parking structure lighting and articulate building façade lighting to better integrate into the urban setting
- Construction shall be in general conformance with site plans approved by the Downtown Connection TIF Board of Directors and Dallas City Council;
- Submit quarterly status reports for ongoing work on the project
- 25% MWBE participation for TIF reimbursable improvements; 25% Good Faith Effort for private construction
- Project deadline can be extended 6 months, with Director and Downtown Connection TIF District Board of Directors approval

# Appendix B: Downtown Connection TIF District Reimbursement Queue

Downtown Connection TIF District  
Reimbursement Queue  
As of April 2015

| Reimbursement Priority <sup>1</sup> | Project Name                                   | Priority Date | Construction Status | Primary TIF Reimbursement | Maximum Interest | Total Eligible TIF Reimbursement | Project Generated Increment Only <sup>4</sup> | Reimbursement Status |
|-------------------------------------|--|---------------|---------------------|---------------------------|------------------|----------------------------------|---|----------------------|
| 1                                   | Stoneleigh Hotel                               | 5/30/2010     | Completed           | \$2,500,000               | \$0              | \$2,500,000                      | Yes   | In Progress          |
| 2                                   | Hall Lone Star <sup>2</sup>                    | 5/30/2010     | Completed           | \$852,764                 | \$2,000,000      | \$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  | To Be Paid           |
| 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  | To Be Paid           |
| 7                                   | Joule Hotel Expansion Amendment                | 8/10/2011     | Completed           | \$3,194,409               | \$0              | \$3,194,409                      | No  | To Be Paid           |
| 8                                   | Continental Building <sup>3</sup>              | 9/16/2011     | Completed           | \$13,305,700              | \$4,222,588      | \$17,528,288                     | No  | N/A                  |
| 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 <sup>2</sup> | 8/22/2013     | Under Construction  | \$5,000,000               | \$0              | \$5,000,000                      | No  | N/A                  |
| 11                                  | PetroCorrigan Project                          | 2/13/2014     | Approved            | \$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                  |
|                                     |  |               |                     |                           |                  | <b>\$234,724,642</b>             |   |                      |

# Appendix C: Downtown Connection TIF District

## Budget Status

- Total Remaining Funds for Projects: \$21,360,475 (subject to 1712 Commerce Project approval)
- Projects Anticipated to Request TIF Funding
  - Ross/Field Project
  - Spire Project
  - Redevelopment Block (1607 Main Street, 1615 Main Street, 1600 - 1614 Elm Street)
  - Thanksgiving Plaza Area
  - 500 S. Ervay Street
  - Tower Petroleum & Corrigan Tower

| Downtown Connection TIF District  |                                   |                        |                                |
|---|-----------------------------------|------------------------|--------------------------------|
| Current Projected Increment Revenues to Retire TIF Fund Obligations   |                                   |                        |                                |
| Category  | B                                 | C                      | B - C                          |
|   | Estimated Total Dollar TIF Budget | Allocated <sup>3</sup> | Estimated Total Dollar Balance |
| <b>Catalyst Projects:</b> - 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                            |
| <b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing | \$256,031,117                     | \$234,724,642          | <b>\$21,306,475</b>            |
| <b>Uptown/Downtown connection improvements</b>  | \$0                               | \$0                    | \$0                            |
| <b>Park and plaza design and acquisition</b>  | \$3,181,489                       | \$0                    | \$3,181,489                    |
| <b>Affordable Housing<sup>2</sup></b>   | \$3,000,000                       | \$3,000,000            | \$0                            |
| <b>Retail Initiative/Streetscape Improvements</b>   | \$1,985,000                       | \$459,845              | \$1,525,155                    |
| <b>Downtown Area Plan</b>   | \$515,000                         | \$512,464              | \$2,536                        |
| <b>Administration and Implementation</b>  | \$8,132,568                       | \$1,299,539            | \$6,833,029                    |
| <b>Debt Service (Interest Only)</b>   | \$150,363,000                     | \$150,363,000          | \$0                            |
| <b>Total Project Costs</b>  | <b>\$491,208,174</b>              | <b>\$458,359,490</b>   | <b>\$32,848,684</b>            |

<sup>1</sup>TIF Budget shown above in total dollars; TIF Project Plan shows the budget in net present value  
<sup>2</sup>The Affordable Housing line item has been reduced by the amount of money allocated to the Continental and 411 N. Akard projects  
<sup>3</sup>The 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

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.

# Appendix D: 1712 Commerce Hotel

## *Project Team*

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- Developer – Supreme Bright Dallas II, LLC

### Leadership Team

- Mehul Patel, Chairman & Chief Executive Officer
- Chirag Patel, Chief Financial Officer
- Daxesh Patel, Chief Operating Officer Construction Finance
- Yogi Patel, Chief Operating Officer Hotel Management
- Mital Patel, Chief Administrative Officer
- Sanjay Patel, Chief Officer Construction Project Manager

- Architect – Merriman Associates Architects, Inc



# Appendix E: Increment Collection Projections

| Year                    | Property Value   | Property Value | Comp. Value  | Anticipated Captured | Anticipated Increment | Anticipated Increment | Anticipated Increment | TOTAL                |
|-------------------------|------------------|----------------|--------------|----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| Funds Arrive            | Total            | Growth         | Growth       | Value                | Revenue CITY          | Revenue COUNTY        | Revenue TOTAL         | 2006 NPV @ 5.00%     |
| 2006                    | \$561,696,137    |                |              |                      |                       |                       |                       |                      |
| 2007                    | \$759,033,448    | 35.13%         | 35.13%       | \$197,337,311        | \$1,208,059           |                       | \$1,438,614           | \$1,370,108          |
|                         | \$759,016,948    |                |              | \$197,320,811        |                       | \$230,555             |                       |                      |
| 2008                    | \$989,078,707    | 30.31%         | 76.09%       | \$427,382,570        | \$2,844,731           |                       | \$3,396,536           | \$4,450,867          |
|                         | \$988,341,787    |                |              | \$426,645,650        |                       | \$551,805             |                       |                      |
| 2009                    | \$1,515,616,786  | 53.24%         | 169.83%      | \$953,920,649        | \$6,065,898           |                       | \$7,224,872           | \$10,691,983         |
|                         | \$1,595,047,713  |                |              | \$1,033,501,376      |                       | \$1,158,974           |                       |                      |
| 2010                    | \$ 1,512,292,589 | -0.22%         | 169.24%      | \$ 947,375,272       | \$6,768,369           |                       | \$7,886,151           | \$17,179,939         |
|                         | \$1,559,199,640  |                |              | \$ 994,432,123       |                       | \$1,117,782           |                       |                      |
| 2011                    | \$1,539,047,900  | 1.77%          | 173.01%      | \$ 974,130,583       | \$6,849,382           |                       | \$8,182,245           | \$23,590,942         |
|                         | \$1,583,755,734  |                |              | \$ 1,018,988,217     |                       | \$1,332,864           |                       |                      |
| 2012                    | \$1,546,807,101  | 0.50%          | 174.38%      | \$ 981,889,784       | \$7,235,640           |                       | \$8,557,298           | \$29,976,530         |
|                         | \$1,589,222,014  |                |              | \$ 1,024,304,697     |                       | \$1,321,658           |                       |                      |
| 2013                    | \$1,747,004,927  | 12.94%         | 209.25%      | \$ 1,182,087,610     | \$8,408,406           |                       | \$10,024,261          | \$37,100,585         |
|                         | \$1,791,557,491  |                |              | \$ 1,226,640,174     |                       | \$1,615,855           |                       |                      |
| 2014                    | \$2,151,461,278  | 23.15%         | 281.42%      | \$ 1,586,543,961     | \$11,306,531          |                       | \$13,429,720          | \$46,190,348         |
|                         | \$2,194,764,321  |                |              | \$ 1,629,847,004     |                       | \$2,123,189           |                       |                      |
| 2015                    | \$2,343,360,262  | 8.92%          | 315.38%      | \$ 1,778,442,945     | \$12,756,771          |                       | \$15,198,483          | \$55,987,426         |
|                         | \$2,391,110,733  |                |              | \$ 1,826,193,416     |                       | \$2,441,712           |                       |                      |
| 2016                    | \$2,663,588,801  | 13.67%         | 372.07%      | \$ 2,098,671,484     | \$15,053,771          | \$2,806,029           | \$17,859,799          | \$66,951,794         |
| 2017                    | \$2,948,820,237  | 10.71%         | 422.56%      | \$ 2,383,902,920     | \$17,099,736          | \$3,187,397           | \$20,287,133          | \$78,813,260         |
| 2018                    | \$3,203,957,492  | 8.65%          | 467.73%      | \$ 2,639,040,175     | \$18,929,835          | \$3,528,529           | \$22,458,364          | \$91,318,918         |
| 2019                    | \$3,345,186,642  | 4.41%          | 492.73%      | \$ 2,780,269,325     | \$19,942,872          | \$3,717,359           | \$23,660,231          | \$103,866,443        |
| 2020                    | \$3,669,385,290  | 9.69%          | 550.11%      | \$ 3,104,467,973     | \$22,268,349          | \$4,150,829           | \$26,419,178          | \$117,209,923        |
| 2021                    | \$3,893,475,562  | 6.11%          | 589.78%      | \$ 3,328,558,245     | \$23,875,748          | \$104,543             | \$23,980,292          | \$128,744,853        |
| 2022                    | \$3,996,878,724  | 2.66%          | 608.09%      | \$ 3,431,961,407     | \$24,617,459          | \$0                   | \$24,617,459          | \$140,022,395        |
| 2023                    | \$4,076,816,298  | 2.00%          | 622.24%      | \$ 3,511,898,981     | \$25,190,851          | \$0                   | \$25,190,851          | \$151,013,080        |
| 2024                    | \$4,161,541,544  | 2.08%          | 637.23%      | \$ 3,596,624,227     | \$25,798,586          | \$0                   | \$25,798,586          | \$161,732,925        |
| 2025                    | \$4,244,772,375  | 2.00%          | 651.97%      | \$ 3,679,855,058     | \$26,395,600          | \$0                   | \$26,395,600          | \$172,178,561        |
| 2026                    | \$4,335,001,203  | 2.13%          | 667.94%      | \$ 3,770,083,886     | \$27,042,812          | \$0                   | \$27,042,812          | \$182,370,712        |
| 2027                    | \$4,421,701,227  | 2.00%          | 683.29%      | \$ 3,856,783,910     | \$27,664,711          | \$0                   | \$27,664,711          | \$192,300,749        |
| 2028                    | \$4,510,135,251  | 2.00%          | 698.94%      | \$ 3,945,217,934     | \$28,299,048          | \$0                   | \$28,299,048          | \$201,974,775        |
| 2029                    | \$4,607,425,456  | 2.16%          | 716.16%      | \$ 4,042,508,139     | \$28,996,911          | \$0                   | \$28,996,911          | \$211,415,337        |
| 2030                    | \$4,699,573,965  | 2.00%          | 732.47%      | \$ 4,134,656,648     | \$29,657,892          | \$0                   | \$29,657,892          | \$220,611,298        |
| 2031                    | \$4,770,082,205  | 1.50%          | 744.96%      | \$ 4,205,164,888     | \$30,163,648          | \$0                   | \$30,163,648          | \$229,518,706        |
| 2032                    | \$4,817,783,027  | 1.00%          | 753.40%      | \$ 4,252,865,710     | \$7,377,478           | \$0                   | \$7,377,478           | \$231,593,554        |
| 2033                    | \$4,865,960,857  | 1.00%          | 761.93%      | \$ 4,301,043,540     | \$0                   | \$0                   | \$0                   | \$231,593,554        |
| 2034                    | \$4,914,620,466  | 1.00%          | 770.54%      | \$ 4,349,703,149     | \$0                   | \$0                   | \$0                   | \$231,593,554        |
| 2035                    | \$4,963,766,670  | 1.00%          | 779.24%      | \$ 4,398,849,353     | \$0                   | \$0                   | \$0                   | \$231,593,554        |
| 2036                    | \$5,013,404,337  | 1.00%          | 788.03%      | \$ 4,448,487,020     | \$0                   | \$0                   | \$0                   | \$231,593,554        |
| <b>TOTAL During TIF</b> |                  |                |              |                      | <b>\$461,819,094</b>  | <b>\$24,824,179</b>   | <b>\$491,208,174</b>  | <b>\$231,593,554</b> |
| <b>2006 NPV @ 5%</b>    |                  |                | <b>4.66%</b> |                      | <b>\$213,093,553</b>  | <b>\$18,500,000</b>   | <b>\$231,593,554</b>  |                      |