

Targeted Financing Tools: Leveraging TIF for Development Projects

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“Common Sense Approach”

- Establish rapport w/ all stakeholders
- Elected Officials
 - **Protection/Political Cover**
- Developer
 - **Demonstrate Commitment**
- Neighbors (Tenants, Property Owners, Area Residents)
 - **Abundant Opportunity for Input**
 - **Discuss Assessed Impact/Future Impact**

“Common Sense Approach”

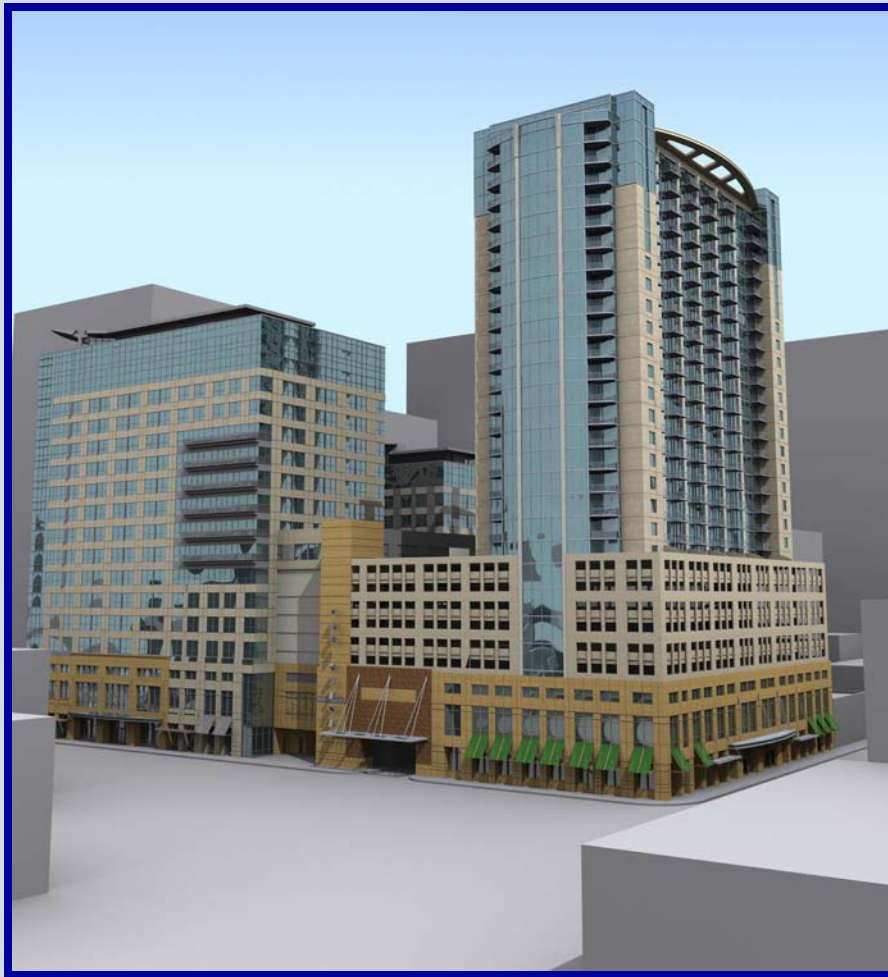
- Identify Need
 - Needs Assessment
(i.e. impact study, survey, etc.)
- Demonstrate Need
 - Identifiable Benefits vs. Costs

“Common Sense Approach”

Development Context:

- Understand History/Heritage
- Responsibly Redevelop
 - **Inclusive: Supply & Demand**
 - **Be Honest!**

The Plaza & The Solaire



Three building mixed use development

2.5 acre site

310 residential units in the Solaire

53,000 square feet of retail and 370,000 square feet of office space

12 screen theater

150 South Orange Avenue

\$140 million investment

The Plaza - Before

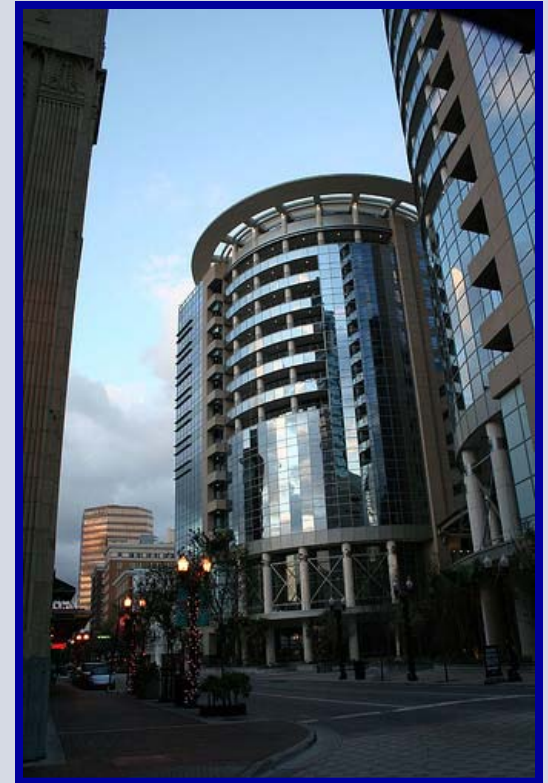


Jaymont Block

The Plaza - Before



The Plaza - After



Finances

| | | |
|---------------------------------|---------------------|--------------|
| City of Orlando | \$14,000,000 | 16% |
| Senior Debt | \$50,000,000 | 57.1% |
| Mezzanine Loan | \$10,000,000 | 11.4% |
| Total Debt Sources | \$74,000,000 | 84.5% |
| Equity/Investments KFT & Kahuna | \$7,000,000 | 8% |
| Equity/Investments Other | \$6,500,000 | 7.4% |
| Total Equity Sources | \$13,500,000 | 15.5% |
| Total* | \$87,500,000 | 100% |

***The Plaza**

The Plaza Incentives

- TIF Rebate over a 12 yr. period
 - 35%, 30%, and 35% estimated to be \$1.9 million
- Cornerstone Project - \$3.5 million for the simultaneous construction of an office and residential development at Orange & Church St. as identified in the Downtown Strategic Transition Report
 - The size (600,000 sq. ft.) and location deemed it a project of major importance

The Plaza Incentives

- Destination Activity Catalyst - \$3.5 million payable over 10 yrs. For the operation of the theater
 - Approximately 50,000 sq. ft.
- \$14 million assessment from the City for the construction of 90% of the spaces in the garage.
 - Variable rate based in 30 day LIBOR, no to exceed 8%
 - Repaid- \$15.4 million in 11/06

The Plaza Incentives

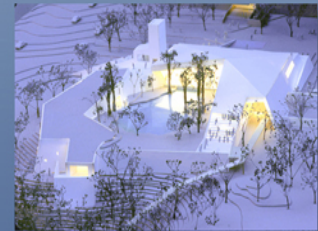
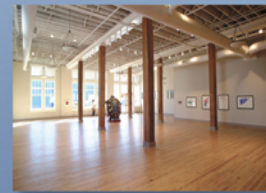
- Total Incentives from the CRA:
 - Solaire: \$1.9 million
 - The Plaza: \$7 million
- Estimated to produce \$26.4 million in TIF over a 20 yr. period
- Total incentives were 6.2% of total project costs



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LEO A DALY

Property value \$900,000



Property value \$17.3 million









Schedule D

Sources and Uses

Albany Hilton Garden Inn Hotel and Conference Center

| | | | |
|-----------------|--------------------------------|-----------------------------|-----------------------------|
| SOURCES: | Senior Debt | \$ 5,100,000 | 30.1% |
| | Section 108 Loan (Subordinate) | 5,500,000 | 32.5% |
| | Total Debt Sources | <u>\$ 10,600,000</u> | <u>62.6%</u> |
| | SPLOST Contributions | 4,361,460 | 25.7% |
| | Owners Equity | 1,478,819 | 8.7% |
| | OneGeorgia Grant | 500,000 | 3.0% |
| | Total Equity Sources | <u>\$ 6,340,279</u> | <u>37.4%</u> |
| | Total Sources | <u>\$ 16,940,279</u> | <u>100.0%</u> |
| USES: | Land | \$ 1,603,900 | 9.5% |
| | Hard Costs | 12,738,528 | 75.2% |
| | Softs Costs | 968,000 | 5.7% |
| | Fees | 1,052,048 | 6.2% |
| | Contingency | 442,757 | 2.6% |
| | Capitalized Interest | 135,045 | 0.8% |
| | | Total Uses | <u>\$ 16,940,279</u> |

55 West on the Esplanade



32 story mixed use building
405 residential condominium units
75,000 square feet of retail
55 West Church Street
SNS Property Finance
\$164 million investment

55 West – Before



55 West – Before



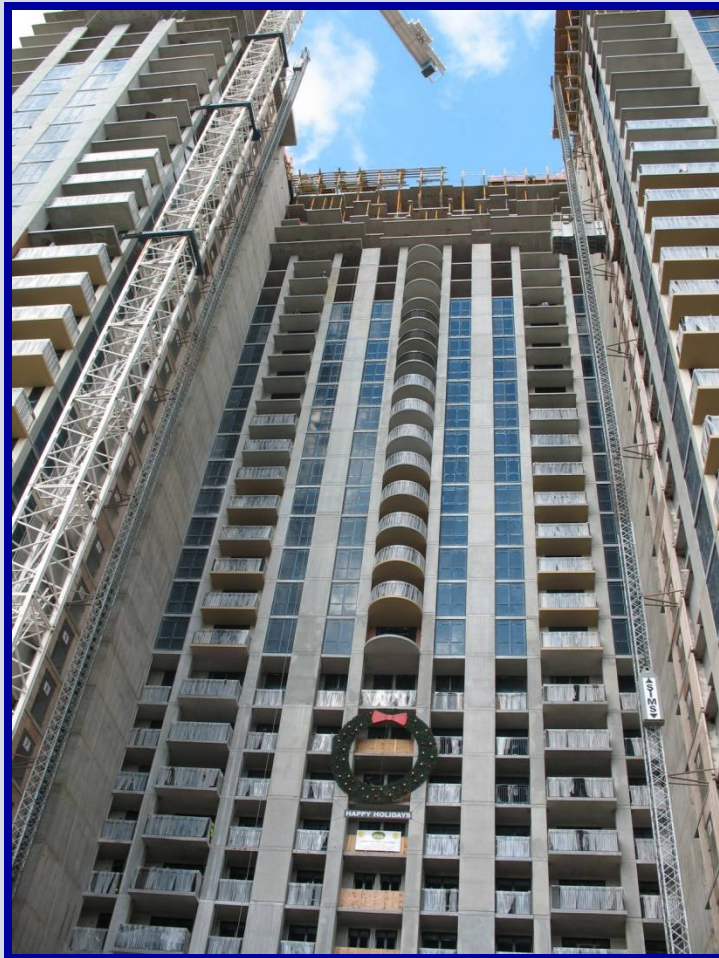
55 West – Under Construction



55 West – Under Construction



55 West – Under Construction



55 West Incentives

- TIF rebate over a 12 yr. period
 - 35%, 30%, and 25% estimated to be \$3.9 million
- \$7 million assessment (loan) from the City for the construction of the garage
 - Variable rate based in 30 day LIBOR, not to exceed 8%
 - To be repaid on a due on sale basis

55 West Incentives

- Total Incentives:
 - City of Orlando: \$2 million loan
 - City of Orlando: \$7 million loan
(parking garage)
 - CRA: \$3.9 million grant (TIF Rebate)
- \$26.2 million in TIF is generated over 20 years

Paramount



**16 story mixed used
residential building**

312 condominium units

29,000 square foot Publix

400 East Central Boulevard

RMC Property Group/ Zom

\$125 million investment

Paramount– Before



Paramount– After



Paramount Incentives

- TIF rebate over a 12 yr. period
 - 35%, 30%, and 25% not to exceed \$3.7 million
- \$2 million assessment (loan) from the City for the garage
 - Variable rate based in 30 day LIBOR
 - To be repaid over 11 years
- \$1 million grant for the grocery store

Paramount Incentives

- Total Incentives:
 - City of Orlando: \$2 million loan
 - CRA: \$3.7 million grant (TIF Rebate)
 - CRA: \$ 1 million grant
- \$26.5 million in TIF is generated over 20 years

Contact Information

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Questions?



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