

CDFA / NCEDA Tax Increment Financing Seminar

National Trends in Special District Financing

**By:
Ken Powell
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**Greensboro, NC - October 18, 2007
Raleigh, NC – October 19, 2007**



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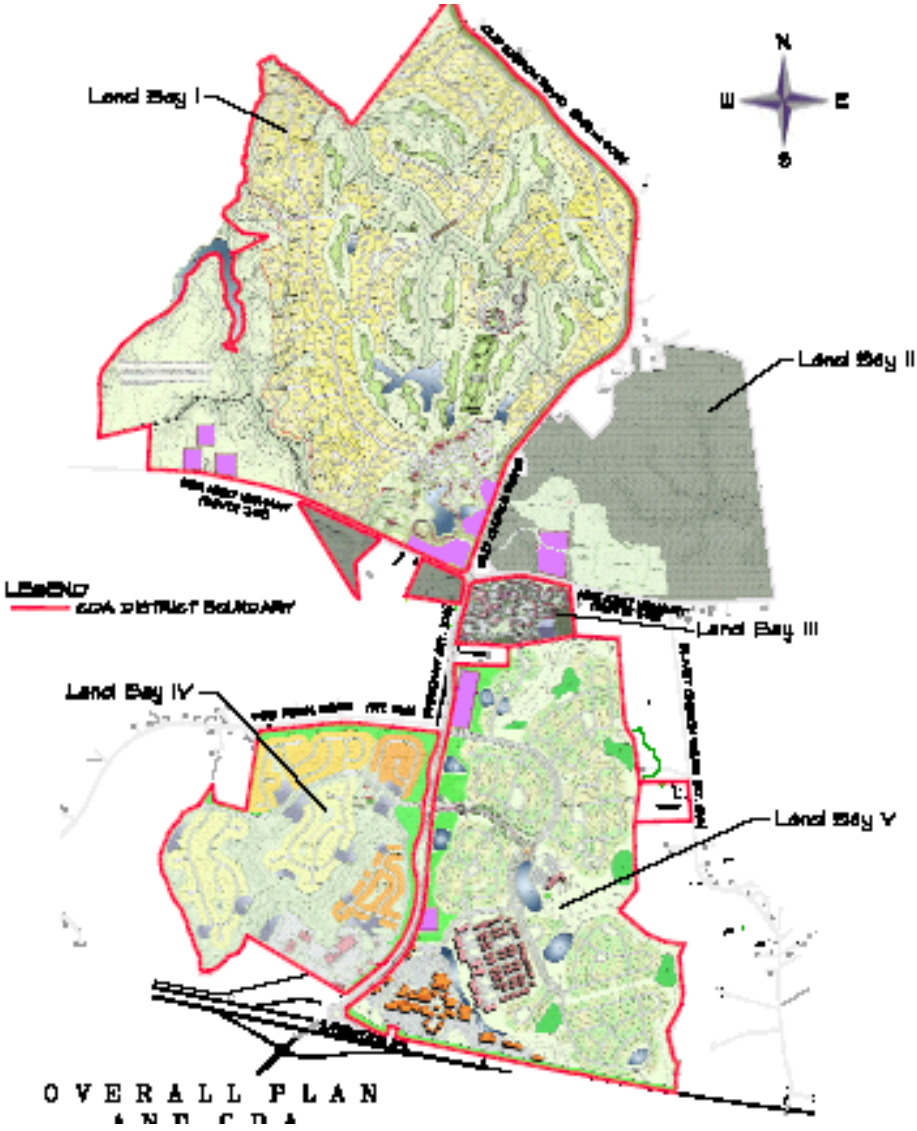
CASE STUDIES

The Farms of New Kent (New Kent County, Virginia)

September 2006

Bond Issue:	\$85,666,000 The Farms of New Kent Community Development Authority Special Assessment Bonds, Series 2006A, B, & C
Location:	New Kent County, VA - Approximately 30 miles east of Richmond on I-64
Development:	<ul style="list-style-type: none">◆ 1,450 age-restricted units◆ 300 estate lots◆ 450 single family homes◆ 100 resort cottages◆ 830,000 sq. ft. of commercial space◆ 18-hole Rees Jones Golf Course◆ Winery, vineyards, polo complex, farmer's market
Developers:	Boddie-Noell Enterprises, Republic Land and K. Hovnanian
Use of Proceeds:	Public infrastructure improvements including road, water and wastewater improvements.
Primary Security:	Special Assessment Revenues
Special Features:	<ul style="list-style-type: none">▪ Second largest non-rated special district financing in Virginia.▪ Unique bond structure in which prepayments used first to call Series A Bonds, then the Series B Bonds and finally the Series C Bonds.▪ Alleviated County's problem of limited existing wastewater treatment capacity restraining development in County

The Farms of New Kent (New Kent County, Virginia) September 2006



Mission Bay (San Francisco, California) 2001, 2002

- Bond Issue: ♦ \$16,500,000 variable rate Special Tax Bonds, Series 2001 (North Channel)
♦ \$54,000,000 Special Tax Bonds, Series 2001 (South Channel)
♦ \$40,000,000 2002 Special Tax Bonds (South Channel)
- Location: Southeast San Francisco, CA - Adjacent to Pac Bell Park on San Francisco Bay
- Development: ♦ 300 acres
♦ 5 million sq. ft. office and life sciences space surrounding 2.65 million sq. ft. UCSF campus
♦ 730,000 sq. ft. retail space
♦ 500 room hotel
♦ 6,000 housing units rental and for-sale (of which 1,700 will be affordable)
- Developers: Catellus Development Corporation
- Use of Proceeds: Public infrastructure improvements including road, water and wastewater improvements.
- Primary Security: Special Tax
- Special Features: ▪ Helped transform the industrial Mission Bay area into a mixed-use community with housing, commercial, retail and a new UCSF research campus
▪ Revitalized part of downtown San Francisco

Mission Bay (San Francisco, California) September 2001



Reynolds Crossing (Henrico County, Virginia) May 2007

Bond Issue:	\$14,594,000 Reynolds Crossing Community Development Authority Special Assessment Revenue Bonds, Series 2007
Location:	Henrico County, VA - 5 miles northwest of downtown Richmond, Virginia. Borders I-64 and is 3 miles West of I-95.
Development:	71 acre mixed-use development 250-room Westin hotel 480,000 sq. ft. of new office space 170,000 sq. ft. of restaurants and retail tenants 230,000 sq. ft. seven-story office building 64,000 sq. ft. medical office building
Developers:	Reynolds Holdings, LLC
Use of Proceeds:	Public infrastructure improvements including road improvements (curb, gutters, paving, striping, sidewalks and traffic signals), a storm water drainage system, public water and sanitary sewer lines and facilities, development signage and landscaping.
Primary Security:	Special Assessment Revenues
Special Features:	▪ Public improvements enhanced existing development to attract national tenants such as Westin hotel. ▪ Former site of Reynolds Metals Company headquarters.

Reynolds Crossing (Henrico County, Virginia)

May 2007

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The Reynolds Crossing Community Development Authority Schematic Master Plan



Vannoy Hargrett Braxton, Inc.
Transportation • Land Development • Environmental Services
113 North Elm Street, Suite 200 • Ashland, Virginia 22801 • 541-383-7500 • FAX 541-383-7513

Reynolds Crossing

Forest Avenue
Richmond, Virginia
January 4, 2007



Summerlin (Las Vegas, Nevada) 1989-2007

Bond Issue:	<ul style="list-style-type: none">◆ \$23,625,000 Summerlin Village Special Improvement District Bonds, Series 2007◆ \$25,485,000 Clarke County, NV Special Improvement District No. 128, Series 2001A-2007 (The Summerlin Centre)
Location:	Las Vegas, NV - Western and northwestern portions of Las Vegas
Development:	<ul style="list-style-type: none">▪ 22,000 gross acres▪ Structured around the village concept (600 to 800 acre villages)▪ Land use: 50% single family residential, 10% multifamily, 2% retail, 5% commercial/industrial, 3% civic/institutional, 15% parks & open space, 15% drainage & undevelopable
Developers:	Howard Hughes Properties
Use of Proceeds:	Public infrastructure improvements including street, water, sewer, storm drain and other improvements.
Primary Security:	Special Assessment Revenues
Special Features:	<ul style="list-style-type: none">▪ Since 1989, Summerlin has issued over 19 bond issues totaling over \$400 million to help fund public infrastructure needs of the Summerlin master planned community

Summerlin (Las Vegas, Nevada) 1989-2007



Peninsula Town Center (Hampton, Virginia) September 2007

Bond Issue:	\$92,850,000 Peninsula Town Center Community Development Authority Special Obligation Bonds, Series 2007
Location:	Hampton, VA - Southeast Virginia, near Norfolk, located off I-64
Development:	1,154,000 square feet mixed-use development Anchored by J.C. Penney, Macy's, and likely Target Also, restaurants, office, specialty stores and residential 2,250 parking spaces
Developers:	Mall Properties, Inc. and Steiner + Associates
Use of Proceeds:	Public infrastructure improvements including roads, water and wastewater improvements, landscaping, parking structure, sidewalks, parks and acquisition of land.
Primary Security:	Incremental tax revenues (including real property, sales, meals and amusement taxes), special retail assessment, special property tax and back-up special assessment
Special Features:	<ul style="list-style-type: none">▪ Saved City of Hampton's largest taxpayer.▪ Largest non-rated special district financing in Virginia.▪ First special retail assessment (sales tax within district) in Virginia.▪ Unique blend of pledged revenues.

Peninsula Town Center (Hampton, Virginia) September 2007

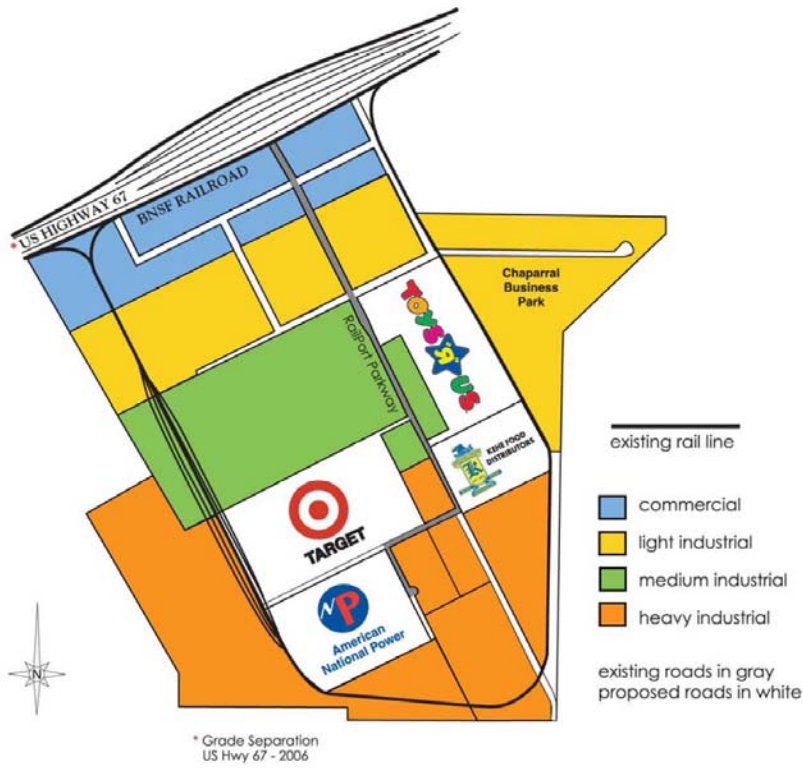
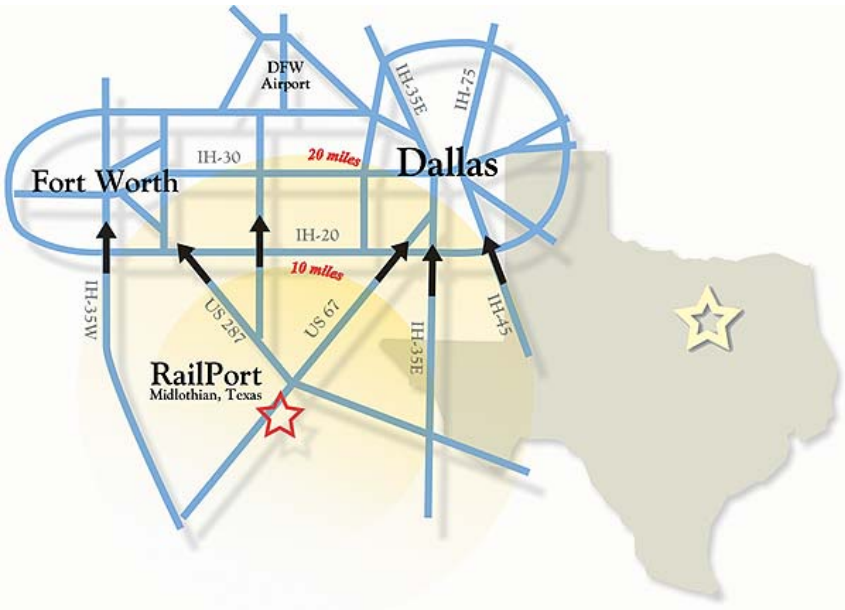


Midlothian (Midlothian, Texas)

February 2007

Bond Issue:	<p>\$35,000,000 Midlothian Development Authority Tax Increment Contract Revenue Refunding Bonds, Series 2007A</p> <p>\$7,285,000 Midlothian Development Authority Tax Increment Contract Revenue Subordinate Lien Refunding Bonds</p>
Location:	<p>Midlothian, TX - Approximately 25 miles south of Dallas</p>
Development:	<ul style="list-style-type: none">◆ 2,874 acres◆ 1,100-megawatt electric power generation facility◆ 550-megawatt electric power generation facility◆ Target Corporation regional distribution center – 1,350,000 sq. ft.◆ Toys “R” Us regional distribution center – 827,616 sq. ft.◆ Kehe Foods Texas distribution center – 315,000 sq. ft.
Developers:	<p>TXI Operations</p>
Use of Proceeds:	<p>Public infrastructure improvements including water and waste water system, storm drainage, gas and electrical system, roadway, rail, landscaping, lighting and certain educational facilities.</p>
Primary Security:	<p>Incremental tax revenue</p>
Special Features:	<ul style="list-style-type: none">▪ Allowed Midlothian to attract large, quality industrial and commercial tenants to the Railport Industrial Park▪ Now home to several regional distribution centers as noted above. A \$1.5 million sq. ft. facility for Solo Cups is forthcoming

Midlothian (Midlothian, Texas) February 2007

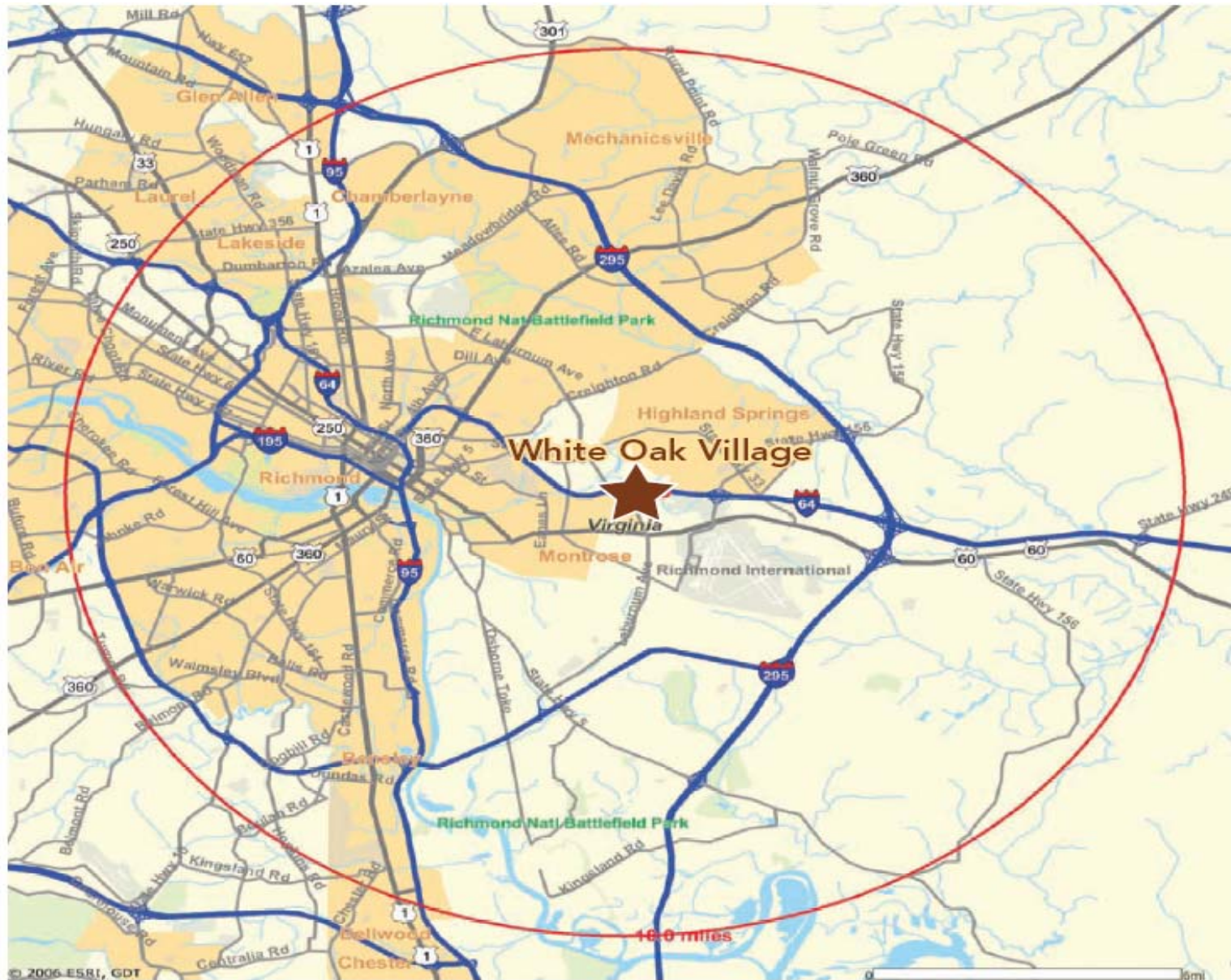


The Shops at White Oak Village (Henrico County, Virginia)

October 2007

- Bond Issue:** \$23,870,000 The Shops at White Oak Village
Community Development Authority Special
Assessment Revenue Bonds, Series 2007
- Location:** Henrico County, VA - 6 miles east of City of
Richmond's central business district. Adjacent to
I-64, 4 miles from I-295 and 5 miles from I-95.
- Development:** 136 acre open-air regional retail center and
outparcel development totaling 870,000 sq. ft.
Anchored by Lowe's, Sam's Club, Target, and
likely J.C. Penney
150-room Hyatt Place hotel
- Developers:** Forest City Enterprises, Inc.
- Use of Proceeds:** Public infrastructure improvements including mass earthwork, roads, off-ramps, general
landscaping, public plaza landscaping, lighting, parking facilities, retaining walls, traffic
lights, turn lanes, sanitary sewers, pavers and sidewalks, storm sewers, utilities, and water
lines.
- Primary Security:** Incremental real property tax revenues and back-up special assessment
- Special Features:**
- Alleviates previously underserved retail market in Eastern Henrico County.
 - Second time that Forest City and Henrico County have collaborated on a CDA.

The Shops at White Oak Village (Henrico County, Virginia) October 2007



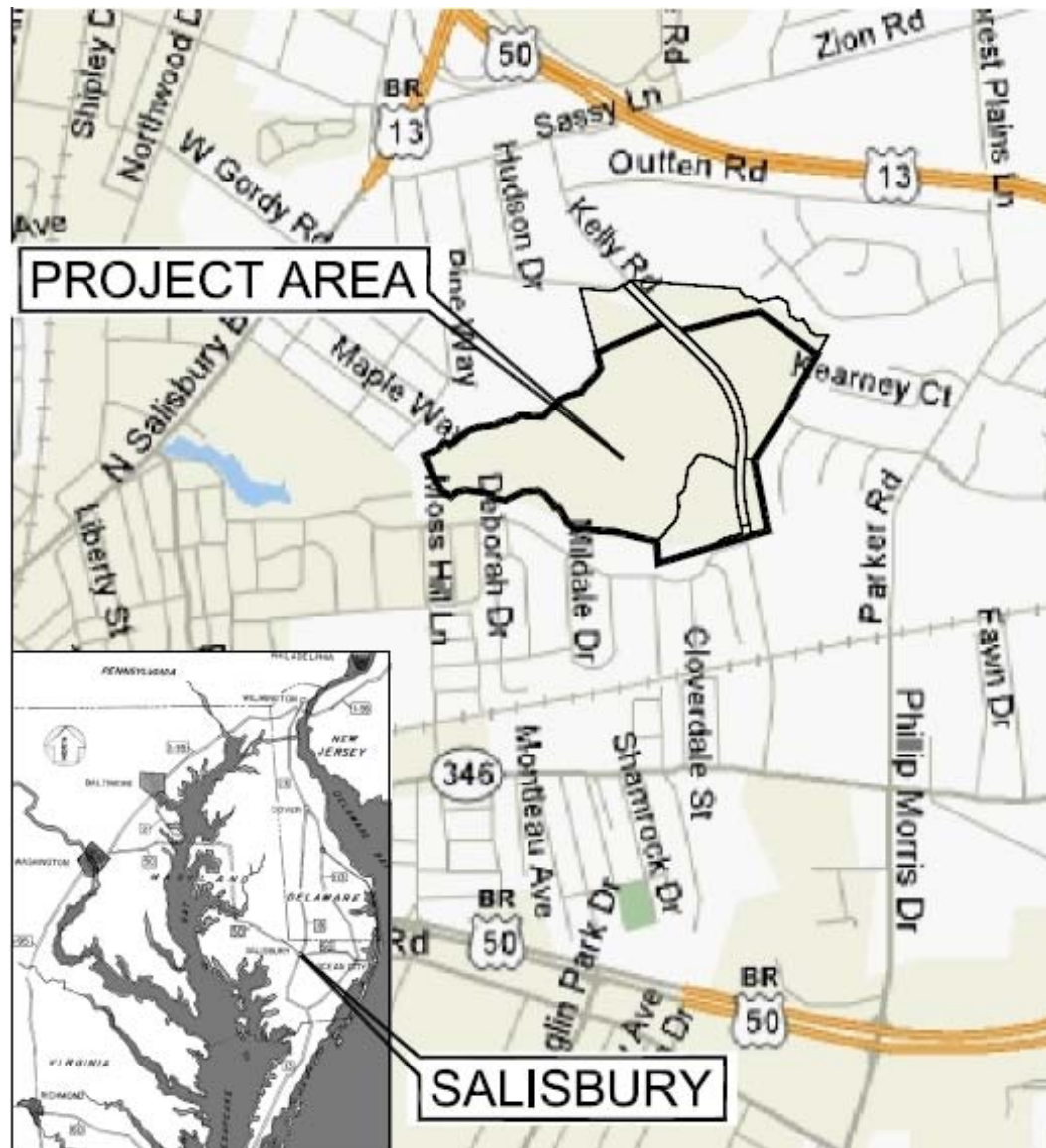
The Villages at Aydelotte Farm (Salisbury, Maryland)

April 2007

Bond Issue:	\$9,775,000 City of Salisbury Maryland Special Obligation Bonds, Series 2007
Location:	Salisbury, MD - Eastern Maryland, midway between Chesapeake Bay and the Atlantic.
Development:	<ul style="list-style-type: none">◆ 157 acre mixed-use development◆ 673 residential units, including 76 single-family houses, 453 townhouses and 144 condominium units◆ Two commercial lots developed for retail and convenience-store usage
Developers:	Ryan Homes and East Fields Development, LLC
Use of Proceeds:	Public infrastructure improvements including road extension, water and sewer lines, bike path, street lights, traffic signals and landscaping improvements.
Primary Security:	Tax Increment and Special Tax Revenues
Special Features:	<ul style="list-style-type: none">▪ Two overlapping special tax districts helped fund infrastructure for project in the largest city on Maryland's Eastern Shore

The Villages at Aydelotte Farm (Salisbury, Maryland)

April 2007

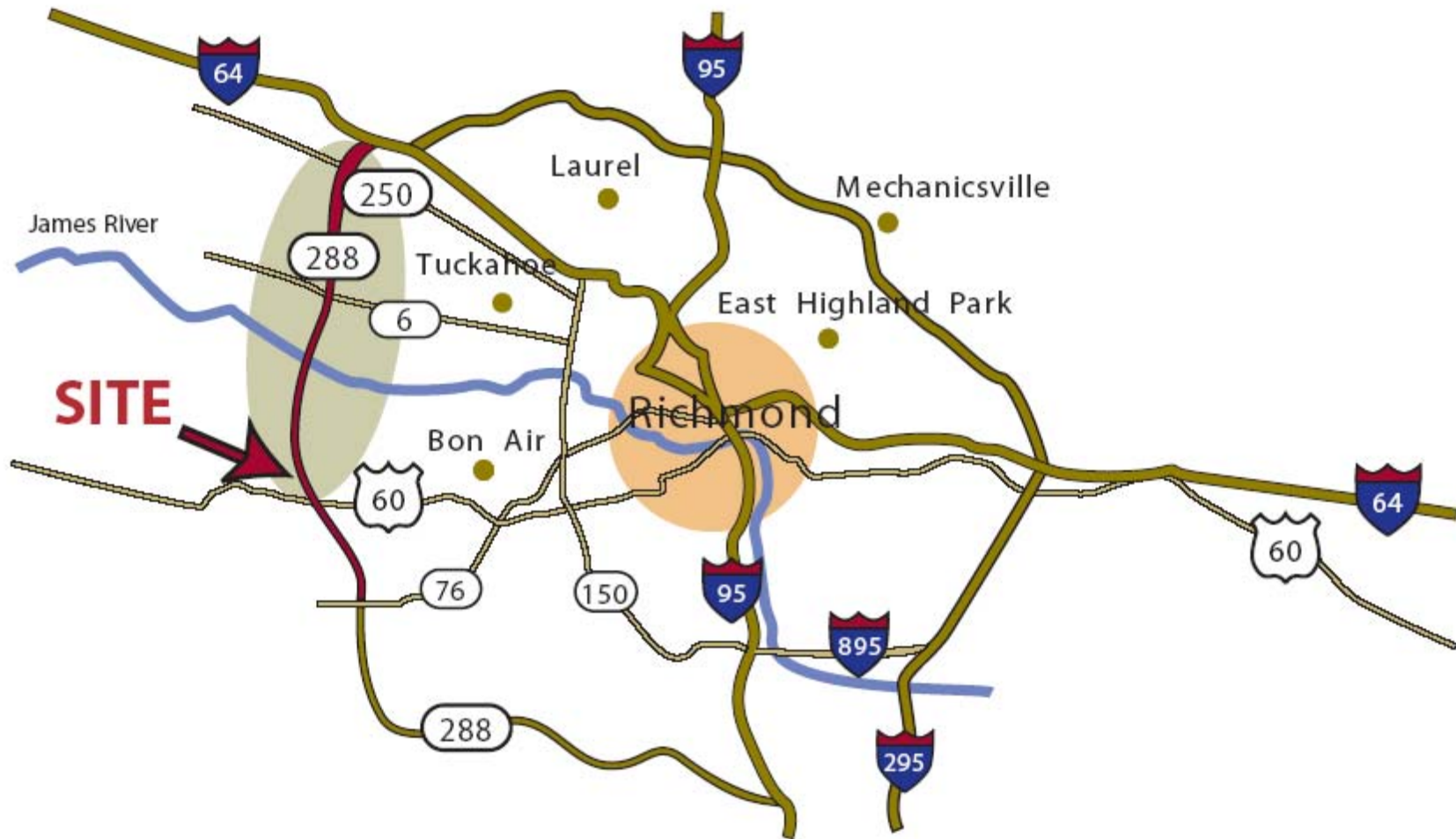


Watkins Centre (Chesterfield County, Virginia) (Pending)

Bond Issue:	\$20,000,000* Watkins Centre Community Development Authority Revenue Bonds, Series 2007
Location:	Chesterfield County, VA - 20 miles southwest of the City of Richmond's downtown business district. Intersection of State Route 288 and State Route 60
Development:	<ul style="list-style-type: none">▪ 505 acre mixed-use development including retail, commercial, office and hotel▪ 1.1 million sq. ft. of retail▪ 2 million sq. ft. of office space
Developers:	Watkins Land, Zaremba Metropolitan Midlothian, BEP
Use of Proceeds:	Public infrastructure improvements including largely transportation infrastructure
Primary Security:	Incremental tax revenues (including real property and sales tax revenues) and back-up special assessment
Special Features:	<ul style="list-style-type: none">▪ Strategically located in underserved retail market of Chesterfield County at the intersection of State route 288 and State Route 60▪ Multiple developers expected to develop properties in different phases

*** preliminary**

Watkins Centre (Chesterfield County, Virginia) (Pending)



Eastridge (Prescott Valley, Arizona) September 2003

Bond Issue:	\$2,500,000 Eastridge Community Facilities District Special Assessment Lien Bonds, Series 2003
Location:	Prescott Valley, AZ - Approximately 80 miles northwest of Phoenix
Development:	<ul style="list-style-type: none">▪ 12 parcel, 40 acre development on Highway 69 frontage property▪ commercial▪ retail▪ banking▪ auto sales and repair
Developers:	Eastridge Investments
Use of Proceeds:	Public infrastructure improvements including major roads that intersect with Highway 69, water lines, sewer lines, storm drains and street lighting.
Primary Security:	Special Assessment Revenues
Special Features:	<ul style="list-style-type: none">▪ Ownership: 7 different landowners – 2 own over 30% each. 100% landowner support▪ Five Year Sales Tax rebate (portion) to encourage development

Eastridge (Prescott Valley, Arizona) September 2003



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