

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

October 9, 2019

The Mission Finance & Administration Committee met at Mission City Hall, Wednesday, October 9, 2019 at 6:30 p.m. The following committee members were present: Pat Quinn, Hillary Thomas, Arcie Rothrock, Nick Schlossmacher, Debbie, Kring, Kristin Inman, Sollie Flora, and Ken Davis. Mayor Appletoft was also present. Councilmember Flora called the meeting to order at 6:30 p.m.

Also present were City Administrator Laura Smith, Assistant City Administrator Brian Scott, City Clerk Martha Sumrall, Assistant to the City Administrator Emily Randel, Public Works Director Celia Duran, Parks & Recreation Director Penn Almoney, Chief Ben Hadley, and Public Works Superintendent Brent Morton.

Public Comments

There were no public comments.

Resolution Calling Public Hearing on the Division of the Rock Creek Redevelopment (TIF) District

Ms. Smith stated as steps were taken to re-evaluate the Gateway Redevelopment Agreement and explore the issuance of Special Obligation (SO) bonds contemplated in the agreement, several issues were identified relating to the underlying Tax Increment Financing (TIF) District. She discussed the map of the district, which was established in 2006 and includes 71 acres of land that follows Rock Creek between Roe and Lamar. The district was initially established to aid redevelopment in areas that were put into the 100-year floodplain through revisions to the FEMA maps. The district at that time included four redevelopment areas within the larger district.

In 2009 the district was amended to include five redevelopment project areas. Areas 1, 3 and 4 remained the same, but area 2 was divided to create area 2a for the Capital Federal project. Ms. Smith stated the TIF Act provides that increment is computed on a district-wide basis, which works when there is only one or two project areas and they have a positive incremental assessed valuation. In this district, not all of the areas have a positive increment so none of the areas are eligible for reimbursement. She noted that table included in the committee packet that provides information on each project area and the incremental assessed value for each.

Ms. Smith discussed issues associated with the Gateway Redevelopment Agreement and the TIF including:

- What is the fair way to allocate the future incremental property tax revenues generated by the Rock Creek District between the Gateway, Capitol Federal, and Project areas 2-4?
- Where bonds are issued to finance the Gateway Project costs, how can we effectively mitigate the risk to bondholders of future assessed valuation decreases in other project areas that could decrease incremental revenues within the district, such that there is insufficient increment to give Gateway its “fair share” distribution?

Ms. Smith stated staff is recommending Council proceed to split the current Rock Creek District into separate districts to provide the greatest amount of flexibility for the City. This will require the passage of a resolution calling a public hearing, and notice to all of the property owners and occupants, school district and county via certified mail. She stated the county and school district will not have veto rights as they did when the district was first established. Following the public hearing on November 18, Council will then be able to adopt an ordinance splitting the area into separate districts. She discussed the benefits of splitting the area into separate districts, including:

- Each project area/district would receive increment attributable only to the activities within that area
- Would be consistent with the business deal in the approved project plans for The Gateway and Capitol Federal.
- Will assist with the marketing of the Gateway bonds as investors will have less risk related to the increment from other project areas.
- Provides Council with the opportunity to evaluate the necessity/value of such a large TIF district and remove certain portions entirely either at the November 18 meeting or a later date. She noted there has been a great deal of change in the area since this district was originally established.

Councilmember Davis asked if there are any costs associated with splitting this district and Ms. Smith stated the only costs will be related to publication of the resolution and ordinance and the certified mailing.

Councilmember Flora asked if any property owners in the district have contacted the City regarding this issue. Ms. Smith stated notices of the public hearing have not yet been mailed. Councilmember Flora also asked why there have not yet been any distributions from this district. Ms. Smith stated the only requests at this time would come from Capitol Federal and they have not made any to date.

Councilmember Schlossmacher referred to the map of the proposed district and asked why the property west of Roeland Drive at Martway is included (Wendy’s). Discussion continued on the map and whether this property is actually included. Ms. Smith stated staff will review this to be sure it is correct.

Councilmember Kring asked if there are any “down sides” to splitting the district. Ms. Smith stated there are not and that this will now do what was originally intended when the district was established and preserves the greatest flexibility.

Councilmember Davis recommended that the resolution calling a public hearing for 7:00 p.m. on Monday, November 18, 2019 regarding the division of the Rock Creek Redevelopment (TIF) District into five redevelopment districts be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

**Amendment to Third Amended and Restated Redevelopment Agreement,
The Gateway Project**

Ms. Smith stated that the City’s Development Team is present (Pete Heaven, Gary Anderson, Kevin Wempe), as well as Matt Valenti, Corb Maxwell, and Rich Wood representing the developer. Bruce Kimmell, Ehlers, participated in the meeting via phone. Handouts were provided to the committee.

Ms. Smith presented (powerpoint presentation) current information on the project, including:

- The City and developer share a common goal to complete the entire development according to the approved plan so that the City and developer may both realize the benefits of the project.
- We have been working on plans and permitting, amending the Redevelopment Agreement, completing our due diligence, and preparing for the Special Obligation (SO) bond issuance.
- Information on why the redevelopment agreement needs to be amended:
 - The 2017 redevelopment agreement has a phased approach to construction and funding because the entertainment/retail anchor tenant had not yet been identified at that time.
 - It created the path forward (with the best information available at that time) to get the project started while affording certain benefits and protections to the City.
 - The developer’s lease with Cinergy in December 2018 resulted in a revision of the entire construction schedule that now does not “fit” within the parameters of the existing agreement. We now need an agreement that aligns with how the project currently stands.
- Changes to the amendment were approached with keeping the key deal points from 2017 in place. These include:
 - Developer receives 100% of Property TIF.
 - 1% of General Sales TIF shared between developer (55%) and the City (45%).
 - 9% Transient Guest Tax shared between the developer (8%) and the City (1%).
 - Developer receives 100% of CID Sales Tax revenues (1%).
 - City agrees to issue SO Bonds once certain milestones are achieved.

- The city needs to keep comparable performance expectations and protections for our investment in the project.
- Review of the new structure terms and provisions of the private lenders. This was not in a component in the past and the lender has been part of the discussions on this amendment

Mr. Scott presented an update on the project status, noting that although it may not seem like much is happening on the site, there is quite a bit going on behind the scenes.

- The residential/small shops component of the project includes three connected buildings, 4-stories high with 168 apartments (1 and 2 bedroom). On the ground floor will be small retail and some leases have been signed. A permit for this portion was issued last year but worked stopped. Fogel Anderson has stepped in and, when financing has been secured, work on this portion of the project will begin again. They will also be ensuring what has been built to date is still safe.
- The hotel will be a Marriott Element, which is 7-stories and has 202 rooms with full hotel amenities. Plan review of the hotel is nearly complete and a building permit should be issued within a few weeks.
- Parking garage will be 4 levels with 808 parking spaces. Plan review is underway now and anticipated to be complete by the end of the year. The foundation may be preapproved for construction before winter.
- Cinergy entertainment venue is 90,000 sq. ft. and will include a movie theater with 10 screens, bowling, arcade (ax throwing, etc.), restaurants and bars. Cinergy is a company out of Texas. Plans have been reviewed and a building permit issued this summer. They have been drilling piers for the footings, but this had to stop due to a sanitary sewer which needed realignment. The realignment is almost complete and WaterOne is now replacing a water main on Roe Avenue near the site. The committee discussed parking for the project and whether it will be done in time for the Cinergy project. Mr. Scott stated that the developer is committed to the parking being completed at the same time as Cinergy and noted that it will be prefab so it should be constructed quickly, similar to the parking for the apartment project on Johnson Drive (EPC).
- Office building will be 4-story, 76,000 sq. ft. This part of the project is going back to the Planning Commission for consideration at their October meeting as it has increased in size. It was originally 3-stories, 58,000 sq. ft.
- Food Hall will be 2-stories, 40,000 sq. ft. and will include a restaurant by Chef Tom Colicchio as well as Five Iron (indoor golf venue). The food hall will allow for small spaces for local chefs to have “pop up” restaurants with general seating. It will also include a bar and outdoor entertainment area. There may be space available at this location for the Mission Market.

Ms. Smith discussed specific changes included in the First Amendment to the Third Amended and Restated Redevelopment Agreement. A handout of the changes from the 2017 Third

Amended and Restated Redevelopment Agreement to the current proposed amendment was reviewed by the committee, with specific sections discussed (handout attached).

Councilmember Schlossmacher asked why the current agreement does not include CID Bonds. Mr. Heaven stated that this agreement has simplified the financing with one bond issue. He also stated that a CID has a time limit of 22 years and TIF has a 20 year limit so the developer will be limited to 20 years.

Councilmember Kring requested information on the value of the land and whether it has increased. Ms. Smith stated the assessed value has decreased. This happened when the mall was demolished and the developer appealed the site's assessed value twice and won. The base year value for the property was \$2.5 million and the current value is \$488,000. The developer will need to get to the base value to generate increment.

Councilmember Flora asked how the construction percentage needed for the distribution of bonds was developed (50% of Cinergy and 25% of the parking garage). Ms. Smith stated the development team felt these completion percentages would show significant progress and that the project is moving forward. Mr. Heaven stated that once Cinergy reaches 50% completion it would be hard for them to turn back, and because City bonds will be used to finance a portion of the garage, 25% is a reasonable amount. The committee also discussed what would happen if the project is not completed. Ms. Smith stated that to pay off the SO Bonds, the developer needs the revenues from the entire completed project and then they are reimbursed with any tails.

Councilmember Thomas asked if the CID begins July 1, 2020 and Ms. Smith confirmed that it does.

Mr. Kimmel provided information on the estimated cumulative Gateway project funding 2019-2021, including the developer's equity, MCB temporary loan, Carlyle mezzanine loan, OZK 1st mortgage and the City's SO bonds. He stated that to date the developer has invested approximately \$50 million in the property (\$38 million in developer equity and \$15 million from the MCB temporary loan). He discussed the City's distribution terms of \$7 million first draw in June of 2020, which is conditional on certain conditions being met. Bond disbursements may continue for several months after the estimated project completion of Fall 2021. (Handout attached to these minutes.)

Mr. Kimmel discussed the SO bonds issued by the City and protecting the interest of the City by ensuring progress is being made in the project prior to disbursement. He noted that private lenders are contributing approximately three times the amount of the City and we have "piggybacked" on their research to protect our interest. He stated that investors purchasing SO bonds are sophisticated, large investors due to the risky nature of the investment (they do not have the same guarantees as GO bonds). Councilmember Kring asked if the redevelopment agreement would need to be amended again should a bank lending money to the project sell to

another bank. Mr. Heaven stated we would not as the new bank would become a successor of the previous bank.

Mr. Kimmel provided information on the estimated City revenues 2019-2040 outlined in a handout and previously referred to as the "Will sheet." (Handout attached.) He discussed the merits of getting money from the project up front and along the way as opposed to tails. Included in the handout was information on estimated taxable sales tax and year-over-year growth which has been updated with market research from PGAV, street sales tax, parks and recreation sales tax, non-TIF general sales tax, non-TIF guest tax, base property taxes, stormwater special assessment, and the stormwater utility fee. He stated the PGAV estimates are conservative, noted the street and parks and recreation sales taxes have a sunset in a few years unless renewed, and the year in which the City will receive the full non-TIF general sales tax, non-TIF guest tax, and base property tax (2039).

Councilmember Schlossmacher noted that the City will receive the stormwater assessment and stormwater utility fees no matter what happens, so he encouraged caution when including these as a benefit. He stated that stormwater improvements had to happen for the property/project and that we are not actually making money on these, but rather getting our investment back. Mr. Kimmel agreed, but also noted the variability with sales taxes and property taxes that can occur. Projections have been reasonably conservative and he does not feel this is a "rose colored" projection of future revenues.

Councilmember Thomas asked if we have considered the expenses that will need to come out of these revenue streams once the project is complete. Ms. Smith states discussion has begun on that issue, particularly related to public safety. The Police Department has been collecting information on calls for service related to other Cinergy projects to help evaluate what our situation may be.

Councilmember Flora asked if it is fair to say that the structure of this deal is sales tax/special sales tax based as opposed to the mill levy. Mr. Kimmel stated that it is and discussed keeping a balanced approach. This project will be a significant driver of taxable sales, may impact other businesses (such as Johnson Drive), and encourage spin-off development.

Councilmember Davis stated the Mission Mall previously at the site had a lifespan of about 20 years and asked if this has been considered for this project. Mayor Appletoft stated that the mall was brick and mortar retail which is declining. This project includes a hotel, restaurants, and experience businesses that are better situated to survive over the long term. Councilmember Schlossmacher stated this project is also more diverse than the previous mall.

Mr. Kimmel discussed other revenues associated with the project such as planning fees and construction permits, business licenses, the City's portion of the County Sales Tax, and franchise fees. Mr. Scott included alcohol taxes ($\frac{1}{3}$ of which go to the General Fund) which will see a boost.

Ms. Smith provided information on next steps in the process, including:

- The goal to align the timing for all funding sources to allow the project to move forward in accordance with the revised development schedule.
- Requirements of the private lenders resulting in the need to separate bond issuance and the distribution of net bond proceeds.
- Preliminary steps are underway that move the City/Developer closer to issuance without requiring the City to take on any risk. These steps include:
 - Selection of a bond underwriter, now in place. They are not paid unless the bond issue moves forward.
 - Completion of the market feasibility study by PGAV. The developer has escrowed the cost of the PGAV market feasibility study.
 - Developing a proposed calendar / schedule for the bond issuance.

Mr. Anderson discussed the next steps required for the bond issuance. They have developed a calendar of events required. DA Davidson will market the bonds, which will only be sold/resold to qualified investors. These are managers of very large funds and are sophisticated investors. The project area will be separated out and the amended redevelopment agreement will be approved. Following adoption of the resolution on the public hearing for the separation of the Rock Creek TIF District, a certified mailing will go to all property owners, occupants and the County and School District to notify them of the public hearing. Offering documents with parameters for the bonds will be released on November 6, Council will consider the bond ordinance at the November 18 City Council Meeting, the bond purchase agreement will then be executed and funding of the bonds is anticipated on December 12th.

Councilmember Kring asked what consideration has been given to District 3 as it includes the Mission Bowl property, which is being considered for demolition. Mr. Anderson stated the base value from the original district will stay in place, and we need to think about the long-term development of this area (timing of Mission Bowl issues in relation to condition for TIF).

Ms. Smith stated Council is being asked to consider moving the amended redevelopment agreement forward, as well as the bond issue noting that there is a very aggressive timeline for the bonds. Councilmember Quinn stated he feels the development team has done their due diligence related to this agreement and is comfortable with the transition of the 2017 redevelopment agreement to the current amended version. Councilmember Schlossmacher stated that he believes it is beneficial for all that the project will be completed with a quicker timeline. Councilmember Inman asked what will happen if stipulations in the redevelopment agreement are not met. Ms. Smith discussed the risk analysis for the project, including:

- What is the risk of doing nothing. She noted that we are past that point in the project.
- What happens if the City issues bonds and the project does not move forward. The bond proceeds will be in escrow and if the project does not move forward, they will be used to pay off the bonds.

- What happened if the iCity issues bonds, starts distribution of net bond proceeds and the project stalls. Repayment of the bonds is dependent on revenues from the completed project.
- Is there any financial risk to the City in issuing SO bonds? There is no risk to the City with SO bonds, except possibly reputational risk if the project does not move forward.

Matt Valenti, Gateway Developers, provided additional information on the current status of the project stating that they have completed the Johnson County Wastewater abandonment, the Cinergy pad is complete, Johnson County Wastewater is working on underground plumbing, and he anticipates the project going vertical by December. He noted a delay due to Johnson County Wastewater permitting, and stated that grading has begun for the parking garage site. He stated the current project is very different from where they were in 2017 and that they are in a position to complete the project. Councilmember Thomas requested information on the major changes to the project. Mr. Valenti stated that an additional level has been added to the parking garage, the office building has increased in size, Cinergy and the food hall have been added, and a pool has been added for the apartments. The residential component and hotel remain similar in size. Councilmember Kring asked if the developers have any similar developments and Mr. Valenti provided information on a successful development in Syracuse, NY with a Movie Tavern included. Councilmember Rothrock requested additional information on the parking garage and how the apartment parking is separated from the public parking, and security in the garage. Mr. Valenti stated that parking for the apartments will be on the third level which is far from the public spaces, there is the ability to add key card access in the future, and the garage will include panic buttons, cameras, etc. for security. He also noted that the side of the parking garage facing Cinergy will be all daylight. Councilmember Thomas asked if art will be included in the project and Mr. Valenti stated that Josh Sheldon, El Dorado Architects, has ideas for art in the public greenspace. Councilmember Kring asked for additional information on the sustainability features of the Element Hotel. Mr. Valenti stated it will not be a LEED certified building, but they will incorporate a variety of sustainable practices.

Councilmember Kring recommended that the resolution approving the First Amendment to the Third Amended and Restated Redevelopment Agreement for the Mission Gateway Project be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

**Ordinance Excluding Certain Portions of Land from the
City of Mission's Corporate Limits (Roeland Park De-Annexation)**

Ms. Smith reported that last month, Council adopted Resolution No. 1034 calling the public hearing on the deannexation of approximately .7 of an acre at the northeast corner of Johnson Drive and Roe Blvd. This property would become part of Roeland Park. The public hearing is set for Wednesday, October 16th at 7:00 p.m. The next step in the process would be for Council to consider an ordinance to exclude the property from Mission's boundaries.

Councilmember Davis asked if negotiations regarding this issue have been completed. Ms. Smith stated Councilmember Inman and Councilmember Flora are working with representatives from Roeland Park and anticipate having this finalized prior to the City Council meeting next week. She stated that updated information on this will be provided to Council prior to the meeting or at the meeting on October 16th.

Councilmember Schlossmacher asked if there would be issues in the future with the traffic signals at that intersection should they require any changes (since they are owned by two cities). Ms. Smith stated that there should not be as all four corners of the intersection will be developed. Roeland Park is now paying 25% of the signal at this location and a letter will be sent to KCPL notifying them that they will be paying 50% going forward.

Councilmember Flora discussed current negotiations with Roeland Park and asked if we could work to get the letter to KCPL "locked-up" outside of negotiations. She suggested that a draft letter be prepared for Roeland Park, and then negotiations can focus on the financial terms of the deannexation. She stated that a meeting has been set for next Wednesday, but they are hoping to meet earlier via phone or email.

Ms. Smith stated at the City Council meeting next week, the public hearing on this issue will be held at the beginning of the meeting with a vote on the deannexation ordinance immediately following. This will allow Roeland Park to hold their Special City Council meeting on this issue at 7:30 p.m. on that same night.

Councilmember Davis recommended that the ordinance excluding certain lands from the City of Mission, Kansas in accordance with State statutes be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Other
Department Updates

There were no Department Updates

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 8:17 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk

**Gateway – First Amendment to Third Amended and Restated Redevelopment Agreement
2017 to 2019 Comparisons
October 9, 2019**

Section 1.01	2017	2019
Master Funding Agreement definition	Contemplated one lender	Revised to reflect multiple lenders participating in the project
TIF Eligible Project Costs definition		Clarification of terms, no actual change in definition
Priority Approved TIF Eligible Costs definition	Definition did not exist	Added to specifically tie use of net bond proceeds to hard costs, primarily the construction of the parking garage
CID Bonds definition	Contemplated issuance of TIF and CID Bonds	Revised to reflect issuance of TIF bonds only – all CID revenue is now pledged to repayment of the TIF bonds

Section 2.02	2017	2019
	Outlined a phased approach to development with certain milestone triggers to be applied to construction completion dates and a move to special obligation bond issuance	Provides for project to be completed in a single phase, with overall construction completion deadline moved up by 12 months.
Exhibit B-1		Replaces previous development schedule

Section 2.03	2017	2019
		Adds "Priority Approved TIF Eligible Costs"
	Includes a limitation on TIF/CID Funding of \$13.3 million if only Phase I of the project is constructed	Phase I limitation is no longer applicable. City incentive funding is controlled by Section 3.04 (E) related to distribution of net bond proceeds
Exhibit B		Project Budget has been updated for 2019

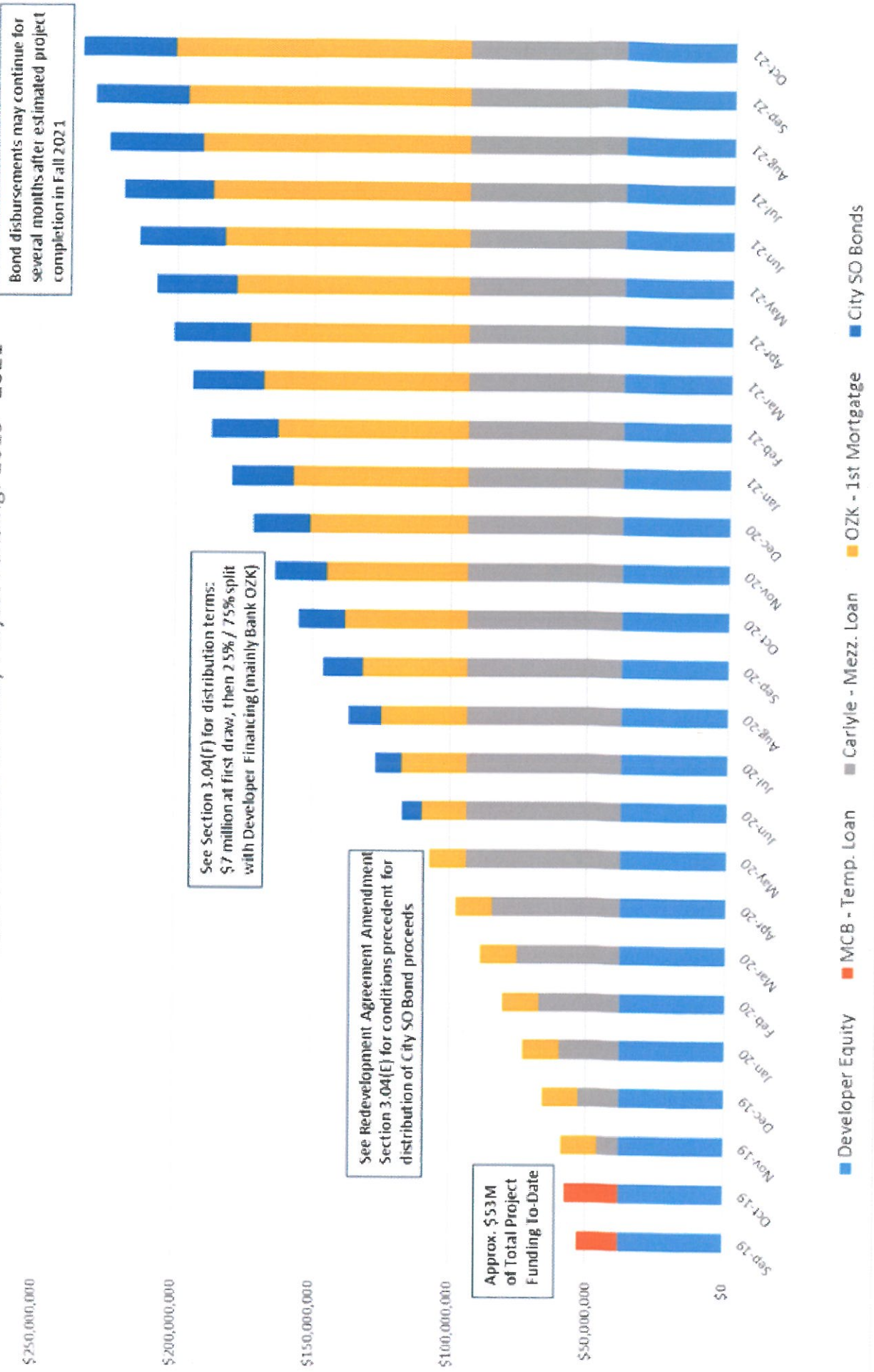
Section 3.04 (cont)	2017	2019
Section 3.04 (E) (d)		New section requiring proof that funding of approximately \$63 million from private lenders has been released and utilized in the project.
Section 3.04 (E) (f)	Executed Master Funding Agreement was required prior to issuance of bonds.	Executed Master Funding Agreement required prior to distribution of any net bond proceeds.
Section 3.04 (F)		Adds a provision that allows for an initial distribution of \$7 million of net bond proceeds once all other conditions for disbursement are satisfied. Then specifies that remaining net bond proceeds are disbursed pari-passu with loan portions of the Developer Financing on a 25% (Net Bond Proceeds) and 75% (Developer Financing) basis.
Section 3.04 (G)	Includes reference to CID Bonds	Reference to CID Bonds removed.

Section 3.10 (B)	2017	2019
	Excludes costs related to travel, entertainment and meals from being reimbursed from net bond proceeds.	Creates more specificity regarding use of net bond proceeds to pay for only hard costs.

Section 5.01	2017	2019
	Establishes requirements for payment of taxes, making non-payment an event of default.	Revised to allow City to withhold net bond proceeds or pay-as-you-go reimbursements if taxes are unpaid

Section 10.13	2017	2019
	Identifies Evan Fitts (Polsinelli) as notice contact	Replaces Evan Fitts with Korb Maxwell (Polsinelli)

Estimated Cumulative Gateway Project Funding: 2019 - 2021

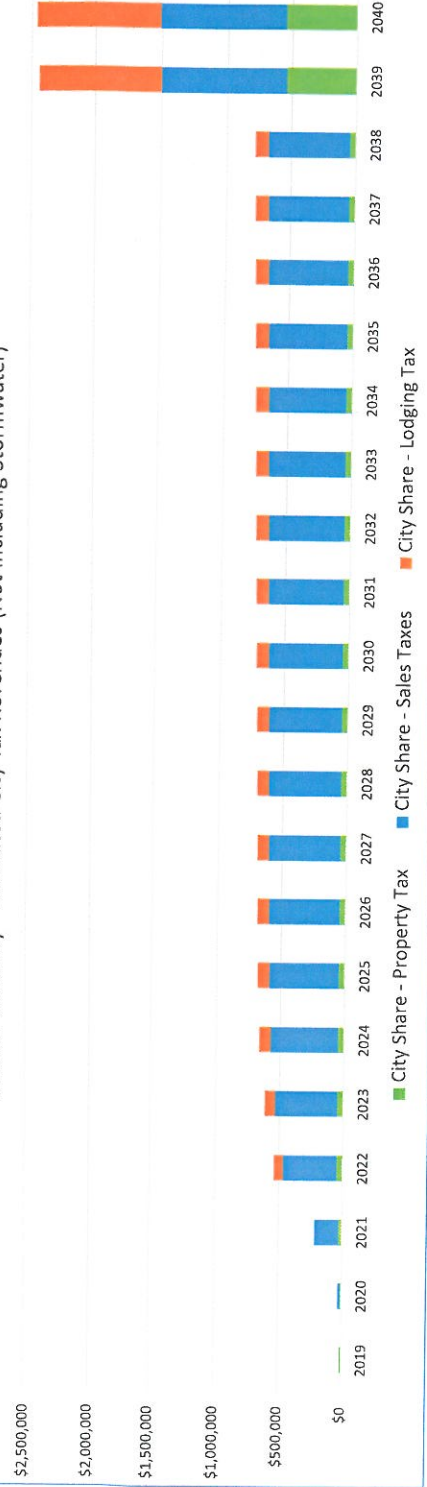


MISSION GATEWAY REDEVELOPMENT - ESTIMATED CITY REVENUES: 2019 - 2040

FISCAL YEAR	ESTIMATED TAXABLE SALES (PGAV 10/7/19)	Y-O-Y Growth	.25% Street Sales Tax (Sunsets 2022)	.375% Park Sales Tax (Sunsets 2023)	Non-TIF Gen. Sales Tax (0.45% Portion of 1%)	Non-TIF Guest Tax (1% Portion of 9%)	Base Property Taxes (2)	Stormwater Special Assessment	Stormwater Utility Fees	TOTAL CITY REVENUE FROM GATEWAY	
2019	\$0		\$0	\$0	\$0	\$0	\$10,000	\$599,595	\$78,288	\$687,883	
2020	\$1,552,500	n/a	\$3,881	\$5,822	\$6,986	\$0	\$10,000	\$599,595	\$78,288	\$704,572	
2021	\$17,612,949	1034.46%	\$44,031	\$66,047	\$79,256	\$0	\$25,000	\$599,595	\$78,288	\$892,218	
2022	\$38,840,243	120.53%	\$97,101	\$145,651	\$174,781	\$72,000	\$45,282	\$599,595	\$78,288	\$1,212,697	
2023	\$45,049,851	15.99%	\$119,625	\$168,937	\$202,724	\$81,000	\$45,282	\$599,595	\$78,288	\$1,288,451	
2024	\$48,697,285	8.10%	\$121,743	\$182,615	\$219,138	\$90,000	\$45,282	\$599,595	\$78,288	\$1,336,661	
2025	\$50,208,444	3.10%	\$125,521	\$188,282	\$225,938	\$90,000	\$45,282	\$599,595	\$78,288	\$1,360,103	
2026	\$50,710,529	1.00%	\$126,776	\$190,164	\$228,197	\$91,800	\$45,282	\$599,595	\$78,288	\$1,367,092	
2027	\$51,274,471	1.11%	\$128,186	\$192,279	\$230,735	\$92,727	\$45,282	\$599,595	\$78,288	\$1,374,152	
2028	\$51,844,905	1.11%	\$129,612	\$194,418	\$233,302	\$93,654	\$45,282	\$599,595	\$78,288	\$1,381,283	
2029	\$52,421,098	1.11%	\$131,053	\$196,579	\$235,895	\$94,591	\$45,282	\$599,595	\$78,288	\$1,388,511	
2030	\$53,005,560	1.11%	\$132,514	\$198,771	\$238,525	\$95,537	\$45,282	\$599,595	\$78,288	\$1,395,813	
2031	\$53,595,940	1.11%	\$133,990	\$200,985	\$241,182	\$96,492	\$45,282	\$599,595	\$78,288	\$1,403,198	
2032	\$54,193,129	1.11%	\$135,483	\$203,224	\$243,869	\$97,457	\$45,282	\$599,595	\$78,288	\$1,410,667	
2033	\$54,797,208	1.11%	\$136,993	\$205,490	\$246,587	\$98,432	\$45,282	\$599,595	\$78,288	\$1,418,220	
2034	\$55,408,260	1.12%	\$138,521	\$207,781	\$249,337	\$99,416	\$45,282	\$599,595	\$78,288	\$826,263	
2035	\$56,026,369	1.12%	\$140,066	\$210,099	\$252,119	\$100,410	\$45,282	\$599,595	\$78,288	\$833,989	
2036	\$56,651,619	1.12%	\$141,629	\$212,444	\$254,932	\$101,414	\$45,282	\$599,595	\$78,288	\$841,802	
2037	\$57,284,097	1.12%	\$143,210	\$214,815	\$257,778	\$102,428	\$45,282	\$599,595	\$78,288	\$849,704	
2038	\$57,923,889	1.12%	\$144,810	\$217,215	\$260,658	\$103,453	\$45,282	\$599,595	\$78,288	\$2,512,165	
2039	\$58,570,827	1.12%	\$146,427	\$219,641	\$541,716	\$940,385	\$541,716	\$0	\$78,288	\$2,537,616	
2040	\$59,224,990	1.12%	\$148,062	\$222,094	\$592,250	\$949,789	\$547,134	\$0	\$78,288	\$28,376,867	
TOTALS			\$2,562,234	\$3,843,352	\$5,259,899	\$3,481,885	\$1,903,641	\$9,593,520	\$1,722,336	\$28,376,867	
										Net Present Value*	\$22,329,244

2039: First year after expiration of Sales, Guest, and Property TIF capture

Mission Gateway - Estimated City Tax Revenues (Not Including Stormwater)



Comparison to Developer TIF / CID Benefit

Four Streams of Developer Revenues:

1. 1% CID Sales Tax Rate
2. 0.55% Share of City Sales Tax Rate
3. 8% Share of City Guest Tax
4. Property Tax Increment

Est SO Bond Proceeds and NPV of Surplus TIF / CID Revenue **\$34,441,306**

* If Future Taxable Sales (and therefore sales tax collections) exceed current PGAV estimates, increase in City NPV will be proportionally larger than for Developer.

