



Tax Increment Financing Reinvestment Zone #18

TIF#18 Board of Directors Meeting
April 5, 2012

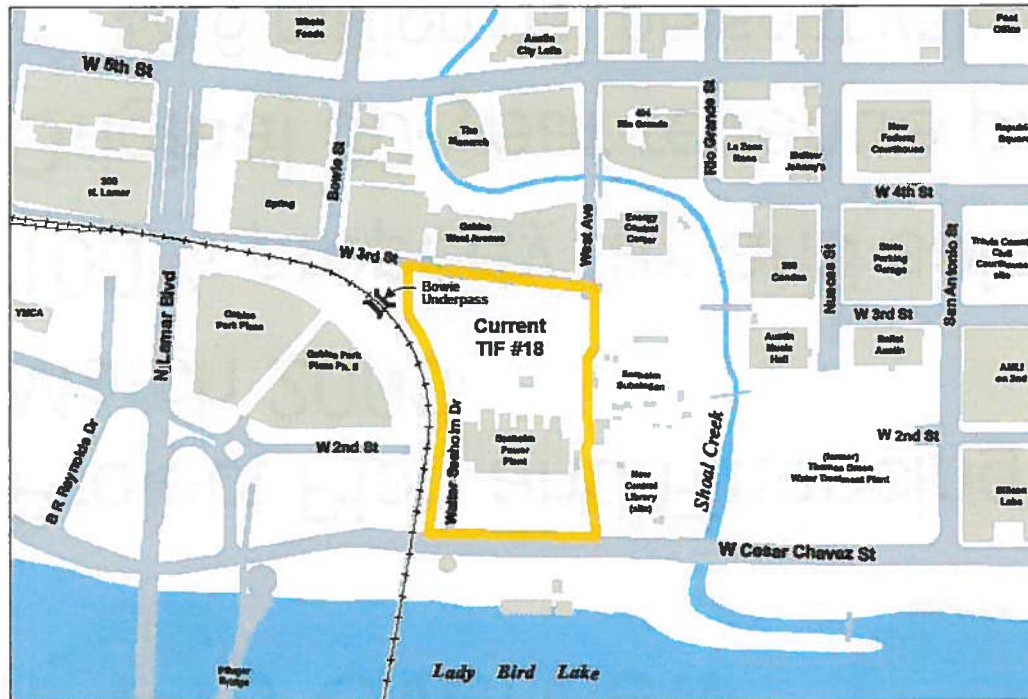
Purpose of Briefing

- Current TIF Project and Financing Plans
- New Factors
- Recommended Changes
- Next Steps



TIF#18 Overview

- Created to finance the construction of public improvements for the Seaholm PP Redevelopment Project



Seaholm TIF (TIF #18)

Boundaries:

- North – 3rd Street
- East – West Ave.
- South – Cesar Chavez
- West – Seaholm Drive

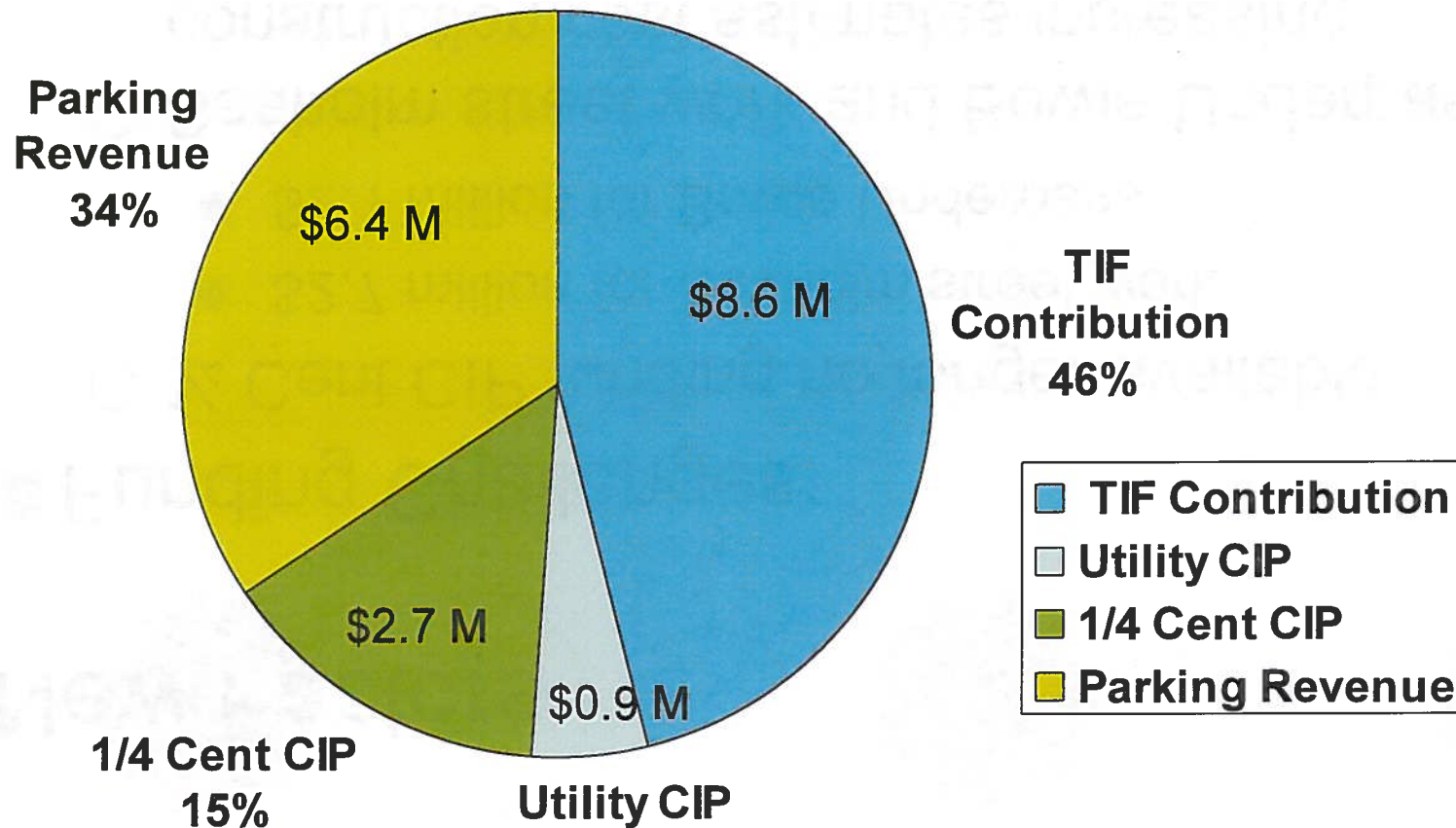


TIF #18 Overview

- Project Plan and Financing Plan, adopted March 2009
- 100% property tax and sales tax increment
- Original 30-year revenue projections:
 - \$8.6 million net present value (NPV)
 - Used to fund City's contributions toward:
 - Power Plant Rehabilitation
 - Plazas
 - Street Work

TIF#18 Original Financing Plan

\$18.6 M – City's Total Project Contribution



New Factors

- Funding Challenges:

- ¼ Cent CIP funding no longer available
 - \$2.7 million for Seaholm street work
 - \$2.1 million for Bowie Underpass
- Seaholm street work and Bowie Underpass construction cost estimates increasing

New Factors



- Revenue Increases:
 - Development proposal and estimated tax revenues increasing
 - Current 30-year revenue projections increasing

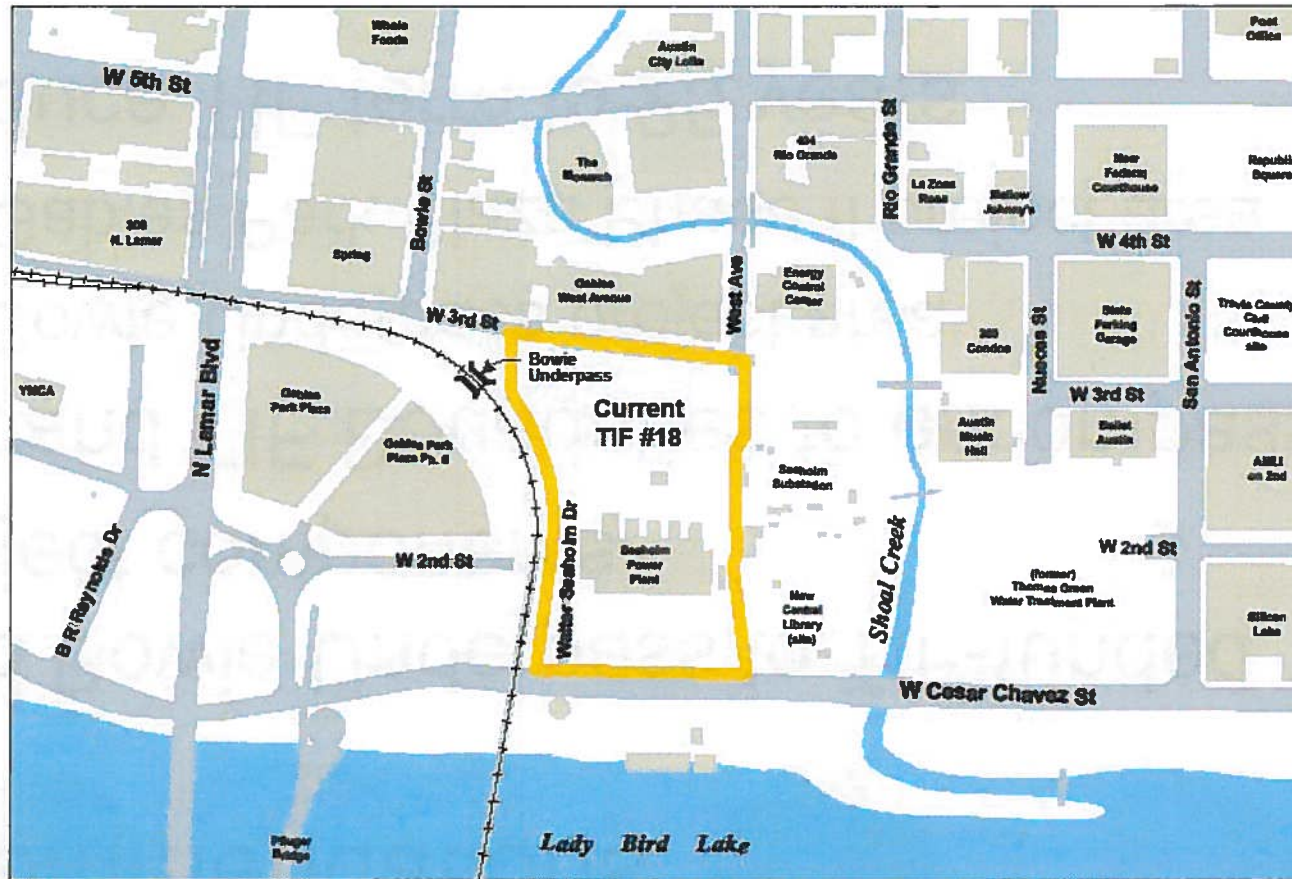
TIF-Funded Capital Costs

| Project Component | 2009 Projections | | 2012 Projections | | Delta |
|----------------------------|------------------|---------|------------------|--------|---------|
| | TIF | ¼ Cent | TIF | ¼ Cent | |
| Power Plant Rehabilitation | \$4.5 M | \$0 | \$4.5 M | \$0 | \$0 |
| Plazas | \$2.1 M | \$0 | \$2.1 M | \$0 | \$0 |
| Street Work | \$1.5 M | \$2.7 M | \$7.0 M | \$0 | \$2.8 M |
| Bowie Underpass | \$0 | \$2.1 M | \$6.8 M | \$0 | \$4.7 M |
| Totals | \$8.1 M | \$4.8 M | \$20.4 M | \$0 | \$7.5 M |

Recommendations

- Add Bowie Underpass to TIF-funded project components
- Expand TIF Boundaries to encompass:
 - Bowie Underpass project area
 - Gables Park Plaza Phase II project area
- Reduce TIF term to 25 years

TIF#18 Boundaries - Current

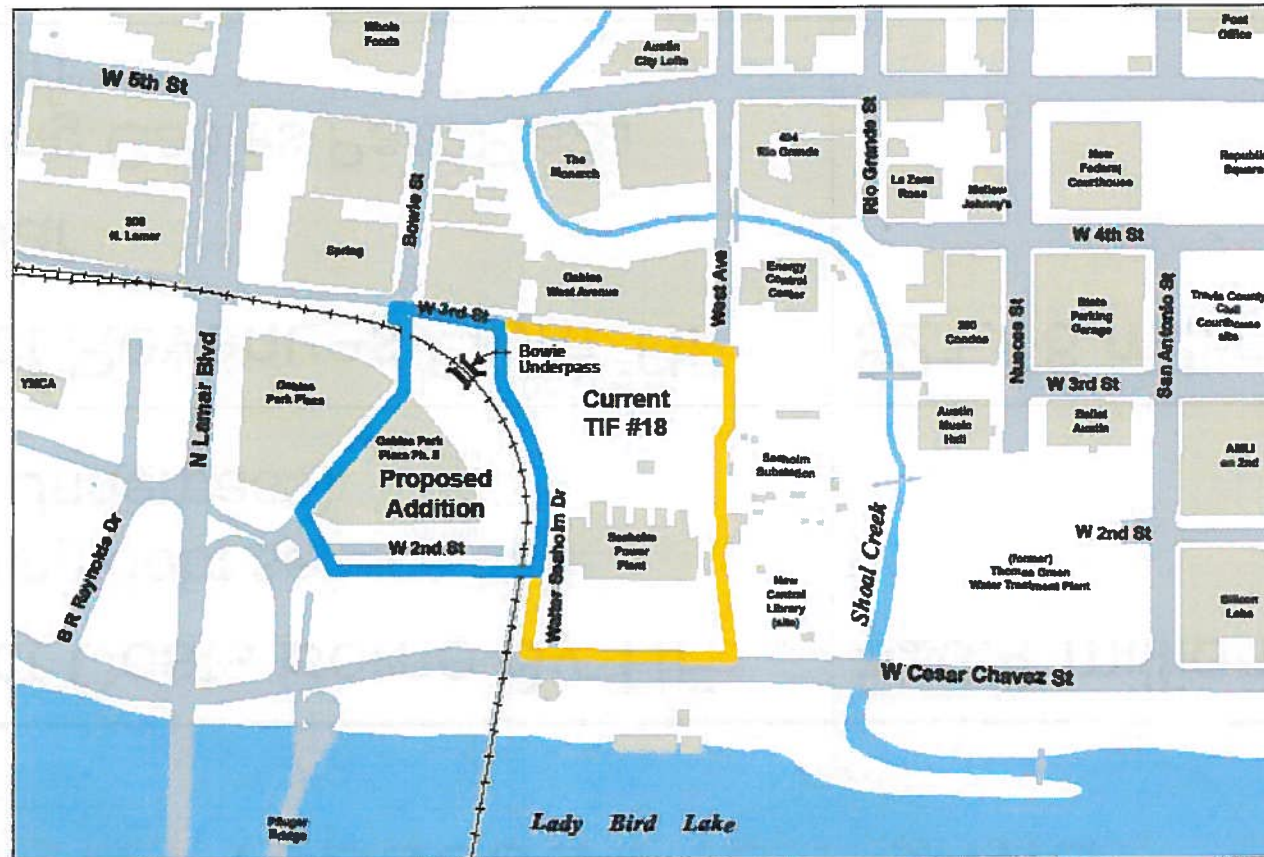


Seaholm TIF (TIF #18)



City of Austin — 80000

TIF#18 Boundaries - Proposed



Seaholm TIF (TIF #18)



City of Austin — 50505

TIF#18 Proposed Pro Forma

| | |
|---|---------------------|
| Project Costs Borne By TIF (Including debt service and Bowie Underpass) | \$20.4 million NPV |
| Project Revenues From TIF 25-Year (including Gables Park Plaza Phase II) | \$21.18 million NPV |
| Difference | \$0.78 million NPV |

Outcomes Achieved



- TIF revenue replaces ¼ Cent CIP funding for Seaholm street work and the Bowie Underpass addition
- TIF covers construction cost increases associated with Seaholm street work and Bowie Underpass addition
- TIF term reduced to 25 years

Next Steps

- April 2012 – Outreach to other Taxing Entities:
 - Travis County
 - Austin Independent School District
 - Austin Community College
 - Central Health District
- April & May 2012 - Return to Council and TIF#18 Board of Directors to conduct public hearing and adopt amended Project Plan and Financing Plan