

# **Potato Garden Run Tax Increment Financing Plan**

Findlay Township, Pennsylvania

Prepared By:  
Redevelopment Authority of  
Allegheny County  
12 September 2006



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## **Executive Summary**

### **1. TIF District**

The Potato Garden Run Tax Increment Financing District (TIF District) is approximately 550 acres located to the northeast of the intersection of US Route 22 and the Findlay Connector in the vicinity of the Pittsburgh International Airport. The TIF District is located in the Township of Findlay and is wholly within the West Allegheny School District and Allegheny County. Further, the TIF District is entirely within the Findlay/Airport Study Area, certified in need of redevelopment by the Redevelopment Authority of Allegheny County in April 2005 as a result of the Findlay/Airport Basic Conditions Report as illustrated in Exhibit A.

### **2. Proposed Improvements Financed with TIF Proceeds**

TIF proceeds are expected to be utilized to finance a portion of the Findlay Township Municipal Authority (FTMA) Potato Garden Run Sewer and Water Infrastructure Project (the Project). Public infrastructure improvements to be constructed by the FTMA include the extension of water and sewer trunk lines and a new 1.5 million water supply tower. The public improvements are illustrated in Exhibit B. Project costs to be funded with TIF proceeds include portions of administrative, engineering, construction and financing costs, including interest expense.

### **3. Estimated Costs of Public Improvements**

The Project proposes to construct over \$7.5 million of public sewer and water infrastructure.

<b>FTMA Potato Garden Run Project</b>	
Administration & Engineering	\$1,840,112
Sewer Extension	2,120,594
Water Supply System	3,439,294
Financing Costs	162,500
<b>Total</b>	<b>\$7,562,500</b>

### **4. Proposed Development**

The Project will facilitate the development of approximately 5 million square feet of mixed-use space. Planned uses include research and development (technology), light industrial, warehouse, flex and ancillary commercial (e.g. retail, lodging, restaurants). The proposed development within the TIF District will make immediate use of both the Project and the interchange constructed as part of the Findlay Connector portion of the Pennsylvania Turnpike's Southern Beltway.

## **5. Estimated Costs of Proposed Development**

The proposed development of the land serviced by the Project will attract private financing and equity sources for the acquisition of land, preparation of sites, construction of infrastructure, installation of utilities and construction of private sector buildings. The anticipated private investment within the TIF District is estimated at over \$ 330 million.

Potato Garden Run TIF Project Private Development Costs	
Land	\$12,127,843
Site Preparation	9,224,450
Infrastructure	5,245,338
Utilities	2,588,500
Building Construction	277,860,300
Soft Costs	29,619,685
<b>Total</b>	<b>\$336,666,116</b>

## **6. Current Assessed Value of TIF District**

The current assessed value of property within the TIF District is estimated at \$9,095,885.

## **7. Anticipated Assessed Value of TIF District**

The anticipated assessed value of property within the TIF District is approximately \$226 million. This estimate is based on a Fair Market Value of the cumulative land and hard construction costs of buildings within the TIF District. [See Exhibit C]. The amount is further adjusted for purposes of this TIF Plan to be in line with comparable properties within the market.

## **8. Proposed Term of TIF District**

Twenty (20) years.

## **9. Proposed Taxing Body Rate of Participation**

The percentage of the incremental real property taxes pledged to the TIF Debt is equal to the following: County – 75%, Township – 75%, School District – 75%.

## **10. Net TIF Proceeds to be Made Available to the Project**

Approximately \$2,800,000.00 will be available for construction of the Project.

**11. Estimated TIF District Creation Date**

The TIF District will be created on the date of the approval and adoption of this Plan in accordance with the TIF Act, with an effective beginning date of approximately November 21, 2006.

**12. Estimated TIF Financing Date**

Fourth Quarter, 2006.

## **Potato Garden Run**

### **Tax Increment Financing Legislative Process**

	<b>Acting Body</b>	<b>Date</b>
<b>Resolution of Intent</b>	WASD	2.15.2006
	Findlay Township	2.2.2006
	County – 1 <sup>st</sup> Reading	2.21.2006
	Committee	2.28.2006
	2 <sup>nd</sup> Reading	3.7.2006
<b>Inducement Resolution</b>	RAAC	1.25.2006
<b>Certification of TIF District as Area in Need of Redevelopment</b>		
Endorsement of Basic Conditions Report	Local Planning	3.22.2005
Approval of Basic Conditions Report	Findlay Township	4.4.2005
Resolution Certifying Area in Need of Redevelopment	RAAC	4.27.2005
<b>Adoption of TIF Plan</b>	RAAC	9.12.2006
<b>Resolution to Participate</b>	WASD	9.20.2006
	Findlay Township	10.11.2006
<b>Notice of Public Hearing</b> <i>30 Days must pass before hearing can be held</i>	County Council	9.15.2006
<b>Public Hearing</b> <i>Minimum of 3 weeks must pass before creation of TIF District</i>	County Council	10.18.2006
<b>Resolution Creating and Naming TIF District, Approving the TIF Plan and Agreeing to Participate</b>	County – 1 <sup>st</sup> Reading	11.8.2006
	Committee	11.14.2006
	Committee	11.16.2006
	2 <sup>nd</sup> Reading	11.21.2006
<b>Bond Issuance Resolution</b>	RAAC	11.15.2006

# Tax Increment Financing Plan

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## Introduction

The Redevelopment Authority of Allegheny County (RAAC) has prepared the following Tax Increment Financing Plan (TIF Plan) that proposes to support a portion of the cost of the Findlay Township Municipal Authority (FTMA) Potato Garden Run Sewage and Water Infrastructure Project (the Project). The Potato Garden Run TIF District (TIF District) is approximately 550 acres located to the northeast of the intersection of US Route 22 and the Findlay Connector in the vicinity of the Pittsburgh International Airport (PIT). The TIF District is located in the Township of Findlay and is wholly within the West Allegheny School District and Allegheny County as illustrated in Exhibit A. Further, the TIF District is entirely within the Findlay/Airport Study Area, certified in need of redevelopment by the RAAC in February 2005 as a result of the Findlay/Airport Basic Conditions Report as illustrated in Exhibit A.

The entire Parkway West (I-279, US Routes 22/30 and PA Route 60) is to be integrated into the Interstate Highway System (under the I-376 designation). In November 2006, the six mile Findlay Connector portion of the Pennsylvania Turnpike's Southern Beltway will open. This highway will eventually join I-376 (PIT and the City of Pittsburgh) with I-79 and the future Mon/Fayette Expressway. Development sites in the PIT Corridor will offer direct access to both regional and national markets.

In September 2005, the Pennsylvania Commonwealth Financing Authority (CFA) approved a grant/loan package from the Water Supply and Wastewater Infrastructure program (PennWorks) for the Project. The PennWorks program was established to provide financial assistance for projects which construct, expand, or improve water and sewage infrastructure which are related to economic development. This funding commitment by the CFA included:

- \$2.1 million loan to FTMA
- \$2 million grant to FTMA
- \$2.8 million loan to RAAC (to be repaid using TIF proceeds pursuant to this plan)
- \$500,000 Pennsylvania Department of Community and Economic Development (DCED) Infrastructure Development Program (IDP) Grant to FTMA.

Public infrastructure constructed as part of this Project will facilitate the development of several industrial sites in the PIT Corridor and provide increased service to FTMA's existing customers.

PIT is a world class facility located roughly sixteen miles west of downtown Pittsburgh. A strategic asset for southwestern Pennsylvania, PIT is surrounded by thousands of acres of vacant land. The PIT Corridor represents a key development opportunity for Allegheny County. Unfortunately, the region has not been able to capitalize on this potential due in part to poor access and the limited availability of public sewer and water infrastructure. The ability to prepare accessible development-ready sites will provide an opportunity for the region to compete nationally for private investment. Public improvements provided via this Project will be utilized to develop such capacity at both the Imperial Land Corporation and Chapman Properties sites. Further, this infrastructure stands to benefit the Clinton Commerce Park and the Route 30 Commerce Park projects of the Airport Authority of Allegheny County (ACAA).



## **Background on Development Corporation**

The FTMA is a public corporation of the Commonwealth of Pennsylvania, organized and existing under the Municipality Authorities Act of 1945. The FTMA was established to operate the water system located in Findlay Township, Allegheny County. Members of the Township Board of Supervisors appoint members to the FTMA Board of Directors, who have complete control of FTMA operations and administration. In 2003, the FTMA acquired the sewage system from the Township, and is now responsible for the operation of both services.

Imperial Land Corporation is a privately held company and the owner of approximately 5,500 acres of land in the Southwestern Pennsylvania region. With the construction of the Findlay Connector portion of the Southern Beltway project, approximately 1,000 acres of reclaimed mining property will be opened for development. The conceptual master plan for this property was created in 2004 identifying the capacity to accommodate significant industrial and commercial development. Imperial Land Corporation plans to market these sites nationally once plans are in place to bring sewer and water infrastructure to the property.

Founded in 1998, Chapman Properties is a diversified commercial property development and management company based in Pittsburgh, Pennsylvania. The Company owns and manages over two million square feet of industrial, office, retail and apartment properties in Pennsylvania, Connecticut, New York and California. Chapman Properties' mission is to conceive and develop quality business real estate that is profitable to its shareholders, investors and partners, while maintaining the highest standards of ethics and fairness in its dealings and contributing to the industry and communities in which it operates.

## **Description of Proposed Development**

The FTMA is planning a four phased, \$24 million expansion to extend municipal water and sanitary sewer service to more than 4,500 developable acres surrounding PIT. The Potato Garden Run Project phase involves the construction of public infrastructure improvements including the extension of water and sewer trunk lines as well as a new 1.5 million gallon water supply tower. This public infrastructure investment will facilitate the development of approximately 550 acres of topographically favored land owned by Imperial Land Corporation and Chapman Properties immediately adjacent to the Findlay Connector. The water supply tower will also improve the system that supports developments at the Clinton Commerce Park and Route 30 Commerce Park projects of the ACAA.

In February 2006 Chapman Properties acquired 300 acres of formerly strip-mined land in Findlay Township from Imperial Land Corporation. The proposed Chapman Commerce Center will feature 2.5 million square feet of industrial, flex, office and ancillary commercial (e.g. retail, lodging, restaurants) space that will generate over \$115 million in private investment. The development plan includes shovel-ready sites up to 50 acres that can accommodate buildings from 20,000 to 1 million square feet. In addition, six office pad sites will be offered, including two 20 acre campus sites that face the Findlay Connector. The development will make immediate use of the Project as well as the interchange constructed as part of the Findlay Connector that will provide direct access to PIT, the City of Pittsburgh and the Southwestern Pennsylvania Region. Site work will commence by the first quarter of 2007, with the first

speculative and build to suit construction commencing shortly thereafter. Chapman plans to construct the first 80,000 to 100,000 square foot speculative building to be completed by mid 2008.

The remaining Imperial Land Corporation development site encompasses approximately 250 acres. The proposed development program includes approximately 2.6 million square feet of space that will generate over \$210 million in private investment. Planned uses include research and development (technology), light industrial, warehouse, flex and ancillary commercial (e.g. retail, lodging, restaurants) space. Approximately 10% of the site will be conserved as open space to protect valuable natural resources including vegetation on the site's slopes. Imperial Land Corporation plans to sell the property directly to specific users requiring large sites. While marketing efforts have gained momentum with the construction of the Findlay Connector, serious negotiations and site preparation cannot commence without the proposed sewer and water infrastructure.

**Figure 1**

Potato Garden Run TIF Project Development Program (SF)			
	Chapman Commerce Center	Imperial Land	Total
Industrial (Warehouse, R & D, Flex)	2,200,000	2,132,200	4,332,200
Office	200,000	310,000	510,000
Ancillary Commercial	175,000	164,000	339,000
<b>Total</b>	<b>2,575,000</b>	<b>2,606,200</b>	<b>5,181,200</b>

### **Estimated Costs of Proposed Development**

The proposed development of the land serviced by the Project will attract private financing and equity sources for the acquisition of land, preparation of sites, construction of infrastructure, installation of utilities and construction of private sector buildings. The anticipated private investment within the TIF District is estimated at over \$ 330 million as illustrated in the table below. A full summary of the planned private commercial development is attached as Exhibit C.

**Figure 2**

Potato Garden Run TIF Project Private Development Costs			
	Chapman Commerce Center	Imperial Land	Total
Land	6,624,752	5,503,091	\$12,127,843
Site Preparation	3,800,000	5,424,450	9,224,450
Infrastructure	2,079,438	3,165,900	5,245,338
Utilities	973,500	1,615,000	2,588,500
Building Construction	95,740,500	182,119,800	277,860,300
Soft Costs	10,387,170	19,232,515	29,619,685
<b>Total</b>	<b>119,605,210</b>	<b>217,060,906</b>	<b>\$336,666,116</b>

## Market Analysis of Proposed Development<sup>1</sup>

The Project will facilitate the development of research and development (technology), light industrial, warehouse, flex and ancillary commercial (e.g. retail, lodging, restaurants) space that will provide a high quality, large-scale, mixed use development opportunity in a region with a limited inventory of Class A, type development. Furthermore, the sites serviced by the Project are located on the newly constructed Findlay Connector and will provide businesses within the sites with direct and easy access to regional and national markets (via PIT). Because of the airport-CBD linkage, this area west of the City of Pittsburgh continues to generate high demand for space.

The development serviced by the Project will help make the Pittsburgh regional industrial market more competitive, for example, by providing new Class A space in a market with a very limited amount of true high quality product. This lack of high quality, Class A industrial alternatives in the Pittsburgh market hinders the area's competitiveness in attracting businesses. The scale of this development allows the construction of large industrial facilities, and local real estate sources forecast heavy demand as larger installations are constructed. In addition, sites within the TIF District will offer the opportunity for fee-simple purchases of large properties for industrial development in a region where owner-occupied buildings are limited. Development of these sites presents one of very few opportunities in the Parkway West/PIT Corridor to offer large industrial scale space on a fee-simple basis.

In terms of the office market, the Findlay Connector will increase the desirability of the Parkway West/PIT Corridor submarket and support increased demand for office space in the proposed TIF District. These sites offer an opportunity to create new, flexible Class A office space in one of the most accessible locations in the region. As the regional economy improves and demand for office space increases, the most desirable office products are well-located properties that feature flexible floor plates to accommodate changing tenant requirements and tech company needs. The land serviced by the Project offers an opportunity to locate high quality space with easy access and availability of parking (when compared to the CBD).

The support commercial components of these sites, which include retail, restaurants, and lodging space, will be supported by the 7,500 new jobs created on site (at full build out). Support commercial uses will benefit from both the proximity of the sites to the airport and the location of these sites along the Findlay Connector at the intersection of US Route 22 and subsequent increases in traffic. The proximity of the sites within the proposed TIF District to the airport will, likewise, generate increased demand for lodging. Further, these sites have excellent access to the regional transportation network. This will also generate demand for lodging and retail.

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<sup>1</sup> Contains excerpts from *FTMA Potato Garden Run Sewer and Water Infrastructure Project Market Impact and Development Impact Analysis* prepared for the Redevelopment Authority of Allegheny County by Basile Baumann Prost & Associates, Inc (July 2006).

## Impact of Proposed Development<sup>ii</sup>

Development at the Imperial Land Corporation and Chapman Properties sites serviced by the Project will produce many direct and indirect benefits to the local communities within the PIT Corridor and the entire Southwestern Pennsylvania region. Currently, this vacant property does not generate substantial economic or fiscal benefits to the Commonwealth, County, Township, School District or other jurisdictions. The improvement of these sites for development of approximately 5 million square feet of buildings will generate new jobs and increased tax revenues. The addition of high quality research and development (technology), light industrial, warehouse, flex and ancillary commercial (e.g. retail, lodging, restaurants) space within the TIF District will also enhance the region's vitality and competitiveness for business location and relocation.

### Construction Period Impact

During the construction period of the planned development of land serviced by the FTMA Potato Garden Run Project, a variety of new economic opportunities will be created. The construction will create 1,413 direct on-site jobs with an aggregate payroll of \$60 million. Furthermore, these direct jobs will create 1,233 additional indirect, or spin-off, jobs off-site with an aggregate payroll of \$45.9 million. Direct consumer expenditures will total roughly \$50.7 million and an estimated \$106.4 million in material purchases will be made in the Pittsburgh region.

Figure 3

Potato Garden Run TIF Project Economic Impacts Construction Period (2006S)			
	Direct	Indirect	Total
Jobs (FTE)	1,413	1,233	2,646
Payroll	\$59,437,088	\$45,873,545	\$105,310,633
Material Purchases (regional)	\$106,424,870		\$106,424,870
Consumer Expenditures	\$50,791,132		\$50,791,132

The related fiscal impact of construction will be approximately \$12.7 million in tax revenue to the Commonwealth, Allegheny County, Findlay Township, West Allegheny School District and other local jurisdictions. This includes \$2.9 million in income tax from construction workers, \$6.6 million in sales tax of materials purchases made in the Commonwealth, \$2.5 million in spin-off sales tax revenue, \$777,000 in building permit fees and \$17,700 in emergency and municipal tax (EMT) revenue. The Commonwealth will receive approximately \$10.5 million in tax revenue and Allegheny County will receive \$742,000 in tax revenue. Findlay Township will receive approximately \$794,000 in tax revenue. The West Allegheny School District will receive \$16,400 in tax revenue. Other jurisdictions in the Pittsburgh region will receive approximately \$710,000 in tax revenue.

<sup>ii</sup> Contains excerpts from *FTMA Potato Garden Run Sewer and Water Infrastructure Project Market Impact and Development Impact Analysis* prepared for the Redevelopment Authority of Allegheny County by Basile Baumann Prost & Associates, Inc (July 2006).

Figure 4

Potato Garden Run TIF Project Fiscal Impacts Construction Period (2006S)						
	Common- wealth	Allegheny County	Findlay Township	West Allegheny School District	Other Local Jurisdictions	TOTAL
Income Tax	\$2,169,149		\$9,297	\$9,297	\$706,563	\$2,894,307
Emergency and Municipal Tax			\$7,111	\$7,111	\$3,515	\$17,738
Direct Sales Tax	\$6,066,218	\$532,124				\$6,598,342
Indirect Sales Tax	\$2,246,072	\$210,639				\$2,456,711
Building Permit Fees			\$777,150			\$777,150
<b>TOTAL</b>	<b>\$10,481,439</b>	<b>\$742,763</b>	<b>\$793,558</b>	<b>\$16,408</b>	<b>\$710,078</b>	<b>\$12,744,247</b>

### Impact at Build Out

Once construction is complete and market absorbed, development within the proposed TIF District will create 7,500 direct on-site jobs with an aggregate annual payroll of \$302 million. Furthermore, the Project will facilitate development that will create an additional 6,300 indirect, or spin-off, jobs off-site as a result of expenditures made by the development's employees. These indirect jobs will have an aggregate annual payroll of \$246 million. The wages and salaries of development employees will annually generate \$258 million in consumer expenditures. These developments will also create a total of \$42.8 million in direct retail sales on-site.

Figure 5

Potato Garden Run TIF Project Economic Impact At Build Out (2006S)			
	Direct	Indirect	Total
Jobs (FTE)	7,499	6,362	13,861
Payroll	\$302,325,179	\$246,328,031	\$548,653,311
Consumer Expenditures	\$257,798,812		\$257,798,812
Retail Sales (on-site)	\$42,750,000		\$42,750,000

The related fiscal impact during annual operations at build out will be \$41 million in tax revenue to the Commonwealth, Allegheny County, Findlay Township, West Allegheny School District and other local jurisdictions. This includes \$11.8 million in income tax from development employees, \$12.3 million in real property tax, \$2.6 million in spin-off sales tax revenue, \$913,000 in corporate franchise taxes, \$590,000 in hotel occupancy tax and \$73,000 in emergency and municipal taxes. At build out, the Commonwealth will receive \$23.7 million in tax revenue and County will receive \$4.1 million in tax revenue. Findlay Township will receive \$890,000 in tax revenue and the West Allegheny School District will receive \$9.4 million in tax revenue. Other jurisdictions in the region will receive approximately \$2.9 million in tax revenue during annual operations at build out.

Figure 6

Potato Garden Run TIF Project Fiscal Impacts At Build Out (2006S)						
	Common- wealth	Allegheny County	Findlay Township	West Allegheny School District	Other Local Jurisdiction s	TOTAL
Income Tax	\$8,817,317		\$37,791	\$37,791	\$2,872,090	\$11,761,988
Emergency and Municipal Tax			\$937	\$937	\$71,242	\$73,117
Real Property Tax		\$2,045,626	\$850,527	\$9,377,601		\$12,273,753
Direct Sales Tax	\$2,241,680	\$373,613				\$2,615,293
Indirect Sales Tax (off- site)	\$11,767,247	\$1,113,383				\$12,881,085
Hotel Occupancy Tax		\$590,205				\$590,205
Corporate Franchise Tax	\$913,786					\$913,786
<b>TOTAL</b>	<b>\$23,740,029</b>	<b>\$4,123,283</b>	<b>\$889,255</b>	<b>\$9,416,329</b>	<b>\$2,943,333</b>	<b>\$41,112,228</b>

## Project Costs

Following is an itemized list of all project costs for the construction of the Project. These costs will be funded through a grant and loan funding package from the Pennsylvania CFA's PennWorks program and an IDP grant from the DCED. TIF proceeds are expected to be utilized repay a portion of the PennWorks debt (TIF Debt) incurred to construct a portion of the project.

Figure 7

Potato Garden Run TIF Project Costs					
	Sources of Funds				
Administration and Engineering	Total	TIF	PennWorks Loan*	PennWorks Grant	IDP
Survey	145,000	45,000		100,000	
Preliminary Engineering	530,037			530,037	
Easements and Rights-of-Way	100,000			100,000	
Engineering, Legal & Administrative	1,065,075	576,296		488,779	
<b>Sub Total</b>	<b>1,840,112</b>	<b>621,296</b>		<b>1,218,816</b>	
<b>Construction</b>					
Sewer Line Extension (19,100 ft)	1,530,800	266,305	1,264,495		
Manholes	90,000	25,000	65,000		
Water Line Extension (14,500 ft)	1,989,500	1,500,000	489,500		
Water Supply Tower (1.5 million gallons)	700,000			260,215	439,785
Water Tank Foundation	250,000			250,000	
Contingency	999,588	387,399	281,005	270,969	60,215
<b>Sub Total</b>	<b>5,559,888</b>	<b>2,178,704</b>	<b>2,100,000</b>	<b>781,184</b>	<b>500,000</b>
<b>Financing Costs</b>					
RAAC Fees	114,200	114,200			
Other Financing Costs	48,300	48,300			
<b>Sub Total</b>	<b>162,500</b>	<b>162,500</b>			
<b>Total</b>	<b>7,562,500</b>	<b>2,962,500</b>	<b>2,100,000</b>	<b>2,000,000</b>	<b>500,000</b>

\*Additional \$2,100,000 loan from CFA to be financed and guaranteed by FTMA

*Denotes estimates – To be financed through RAAC Economic Development Fund loan*

## Improvements to be Financed with TIF Proceeds

Of the cost shown above, approximately \$2,962,500 of infrastructure construction, engineering and financing costs are to be repaid using proceeds from pledged tax increments pursuant to this TIF Plan.

The following is an explanation of each of the estimated costs:

Administration & Engineering – services for both the proposed sewer and water infrastructure to be constructed

Sewer Extension to Burgettstown Road – including approximately 19,100 feet of sewer line to provide service to and through the development sites, manholes and the purchase of easements and rights-of-way

Basic Water Supply System – including extension of approximately 14,500 feet of water line to provide service from tank to and through the development site

Other Hard Costs – including the construction contingency associated with the public improvements

RAAC Fees – including RAAC fees (one time & annual), legal costs and TIF Plan preparation fee

Other Financing Costs – including cost of Market Analysis & Development Impact Study, Trustee administrative fees and one time initiation fee, and legal and accounting costs associated with setting up the TIF District and executing the necessary financings for the project



## **Tax Increment Financing Components**

### **(i) TIF Amount**

TIF proceeds to be used to fund the public improvements and issuance costs necessary for the Project are estimated to be \$2,962,500. RAAC anticipates principal and interest payments will be deferred. Financing assumptions can be referenced in Exhibit E.

### **(ii) Pledged Parcel(s)**

The pledged parcels include the property within the boundary identified on the Site Plan included in Exhibit A. These parcels, including any publicly dedicated rights-of-way, are not subdivided, but will be demarcated in accordance with sales agreements as taxable real estate (or tax exempt public rights-of-way) with Allegheny County Property Assessment, Appeals and Review. The total TIF District consists of approximately 550 acres.

### **(iii) Current Assessed Value**

The current assessed value of the TIF District is estimated at \$9,905,885<sup>iii</sup>.

### **(iv) Tax Base for Purpose of Increment Calculation**

Subject to the provision of the Tax Increment Financing Act (53 P.S. 6930.1 et. seq.), the taxable market value of the Pledged Parcels as of the date of the creation of the TIF District will be used as the "base" for calculating the real estate tax increment. The current tax base for the three taxing bodies is:

West Allegheny School District	\$195,562
Findlay Township	17,737
Allegheny County	<u>42,660</u>
<b>Total</b>	<b>\$255,959</b>

This base is calculated using the following millage rates:

West Allegheny School District – 21.5
Findlay Township – 1.95
Allegheny County – 4.69

The tax base, total tax increment and estimate of pledged taxes are illustrated in Exhibit D.

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<sup>iii</sup> Estimated assessment is based upon assumed value of the land within the TIF District & adjusted by market comparison values (75%)

**(v) Projected Assessed Value**

Upon completion, the future assessed value of the TIF District is anticipated to exceed \$226 million. The estimated aggregate assessed value of the TIF District through the year 2026 is attached as Exhibit D. The chart also illustrates the projected real estate tax revenues to be generated by the development through year 2026.

**(vi) Pledged Revenue**

A percentage of real property taxes collected in the TIF District in excess of the base real property taxes are pledged to repayment of the TIF Debt. The percentage of the incremental real property taxes pledged to the TIF is equal to the following: County – 75%, Township – 75%, School District – 75%.

**Figure 8**  
**Estimated Real Estate Taxes After Development (based on current millage)**

	<b>Base</b>	<b>Increment</b>	<b>Total</b>
West Allegheny School District	195,562	4,676,059	4,871,620
Findlay Township	17,737	424,108	441,845
Allegheny County	42,660	1,020,033	1,062,693
<b>Total</b>	<b>255,958</b>	<b>6,120,200</b>	<b>6,376,158</b>

**Figure 9**  
**Pledged Incremental Tax Revenue**

	<b>TIF (75%)</b>	<b>Taxing Bodies (25%)</b>	<b>Base</b>	<b>Total</b>
West Allegheny School District	3,507,044	1,169,015	195,562	4,871,620
Findlay Township	318,081	106,027	17,737	441,845
Allegheny County	765,025	255,008	42,660	1,062,693
<b>Total</b>	<b>4,590,150</b>	<b>1,530,050</b>	<b>255,958</b>	<b>6,376,158</b>

**(vii) Provisions for TIF Proceeds and Project Savings**

Any TIF proceeds remaining after funding the public improvements will be used to prepay the principle of the TIF Debt. All project costs will be monitored to ensure that any project savings will be applied in this manner. The RAAC does not anticipate TIF proceeds will exceed the cost of the project.

**(viii) Provisions for Insufficient TIF Revenues**

In order to ensure repayment of the TIF Debt associated with the TIF financing, the Imperial Land Corporation is guaranteeing payment of the amount required for debt service and related costs to the extent the pledged increment is insufficient. If at any time during the term of the TIF District real estate taxes are replaced, in whole or in part, by other taxes imposed by any Taxing Body or other sources of funding, all of the TIF Parties agree to use their best efforts to amend the TIF Plan and the Cooperation Agreement with respect to taxes and amounts pledged

as TIF Revenues in order to continue to provide sufficient amounts to pay debt service on the TIF Debt.

**(ix) Actual Tax Increment in Excess of Assumed Increment**

Any increase in tax revenues from any parcels in the District, attributable solely to an increase in assessed value over and above that determined necessary to pay debt service on the TIF Debt will be used for the project to prepay the principle of the TIF debt. Any increases in tax revenue from any parcels in the TIF District, attributable to increased millage above the current millage by any of the taxing bodies, will be distributed to the Taxing Body that increased the millage rate.

**(x) Interest Earnings**

No interest earnings are anticipated for this financing. FTMA will draw down the TIF debt as project costs are anticipated or incurred.

**(xi) Financial Details**

The TIF Analysis, intended to describe the expected financing, is attached as Exhibit E. It is expected that the TIF District will be created in the fourth quarter of 2006 to be effective approximately November 21, 2006. The TIF financing for the public infrastructure will come from the CFA PennWorks loan, drawn down as costs are incurred and from a loan through the RAAC Economic Development Fund which will be drawn down at closing.

The specific terms and structure of the TIF financing will be determined at the time of financing. However, it is contemplated that the TIF Debt will have a maturity of 20 years with principal and interest payments deferred until the earlier of:

- a) 4 years from the PennWorks loan closing date; or
- b) the development of 50 acres of the 550 acres within the TIF District, where development means there are building constructed on at least 50 acres of land.

Exhibit E illustrates the financing assumptions and cash flow. The various assumptions associated with the financing are the best that are currently available. Some of these assumptions may change, including the terms of repayment on the TIF Debt, the timing of credit, and/or other financial structures.

## **Estimated Non Project Costs**

Financing costs associated with the Project may include the following:

- Basic Conditions Report
- Market Analysis & Development Impact Study
- TIF Plan preparation fee
- RAAC fee – One time & annual fee
- Trustee fee – One time fee, annual fee & expenses
- Counsel fees & expenses

## **Maps of the TIF District, Existing Conditions, & Plans**

The maps in Exhibit A illustrate the boundaries of the TIF District as well as the existing uses and conditions illustrated in the Basic Conditions Report of the Airport Study Area (February 2005). Preliminary plans for the new infrastructure that is proposed are included in Exhibit B. Renderings presented in Exhibit C illustrate the proposed development program for both the Chapman Commerce Center and the property owned by Imperial Land Corporation.

## **Zoning and Planning Issues**

The underlying zoning classification for the project is Business Park and Light Industrial. The project has received development approval from Findlay Township. The Planning Division of Allegheny County Economic Development has also reviewed all site plans.

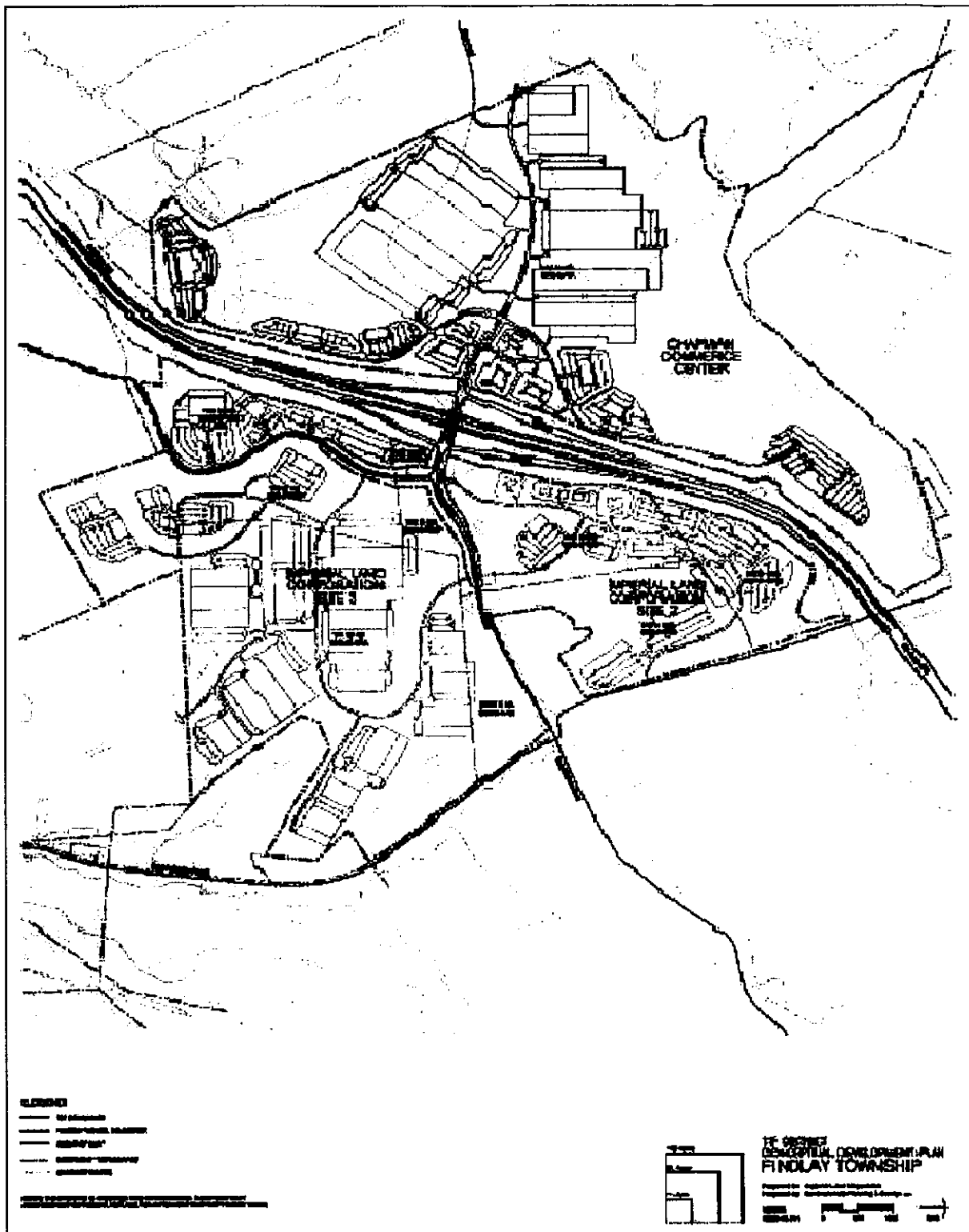
## **Relocation Statement**

The TIF Plan will not include any relocation of residents or businesses.

## **Date of TIF District Establishment**

The TIF District will be created on the date of the approval and adoption of this TIF Plan in accordance with the TIF Act, with an effective beginning date of approximately November 21, 2006.

## Exhibit A - District Boundary (Page 1 of 3)



The pledged parcel described in Exhibit A is a newly subdivided property that will be issued a lot & block number by the County of Allegheny Office of Property Assessment in early 2007.

**Exhibit A (Page 2 of 3)**  
**Potato Garden Run TIF Plan**  
**TIF District Legal Description**

All that certain parcel of land situate in the Township of Findlay, County of Allegheny and Commonwealth of Pennsylvania, bounded and described as follows:

BEGINNING at a point on the easterly line of the parcel herein described common with the westerly legal right-of-way line for limited access of Pennsylvania Turnpike Commission Southern Beltway Section 54C, a.k.a. Findlay Connector, said point being North 33°00'31" West, 378.23 feet from centerline station 255+16.30; thence from said point of beginning along the southerly line of lands of Point Park Rod and Gun Club South 33°00'31" East, 820.44 feet to a point in Potato Garden Road; thence continuing along the southerly line of said lands of Point Park Rod and Gun Club the following five courses: North 80°59'29" East, 745.80 feet; South 07°29'29" West, 221.10 feet; South 37°59'29" West, 198.00 feet; South 18°14'29" West, 221.10 feet; and South 69°14'29" West, 387.06 feet to State Route 3071, a.k.a. Potato Garden Road; thence along Potato Garden Road the following two courses: South 20°01'35" East, 61.85 feet; and South 17°46'26" East, 1533.35 feet; thence leaving Potato Garden Road along lands of Morris the following courses: South 60°13'07" West, 488.83 feet; North 31°48'28" West, 365.84 feet; South 66°31'57" West, 67.51 feet; South 06°36'01" East, 134.57 feet; South 77°30'56" West, 103.21 feet; South 36°48'53" West, 228.30 feet; and South 09°34'53" East, 594.69 feet to Burgettstown Road; thence along Burgettstown Road the following courses: North 68°37'38" East, 148.87 feet; North 62°10'26" East, 156.99 feet and North 61°36'19" East, 919.56 feet; thence leaving Burgettstown Road along lands of Imperial Land Corporation and Potato Garden Road South 40°41'51" East, 1023.00 feet; thence continuing along Potato Garden Road South 38°12'13" East, 1024.15 feet; thence leaving Potato Garden Road along lands of Imperial Land Corporation the following courses: South 58°06'03" West, 347.55 feet; South 45°29'38" East, 407.84 feet; South 06°15'06" West, 455.86 feet; North 60°53'43" West, 1190.62 feet; South 69°13'25" West, 288.62 feet; South 25°03'58" West, 150.05 feet; South 39°09'13" East, 1017.49 feet; South 53°51'35" East, 286.03 feet; and South 89°51'53" West, 2335.33 feet to other lands of Imperial Land Corporation; thence along other lands of Imperial Land Corporation South 26°19'18" East, 775.69 feet to lands now or formerly of Arthur Aloe recorded in Deed Book Volume 4843 page 741 being Tax Parcel No. 9910-X-306; thence along said lands now or formerly Arthur Aloe the following three courses: South 63°40'42" West, 1149.20; North 21°20'18" West, 1120.60 feet to a point on the northerly side of Burgettstown Road; thence leaving Burgettstown Road South 70°09'42" West, 707.19 feet to the westerly line of lands now or formerly of John R. Staub recorded in Washington County Recorder of Deeds office at Instrument No. 199622409, being Washington County Tax Parcel No. 55-8-7; thence along said lands now or formerly of Staub the following two courses: North 19°27'42" East, 310.97 feet; and crossing Southern Beltway Section 54C South 85°43'42" West, 1486.35 feet

(passing through Southern Beltway centerline station 325+05.60) to the southeast corner of the Staub Plan of Lots recorded in Plan Book Volume 185 page 7; thence along said line of the Staub Plan the following two courses: North 35°33'18" West, 437.65 feet; North 52°52'59" East, 138.53 feet; thence along the Staub Plan of Lots and Site No. I Parcel in the Imperial Land Corporation Plan No. 1 recorded in Plan Book Volume 253 page 195 North 26°33'18" West, 2871.56 feet; thence along the westerly line of said Site No. I Parcel the following courses: North 25°03'23" West, 815.18 feet; North 51°46'23" East, 988.39 feet; North 13°13'38" West, 149.55 feet; North 54°38'24" West, 185.16 feet; North 42°16'17" West, 178.99 feet; North 75°17'03" West, 71.39 feet; North 55°12'06" West, 40.56 feet; North 16°54'53" East, 18.18 feet; North 79°21'33" East, 28.96 feet; South 82°07'37" East, 80.25 feet; South 67°03'30" East, 79.69 feet; South 56°36'50" East, 78.01 feet; South 80°28'48" East, 266.07 feet; North 77°52'10" East, 237.70 feet; North 50°24'09" East, 194.89 feet; North 14°54'10" West, 236.55 feet; South 71°00'46" East, 708.81 feet; and North 70°13'55" East, 559.66 feet; North 45°09'57" East, 1060.34 feet; North 59°29'29" East, 2029.50 feet to the southerly line of lands of Tod Joseph Heidler being Tax Parcel No. 9910-x-1638; thence along said line of Joseph Heidler South 33°00'31" East, 408.81 feet to the point of beginning.

Having an area of 765.4 acres\*.

\* Legal description includes the right of way donated to the Turnpike Commission for the Findlay Connector Project.

# Exhibit A - Existing Conditions (Page 3 of 3)



Legend	
	Building Conditions
	Sound Structural Condition
	Maintenance Needed
	Major Rehabilitation Required
	Commercially Infeasible To Rehabilitate
	Vacant Structure
	Environmental
	Wetlands
	Construction Site
	High Wall Strip Mine
	Junk Vehicle
	Trash Area
	Mine Waste / Slag Pile
	Underground Mine Pits
	Add Mine Drainage
	Old Mine Openings
	Study Area Project Boundary
	Township Boundary

Findlay / Airport Study Area

**Environmental Conditions Map**

Prepared For:  
Findlay Township, Allegheny County, Pennsylvania

Urban Design Ventures, LLC

Community Planning & Development Consultants

1000 Main Street, Suite 100, Pittsburgh, PA 15212

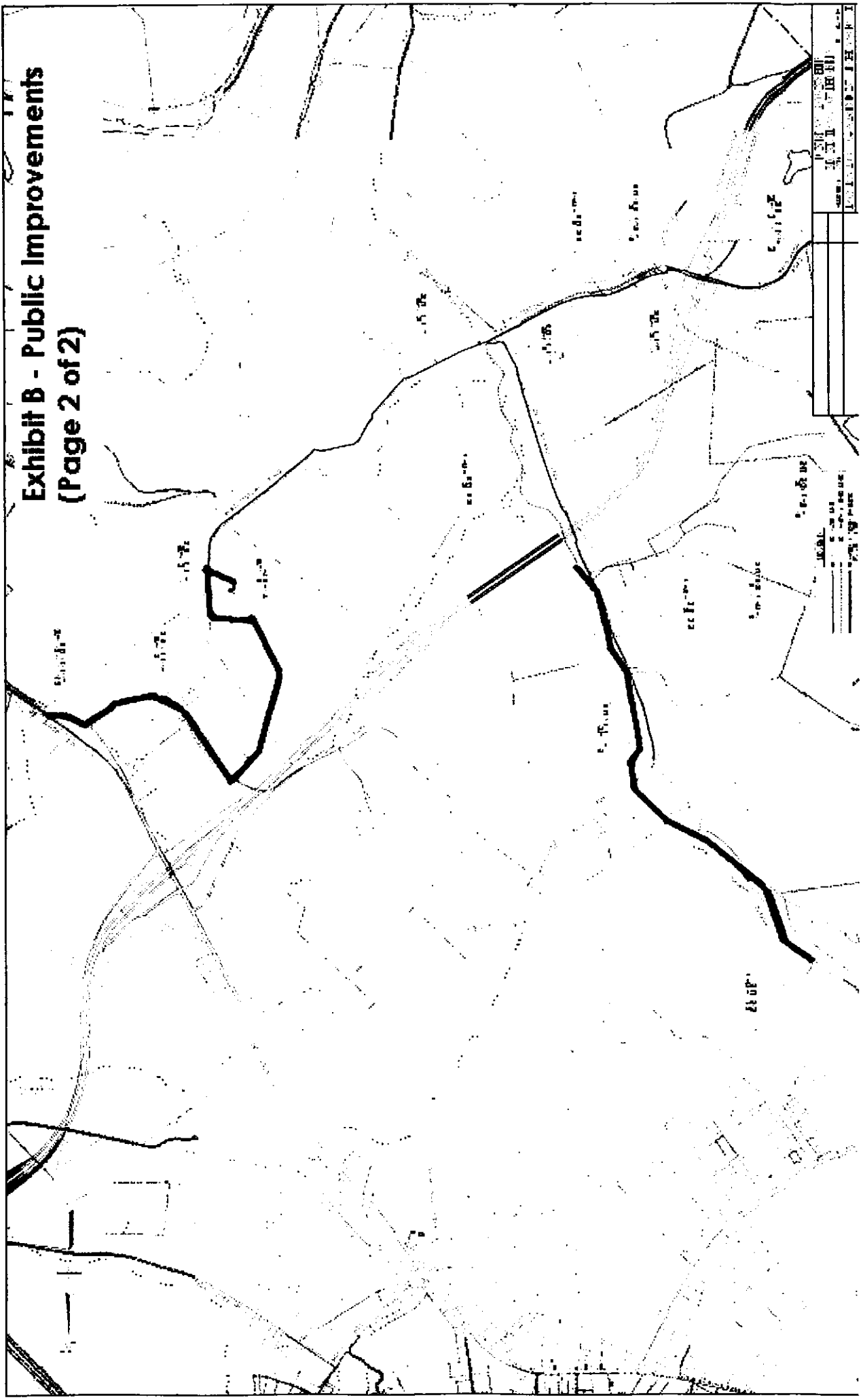
Potato Garden Run TIF District



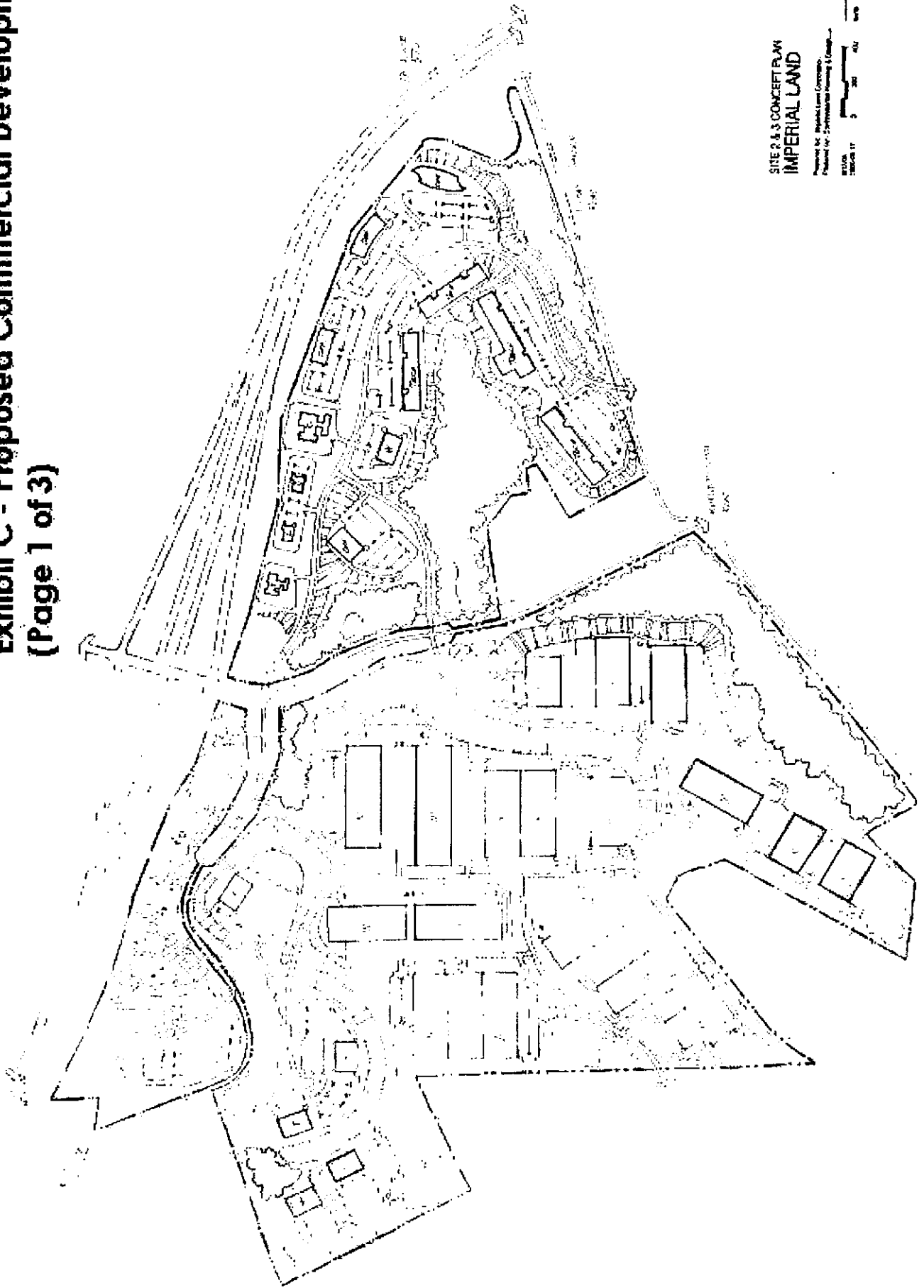
**Exhibit B (Page 1 of 2)**  
**Potato Garden Run TIF Plan**  
**Use of TIF Proceeds**

<b>Activity</b>	<b>Detail</b>	<b>Estimated Cost</b>
<b>Administration &amp; Engineering</b>	<b>Survey, Engineering, Legal &amp; Administrative</b>	<b>\$621,296</b>
<b>Construction</b>	<b>Sewer Extension</b>	<b>266,305</b>
	<b>Manholes</b>	<b>25,000</b>
	<b>Water Extension</b>	<b>1,500,000</b>
	<b>Contingency</b>	<b>387,399</b>
<b>Financing Costs</b>	<b>RAAC Fees</b>	<b>114,200</b>
	<b>Other Financing Costs</b>	<b>48,300</b>
	<b>Interest Payment on TIF Debt</b>	<b>594,390</b>
<b>Total TIF Proceeds to be Used</b>		<b>3,556,890</b>

# **Exhibit B - Public Improvements (Page 2 of 2)**



**Exhibit C - Proposed Commercial Development  
(Page 1 of 3)**



SITE 2 & 3 CONCEPT PLAN  
IMPERIAL LAND

Prepared by: [illegible]  
Prepared for: [illegible]

SCALE: 1" = 100' 0"

# Exhibit C - Proposed Commercial Development (Page 2 of 3)



**Exhibit C (Page 3 of 3)**  
**Potato Garden Run TIF Plan**  
**Private Development Summary**

Year	Acres	Square Footage	Site				Soft Cost	Total Private Development
			Assumed Land Value	Hard Investment	Adjusted Land Value & Hard Investment	Preparation, Infrastructure & Utilities		
1	-	-	-	-	-	3,399,496	339,950	3,739,445
2	11.0	100,000	286,957	4,165,500	4,452,457	1,992,919	615,842	7,061,218
3	31.9	276,333	832,175	15,833,333	16,665,508	2,192,311	1,802,564	20,660,383
4	31.9	276,333	832,175	15,833,333	16,665,508	628,113	1,646,145	18,939,765
5	31.9	276,333	832,175	15,833,333	16,665,508	604,750	1,643,808	18,914,066
6	22.0	200,000	573,914	8,325,000	8,898,914	1,106,567	943,157	10,948,638
7	22.0	200,000	573,914	8,325,000	8,898,914	1,106,567	943,157	10,948,638
8	42.7	546,667	1,113,914	29,681,667	30,795,581	1,106,567	3,078,823	34,980,971
9	42.7	546,667	1,113,914	29,681,667	30,795,581	-	2,968,167	33,763,748
10	42.7	546,667	1,113,914	29,681,667	30,795,581	-	2,968,167	33,763,748
11	22.0	200,000	573,914	8,325,000	8,898,914	943,150	926,815	10,768,879
12	22.0	200,000	573,914	8,325,000	8,898,914	943,150	926,815	10,768,879
13	46.0	593,333	1,200,002	31,675,000	32,875,002	943,150	3,261,815	37,079,967
14	24.0	393,333	626,088	23,350,000	23,976,088	-	2,397,609	26,373,697
15	25.0	393,333	652,175	23,350,000	24,002,175	-	2,400,218	26,402,393
16	-	-	-	-	-	697,183	69,718	766,901
17	-	-	-	-	-	697,183	69,718	766,901
18	15.7	123,067	409,566	8,491,600	8,901,166	697,183	918,878	10,517,227
19	15.7	123,067	409,566	8,491,600	8,901,166	-	849,160	9,750,326
20	15.7	123,067	409,566	8,491,600	8,901,166	-	849,160	9,750,326
464.9	5,118,200	12,127,843	277,860,300	289,988,143	17,058,288	29,619,685	336,666,116	

**Exhibit D (Page 1 of 2)**  
**Potato Garden Run TIF Plan**  
**Tax Increments**

Year	Estimated (1) Assessment of Land & Hard Investment Millage→	Projected Real Estate Taxes				Base Real Estate Taxes				Projected Tax Increments			
		West				West				West			
		Findlay Township	Allegheny District	Allegheny County	Total	Findlay Township	Allegheny District	Allegheny County	Total	Findlay Township	Allegheny District	Allegheny County	Total
1	9,095,885	17,737	195,562	42,660	255,958	17,737	195,562	42,660	255,958	-	-	-	-
2	12,435,227	24,249	267,357	58,321	349,927	17,737	195,562	42,660	255,958	6,512	71,796	15,662	93,969
3	24,934,358	48,622	536,089	116,942	701,653	17,737	195,562	42,660	255,958	30,885	340,527	74,282	445,695
4	37,433,489	72,995	804,820	175,563	1,053,378	17,737	195,562	42,660	255,958	55,258	609,259	132,903	797,420
5	49,932,620	97,369	1,073,551	234,184	1,405,104	17,737	195,562	42,660	255,958	79,632	877,990	191,524	1,149,146
6	56,606,806	110,383	1,217,046	265,486	1,592,916	17,737	195,562	42,660	255,958	92,646	1,021,485	222,826	1,336,957
7	63,280,991	123,398	1,360,541	296,788	1,780,727	17,737	195,562	42,660	255,958	105,661	1,164,980	254,128	1,524,769
8	86,377,677	168,436	1,857,120	405,111	2,430,668	17,737	195,562	42,660	255,958	150,699	1,661,559	362,452	2,174,710
9	109,474,363	213,475	2,353,699	513,435	3,080,609	17,737	195,562	42,660	255,958	195,738	2,158,137	470,775	2,824,650
10	132,571,049	258,514	2,850,278	621,758	3,730,549	17,737	195,562	42,660	255,958	240,777	2,654,716	579,099	3,474,591
11	139,245,234	271,528	2,993,773	653,060	3,918,361	17,737	195,562	42,660	255,958	253,791	2,798,211	610,400	3,662,403
12	145,919,420	284,543	3,137,268	684,362	4,106,172	17,737	195,562	42,660	255,958	266,806	2,941,706	641,702	3,850,214
13	170,575,671	332,623	3,667,377	800,000	4,799,999	17,737	195,562	42,660	255,958	314,886	3,471,815	757,340	4,544,041
14	188,557,737	367,688	4,053,991	884,336	5,306,015	17,737	195,562	42,660	255,958	349,951	3,858,430	841,676	5,050,057
15	206,559,368	402,791	4,441,026	968,763	5,812,581	17,737	195,562	42,660	255,958	385,054	4,245,465	926,104	5,556,622
16	206,559,368	402,791	4,441,026	968,763	5,812,581	17,737	195,562	42,660	255,958	385,054	4,245,465	926,104	5,556,622
17	206,559,368	402,791	4,441,026	968,763	5,812,581	17,737	195,562	42,660	255,958	385,054	4,245,465	926,104	5,556,622
18	213,235,243	415,809	4,584,558	1,000,073	6,000,440	17,737	195,562	42,660	255,958	398,072	4,388,996	957,414	5,744,482
19	219,911,117	428,827	4,728,089	1,031,383	6,188,299	17,737	195,562	42,660	255,958	411,090	4,532,528	988,723	5,932,341
20	226,586,992	441,845	4,871,620	1,062,693	6,376,158	17,737	195,562	42,660	255,958	424,108	4,676,059	1,020,033	6,120,200
		4,868,674	53,680,256	11,709,786	70,258,717					4,531,672	49,964,587	10,899,252	65,395,511
										7%	76%	17%	100%

(1) Assessment is adjusted by market comparison factors

Exhibit D (Page 2 of 2)  
Potato Garden Run TIF Plan  
Pledged Tax Increments

Year	Tax Increment West				Tax Increment to Taxing Bodies West				Pledged Tax Increment to Project West			
	Findlay		Allegheny		Findlay		Allegheny		Findlay		Allegheny	
	Township	District	School	County	Township	District	School	County	Township	District	School	County
Total	Total	Total	Total	Total	25%	25%	25%	25%	75%	75%	75%	75%
1												
2	6,512	71,796			1,628	17,949		3,915	4,884	53,847	11,746	70,477
3	30,885	340,527			7,721	85,182		18,571	23,164	255,395	55,712	334,271
4	55,258	609,259			13,515	152,315		33,226	41,444	456,944	99,678	598,065
5	79,632	877,990			19,908	219,497		47,881	59,724	658,492	143,643	861,859
6	92,646	1,021,485			23,162	255,371		55,707	69,485	766,114	167,120	1,002,718
7	105,661	1,164,980			26,415	291,245		63,532	79,246	873,735	190,596	1,143,577
8	150,689	1,661,559			37,675	415,980		90,613	113,025	1,246,169	271,839	1,631,032
9	196,738	2,158,137			48,935	539,534		117,694	146,804	1,616,603	353,081	2,118,488
10	240,777	2,654,716			60,194	663,679		144,775	180,582	1,991,037	434,824	2,605,943
11	253,791	2,798,211			63,448	699,553		152,600	190,343	2,098,558	467,800	2,746,802
12	266,806	2,941,706			66,701	735,427		160,426	200,104	2,206,280	481,277	2,887,661
13	314,886	3,471,815			78,721	867,954		189,335	236,164	2,663,862	568,005	3,408,031
14	349,951	3,858,430			87,488	964,607		210,419	262,463	2,893,822	631,257	3,787,542
15	385,054	4,245,465			96,263	1,061,366		231,526	288,790	3,184,099	694,578	4,167,467
16	385,054	4,245,465			96,263	1,061,366		231,526	288,790	3,184,099	694,578	4,167,467
17	385,054	4,245,465			96,263	1,061,366		231,526	288,790	3,184,099	694,578	4,167,467
18	398,072	4,368,996			99,518	1,097,249		239,353	298,554	3,291,747	718,060	4,308,361
19	411,090	4,532,528			102,772	1,133,132		247,181	308,317	3,399,396	741,543	4,449,255
20	424,108	4,676,059			106,027	1,169,015		255,008	318,081	3,507,044	765,025	4,590,150
4,531,672	49,964,587	10,899,232			1,132,918	12,491,147		2,724,813	3,398,754	37,473,440	8,174,439	49,046,633

Discount for Full Payment of Tax Bill on time 0%

Estimated Total Tax	
Increments to be paid to the Taxing Bodies During the Term of the TIF District	
Findlay Township	\$ 1,132,918
West Allegheny School District	\$ 12,491,147
Allegheny County	\$ 2,724,813
	\$ 16,348,878

**Exhibit E (Page 1 of 2)**  
**Potato Garden Run TIF Plan**  
**Financing Assumptions**

1. Percentage of Tax Increment Pledged by each Taxing Bodies	75%
2. Interest Rate on TIF Debt	2%
3. Interest and Principal payment	Commencing Year 3*
4. Amortization	18 Years*
5. Principal Payment at the End of Term	Fully Amortizing Loan
6. Payments per Year	1
7. Basis for Assessment	Appraised Land Value and Development Costs
8. Guarantor	Imperial Land Corporation
9. Amount of Guarantee	\$2,800,000
10. Amount of Loan to be Repaid with TIF Proceeds	\$2,936,000
11. Estimated Issuance Costs	\$162,500**

\* See the repayment terms of the PennWorks loan within Tax Increment Financing Components (xi) Financial Details.

\*\* To be financed through RAAC EDF loan



**Exhibit E (Page 2 of 2)**  
**Potato Garden Run TIF Plan**  
**PennWorks Loan**

	Principal Borrowed	Debt Service	Pledged Tax Increment Available	Annual Fees	'Total Available to Make Debt Service Payment	Total			Balance			
						Payment Due	Interest	Principal Repayment	Remaining Principal	After Debt Service Payment	Cumulative Available Cash AFTER Debt Service	
1	2,944,000	-	-	-	-	-	-	-	-	-	-	-
2	2,962,500	-	-	-	-	-	-	-	-	-	-	-
3	2,962,500	197,605	510,099	18,500	491,599	197,605	59,250	138,355	2,824,145	293,994	293,994	293,994
4	2,824,145	197,605	650,741	18,500	632,241	197,605	56,483	141,122	2,683,023	434,636	434,636	728,630
5	2,683,023	197,605	914,535	18,500	896,035	197,605	53,660	143,945	2,539,078	698,430	698,430	1,427,060
6	2,539,078	197,605	1,055,394	18,500	1,036,894	197,605	50,782	146,823	2,392,255	839,289	839,289	2,266,348
7	2,392,255	197,605	1,196,252	18,500	1,177,752	197,605	47,845	149,760	2,242,495	980,147	980,147	3,246,496 *
8	2,242,495	197,605	1,683,708	18,500	1,665,208	197,605	44,850	152,755	2,089,740	1,467,603	1,467,603	4,714,099
9	2,089,740	197,605	2,171,163	18,500	2,152,663	197,605	41,795	155,810	1,933,930	1,955,058	1,955,058	6,669,157
10	1,933,930	197,605	2,658,619	18,500	2,640,119	197,605	38,679	158,926	1,775,003	2,442,514	2,442,514	9,111,671
11	1,775,003	197,605	2,799,478	18,500	2,780,978	197,605	35,500	162,105	1,612,898	2,583,373	2,583,373	11,695,044
12	1,612,898	197,605	2,940,336	18,500	2,921,836	197,605	32,258	165,347	1,447,551	2,724,231	2,724,231	14,419,275
13	1,447,551	197,605	3,460,707	18,500	3,442,207	197,605	28,951	168,654	1,278,897	3,244,602	3,244,602	17,663,877
14	1,278,897	197,605	3,840,218	18,500	3,821,718	197,605	25,578	172,027	1,106,870	3,624,113	3,624,113	21,287,990
15	1,106,870	197,605	4,220,142	18,500	4,201,642	197,605	22,137	175,468	931,403	4,004,037	4,004,037	25,292,027
16	931,403	197,605	4,220,142	18,500	4,201,642	197,605	18,628	178,977	752,426	4,004,037	4,004,037	29,296,064
17	752,426	197,605	4,220,142	18,500	4,201,642	197,605	15,049	182,556	569,869	4,004,037	4,004,037	33,300,102
18	569,869	197,605	4,361,037	18,500	4,342,537	197,605	11,397	186,208	383,662	4,144,932	4,144,932	37,445,034
19	383,662	197,605	4,501,931	18,500	4,483,431	197,605	7,673	189,932	193,730	4,285,826	4,285,826	41,730,860
20	193,730	197,605	4,642,825	18,500	4,624,325	197,605	3,875	193,730	-	4,426,720	4,426,720	46,157,580
						3,556,890	594,390	2,962,500				
						3,556,890						
Assumptions												
Principal						2,962,500						
Interest						2.00% per Year						
Term						18 Years						
Debt Service						-197,605						

\* Cumulative cash after debt service expected to prepay debt completely