

PREPARED FOR THE CITY OF LOS ANGELES
ECONOMIC & WORKFORCE DEVELOPMENT DEPARTMENT



LA RIVER ENHANCED INFRASTRUCTURE FINANCING DISTRICT REVENUE YIELD ANALYSIS

OCTOBER 14, 2016

HR&A
Analyze. Advise. Act.

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EXECUTIVE SUMMARY

RIVER BACKGROUND

The Los Angeles River (“River”) runs for 51 miles through Los Angeles County, the first 32 miles of which flow through the City of Los Angeles (“City of LA”). From the 1930s onward, the River has been treated primarily as a flood control mechanism, but grassroots efforts to reimagine the River as a unique and dynamic ecological, recreational and cultural asset have shifted perceptions over the past thirty years.

Three key planning documents have resulted from these recent efforts: Los Angeles County’s Los Angeles River Master Plan (1996), the City’s Los Angeles River Revitalization Master Plan (“LARRMP,” 2007), and the United States Army Corps of Engineer’s Alternative 20 plan (also known as the “ARBOR” study, 2014). These documents each identified ambitious programs of capital projects along the River, including ecological restoration areas, new parks and open spaces, bridges, streetscape improvements, and pedestrian and bicycle trails.

The implementation of these plans has faced significant funding challenges, with limited local funding sources and tools. In 2015, the State Legislature and Governor approved a new public financing mechanism, the Enhanced Infrastructure Financing District (“EIFD”).

EIFDs enable local governments to set aside and bond against a wide range of tax and other revenue sources, notably incremental property tax revenue in the same manner as California’s now dissolved Redevelopment system, for capital projects such as affordable housing, infrastructure, and parks and open spaces. However, unlike Redevelopment, EIFDs do not require findings of “blight” to form districts, and have only a 55 percent voter approval threshold to issue bonds up to 45 years.

EIFD ANALYSIS AND KEY FINDINGS

Recognizing the potential for one or more EIFDs to fund the River-related capital projects, the City Council directed the Economic and Workforce Development Department (“EWDD”), in collaboration with the Chief Legislative Analyst, City Administrative Officer, Mayor’s Office, the Mayor’s Riverworks team, Bureau of Engineering, and River-adjacent City Council offices to prepare a Resolution of Intention regarding potential boundaries, goals and projects for one or more River-related EIFDs. Following this action, EWDD retained HR&A Advisors, Inc. (“HR&A”) to prepare a technical analysis of the potential property tax-increment revenue yield and funding capacity of one or more EIFDs along the River.

HR&A tested several alternative EIFD boundaries, developed in collaboration with the City’s Riverworks team, within one mile on either side of the River channel as it flows through the City of Los Angeles. For these areas, HR&A compiled property tax assessor, real estate and land use data to develop a set of key analysis inputs. Using these inputs, HR&A created a detailed analysis model to evaluate the potential revenue yield of multiple River-related EIFD geographies. After completing a preliminary analysis of potential revenue yield, HR&A received feedback from stakeholders regarding alternative EIFD geographies and EIFD revenue modeling parameters. A number of stakeholders reviewed and provided feedback on the EIFD geographies; in addition, they felt it was important that the community understand that EIFD property tax revenues do not generate new tax burdens for residents, but rather capture a portion of the growth in property tax revenue and redirects the dollars to be spent within a defined geography. They also recommended that the analysis should assume a certain share of the revenue yield from one or more EIFDs be set aside for investment in affordable housing projects.

After incorporating this feedback, HR&A determined that:

- As shown in Figure ES-1, the revenue yield of a 30-year bond backed by 75 percent of the City and County of Los Angeles’ share of property tax increment generated within one mile on each side of the River within the City could total as much as \$1.9 billion (in 2016 dollars). If the neighboring cities of Burbank, Glendale and Vernon were also

to participate in an EIFD, 30-year bond revenue yield could reach \$2.3 billion.

- Annual revenue yield could grow from roughly \$50 million in the 5th year after EIFD formation to as much as \$250 million by the 30th year (both values in 2016 dollars). Were neighboring jurisdictions to contribute their tax increment, these figures could amount to roughly \$65 million and \$305 million, respectively.
- A larger, 1-1/2 mile EIFD on each side of the River within the City of LA could generate as much as \$3.5 billion, while a much smaller area aligned with the ARBOR study area would generate only \$460 million.

Figure ES-2: 1-Mile EIFD Revenue Yield and Project Costs (\$M 2016)

	REVENUE/ COSTS
30-Year Bond Revenue Yield (City/County of LA, 75% of Tax Increment)	\$1,895
Less: 20% Affordable Housing Set-Aside	(\$380)
Less: Alternative 20 Local Match	(\$980)
Revenue Yield Remaining	\$535
LA River Revitalization Master Plan Cost	(\$5,780)
Funding Gap	(\$5,245)

Source: HR&A Advisors, Inc.

As shown in Figure ES-2, after setting aside a 20 percent allowance for affordable housing and \$980 million for the City’s currently-estimated share of

Figure ES-1: 1-Mile EIFD Revenue Yield Taxing Entity, 75% Share of Tax Increment (\$M 2016)

	30-YEAR BOND REVENUE YIELD	YEAR 5 TAX INCREMENT	YEAR 10 TAX INCREMENT
City of Los Angeles	\$950	\$24	\$46
County of Los Angeles (General Fund + Flood)	\$930	\$24	\$46
Subtotal 1-Mile City/County	\$1,895	\$48	\$92
Universal City	\$15	\$0	\$1
Burbank and County	\$205	\$5	\$10
Glendale and County	\$150	\$4	\$7
Vernon and County	\$45	\$1	\$2
Total 1-Mile Cities/County	\$2,310	\$58	\$111

Source: HR&A Advisors, Inc.

Alternative 20 costs, remaining EIFD bonded property tax increment revenue yield for the LARRMP or other river-related projects would total \$535 million.

In preparing the technical analysis, HR&A found that EIFD revenue yield is highly sensitive to the defined EIFD boundary, due to both existing assessed value and the combination of assessed value and real estate market growth potential within the district. It is also highly sensitive to the participation of relevant taxing entities and the share of their property tax contribution.

Other real estate variables that do not greatly impact potential EIFD revenue yield were:

- New development pace, because the areas analyzed are largely built out and because HR&A's analysis did not account for the redevelopment of non-vacant parcels; and
- Real estate value premiums on properties near the River, because Proposition 13 caps annual assessed value growth, limiting the impact of increased property values on assessed value.

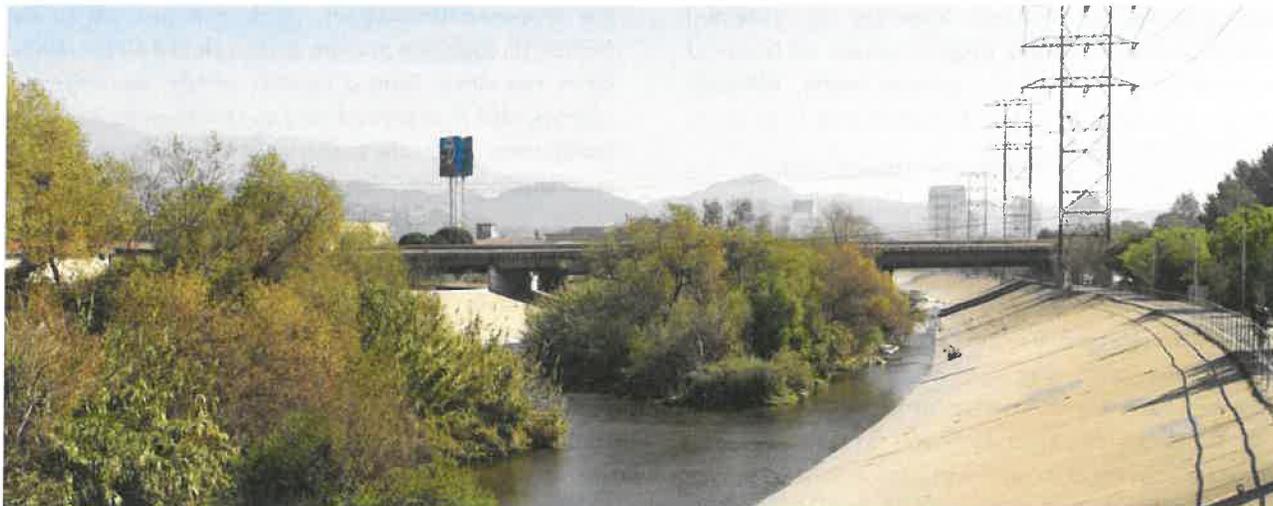
CONCLUSIONS AND RECOMMENDATIONS

HR&A finds that property tax increment bonds issued through an EIFD could be a substantial and important funding source for River revitalization, but that funding ARBOR and all LARRMP projects will require a robust package of additional funding sources. It should be noted that HR&A used conservative revenue yield calculation assumptions and a number of factors, as

described in the sensitivities above, could enable the EIFD to generate more property tax increment revenue than estimated in this analysis.

The contribution of property tax increment by both the City and County of Los Angeles will be critical to maximize funding capacity and justify the use of an EIFD. EIFD revenues are not "new money" *per se*, but the ability to leverage revenue from local jurisdictions allows EIFDs to serve as an important and useful tool. Along with the previously-mentioned benefits, EIFD-issued bonds would not count against the City of Los Angeles' "debt cap" which limits annual debt services to a fraction of annual City revenue, as bonds will be issued by the newly created Public Finance Authority and not the City.

EIFD boundaries will need to be carefully defined to include both potential projects, their beneficiaries and political supporters. Furthermore, it is likely that a comprehensive plan to fund LA River investments will require additional revenue sources, beyond property tax increment, to fully fund the River-related capital projects proposed within the EIFD's boundaries. Finally, HR&A recommends that the City's immediate next steps towards implementing a River EIFD should be to identify a champion within the City who can rally both political and community support to implement all the remaining steps required by State law to establish a River-related EIFD. Part of this will include effectively communicating the potential economic and social value of River investments, and prioritizing investments that generate the greatest impact.



INTRODUCTION

The Los Angeles River (“River”) runs approximately 51 miles from the Western San Fernando Valley to its southern terminus at Long Beach Harbor and the Pacific Ocean. Its first 32 miles flow through the City of Los Angeles (“City”) with portions flowing through the borders of the cities of Burbank, Glendale, and Vernon and unincorporated areas of Universal City.

After a series of floods in the early 1900s, the United States Army Corps of Engineers (“USACE”) and the Los Angeles County Flood Control District encased the river in concrete, effectively turning the entire length of the River into a flood control channel to protect the surrounding homes and businesses. The River remained primarily conceived of as a flood control channel until grassroots activism in the mid-1980s began to shift conventional thinking about the River, culminating in the Los Angeles County Los Angeles River Master Plan, approved by the County Board of Supervisors in 1996. This plan reimagined the River as an opportunity to create a unique and dynamic amenity for the Los Angeles Region, providing parks and open spaces, economic development, and storm water reclamation, while maintaining its effectiveness as a flood control mechanism. Planning efforts for the River have been supported by a wide range of stakeholders over the past three decades, who have collectively and individually rallied community support for the River and have developed a number of visions for the LA River. These stakeholders include the Friends of the Los

Angeles River (“FOLAR”), River LA (formerly the Los Angeles River Revitalization Corporation), the Northeast Los Angeles Riverfront Collaborative led by the Los Angeles Economic and Workforce Development Department (“EWDD”), and the Mayor of Los Angeles’ Riverworks team, among many others, members of which provided feedback on the work presented in this report.

RIVER PLANNING

Following the Los Angeles County Los Angeles River Master Plan, the City of Los Angeles established an Ad Hoc Committee on the Los Angeles River in 2002 to formalize an approach to River revitalization within the boundaries of the City. In April of 2007, the City of Los Angeles released the Los Angeles River Revitalization Master Plan (“LARRMP”), a comprehensive planning document detailing approximately 240 capital projects and opportunity areas for the 32-mile stretch of the River within the City of Los Angeles. These projects, which include parks and open spaces, pedestrian bridges, streetscape improvements, new river entry points, and riparian restoration, were identified through a two years long community and stakeholder outreach process. The LARRMP estimates that these projects in total could cost between \$4.8 billion and \$6.8 billion (in 2016 dollars, accounting for inflation and changes in construction costs from 2007 when the LARRMP was published). The

plan provides a detailed inventory of potential funding sources for these projects across all levels of government as well as the private sector, although there is little financing presently committed to projects.

In addition to the LARRMP, the USACE initiated the Ecosystem Restoration Feasibility Study for the Los Angeles River in 2006 and released a final report 2014, in which “Alternative 20,” the most comprehensive of the four alternatives explored in the study, was selected as the recommended plan. The \$1.3 billion plan, per the most recent estimates, includes ecosystem restoration projects along the 11-mile stretch of the River between Griffith Park and Downtown Los Angeles, and was approved by the Civil Works Review Board of the USACE in 2015 and the Los Angeles City Council in 2016. Although intended to be an equal partnership between the City and USACE, the USACE maintains a policy to generally limit its liability for land acquisition costs to approximately 25 percent of total project costs. As such, the most recent estimates of cost-sharing stipulate that the City of Los Angeles must commit to fund approximately \$980 million, largely for land acquisition that the USACE will not cover, with the federal government committed to paying the remainder.

EIFD ANALYSIS PROCESS

Recently, the Los Angeles City Council directed the EWDD in collaboration with the Chief Legislative Analyst, City Administrative Officer, Mayor’s Office, the Mayor’s Riverworks team, Bureau of Engineering, and River-adjacent City Council offices to prepare a Resolution of Intention to initiate one or more River Revitalization Enhanced Infrastructure Financing Districts (“EIFDs”). As discussed in the next section in greater detail, EIFDs are a recently-established public financing tool that allows local governments to allocate future growth in incremental taxes and revenues, notably including property tax increment, to fund capital projects, including infrastructure, open spaces, and affordable housing in a given area. The EWDD retained HR&A Advisors, Inc. (“HR&A”) early in 2016 to prepare a technical analysis of the potential tax-increment revenue yield and funding capacity of one or more EIFDs along the River. This analysis was intended to support the City of Los Angeles in engaging in meaningful dialogue with other taxing entities and to develop a set of recommendations for

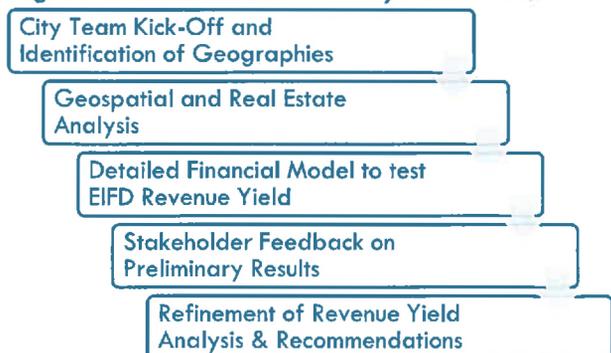
the proposed boundaries, goals and projects to be funded through one or more River-related EIFDs. While EIFDs can draw from a number of tax and revenue sources, HR&A analyzed only revenues generated by incremental property taxes, as this is likely to be the most significant EIFD funding source.

As shown in Figure 1 and described in the following sections, HR&A’s process began with a project “kick-off” meeting with the City’s Riverworks team and Council District 13 to establish key assumptions. Following this meeting, HR&A undertook a series of geospatial and real estate analyses to develop a detailed financial model to estimate EIFD revenue yield. Preliminary EIFD revenue yield results were shared with the Riverworks team and numerous stakeholders who offered feedback and identified key considerations. Taking this feedback into account, HR&A then updated its analysis and prepared its findings and recommendations.

Following a brief overview of EIFDs, this report includes a detailed explanation of HR&A’s analysis methodology, stakeholder feedback and estimated revenue yield from one or more EIFDs, and an analysis of the capacity to fund projects identified in Alternative 20 and LARRMP. Summaries of HR&A’s detailed revenue yield model are provided in Appendix A. The report is organized in five sections, first providing an overview of EIFDs, followed by a detailed discussion of HR&A’s methodology, stakeholder feedback, the results of the analysis and finally, observations and next steps.

The analysis presented in this report is subject to the General and Limiting Conditions in Appendix B. A summary of HR&A’s qualifications is included in Appendix C.

Figure 1: HR&A’s EIFD Analysis Process





EIFD OVERVIEW

EIFDs were authorized by Senate Bill 628 and took effect on January 1, 2015 (slightly amended later in 2015 by Assembly Bill 313 and Senate Bill 63), providing a tool for local governments to fund community revitalization and infrastructure projects from a variety of sources, notably including Tax Increment Financing (“TIF”). The EIFD tool is based on the State’s existing Infrastructure Finance District legislation, but allows more flexibility by simplifying the formation process; expanding sources of available financing; increasing the types of projects that can be funded by EIFDs; and reducing the threshold necessary for voter approval to issue bonds. EIFDs are governmental, place-based entities established by cities or counties, but are separate and distinct from the initiating jurisdiction(s).

TIF IN THE STATE OF CALIFORNIA

TIF is a public finance mechanism whereby a local government identifies an area from which it diverts tax increment, i.e. increases in tax revenues (typically property taxes) above present levels that are allocated to a local fund or authority to fund physical improvements and programs that provide a public benefit to the area. Property taxes are based on assessed value, which is determined by the local assessor, and is different from market property value. Assessed value is typically lower than property value, or what a property might generate on sale, and annual

increases in assessed value are limited in the state of California to a maximum of 2 percent due to Proposition 13, a ballot initiative approved by voters in 1978.

Governments typically use TIF in areas where there is a likelihood that new investment will significantly increase assessed value, usually by catalyzing new development. It is important to note that TIF revenues are neither new taxes nor “new money,” meaning that they are property tax dollars already being collected or that would otherwise be collected in the future that are redirected for specific purposes, including bond debt service, that would have otherwise been collected and redistributed to the relevant taxing entities. TIF has been broadly unavailable to local governments since the State-mandated dissolution of Redevelopment in 2012.

EIFD PROCEDURES AND STIPULATIONS

Although TIF is familiar to local California governments, EIFDs, specifically, are untested and have not yet been implemented in the state. As shown in Figure 2, EIFDs differ from other TIF mechanisms in California in various ways, including differing from former Redevelopment Agencies (“RDAs”) in that the determination of blight is not required to form an EIFD or define its boundaries. In addition, EIFDs can be of

any size and do not need to have contiguous boundaries. They can issue bonds with terms of up to 45 years with the approval of 55 percent of voters within the EIFD boundaries (with an exception for areas with less than 12 registered voters wherein votes are allocated by parcel area). One key difference between RDAs and EIFDs is that EIFDs can only collect a share of tax increment from consenting agencies, excluding K-12 and community college districts, whereas RDAs automatically captured tax increment from all taxing entities in the given area.

Once initiated by vote of a City Council or other local authority, participating EIFD jurisdictions appoint a Public Financing Authority ("PFA") to govern the respective EIFD, with representation from members of participating taxing entities and two members of the public. The PFA must prepare and adopt an Infrastructure Financing Plan, correlating investments with sources of funding. EIFDs can draw from many funding sources, including property tax increment, as well as fees, grants, other taxes or private investments. An EIFD cannot be formed until receiving approval from the California Department of Finance, which must determine that all Redevelopment obligations, if any, have been satisfied in a given area.

EIFDs are restricted to financing capital costs, including acquisition, construction, retrofitting, and rehabilitation, and cannot be used to fund routine maintenance and operational costs. Capital projects can be inside or outside of the boundaries of an EIFD, as long as they provide a public benefit to the district and have a useful life of 15 or more years, including:

- Public infrastructure such as water, road or public transit infrastructure;
- Community facilities, including civic buildings, childcare facilities and libraries (but not schools);
- Open space and parks;
- Affordable housing;
- Economic development, including commercial or industrial projects that benefit the public; and
- Remediation and environmental cleanup.

Although no EIFDs have been established as of the date of this report, a number of jurisdictions in California are evaluating their potential. Projects discussed for potential funding range from traditional infrastructure projects to recreation facilities to affordable housing.

Figure 2: Comparison of Past and Present TIF Mechanisms in California

	FORMER REDEVELOPMENT AGENCY (RDA)	INFRASTRUCTURE FINANCING DISTRICT (IFD)	COMMUNITY REVITALIZATION AND INVESTMENT AUTHORITY (CRIA)	ENHANCED INFRASTRUCTURE FINANCING DISTRICT (EIFD)
Blight Determination	Yes	No	Must meet similar criteria.	No
Voter Approval to Form	No	2/3	2/3	No
Oversight and Administration	Local Government	Local Government	Joint Powers Authority	New Public Financing Authority
Property Tax Increment Sources	All taxing entities in area/district	Consenting taxing entities	Consenting taxing entities	Consenting taxing entities
Property Tax Increment Contribution	100%	Variable	Variable	Variable
Area/District Voter Approval to Issue Bonds	No	2/3	No	55%
Power of Eminent Domain	Yes	No	Yes	For environmental remediation
Affordable Housing Requirement	Yes	No	Yes	If displacing existing housing
Mechanism Lifespan	45 years	30 years from formation	45 years from formation	45 years from bond issuance

REVENUE YIELD ANALYSIS METHODOLOGY

Although there are a number of important political and technical steps associated with establishing an EIFD, HR&A was tasked only with estimating the revenue yield from one or more River-related EIFDs. HR&A's scope of work acknowledges, but does not address the technical or procedural elements involved in EIFD formation and implementation.

A parallel study by the Rosenow Spevacek Group, Inc. ("RSG") is developing a City-wide approach to evaluating the feasibility of establishing EIFDs. The RSG study is intended to inform the City's formal EIFD policy and help the City to determine when using an EIFD is appropriate, as opposed to using another tax-increment financing tool like the recently established Community Revitalization and Investment Authority ("CRIA"), or allocating funds through other mechanisms. Unlike RSG's study, which provides recommendations for implementation, HR&A's study is technical in nature and specifically evaluates the tax increment growth and bond capacity, as well as real estate development potential.

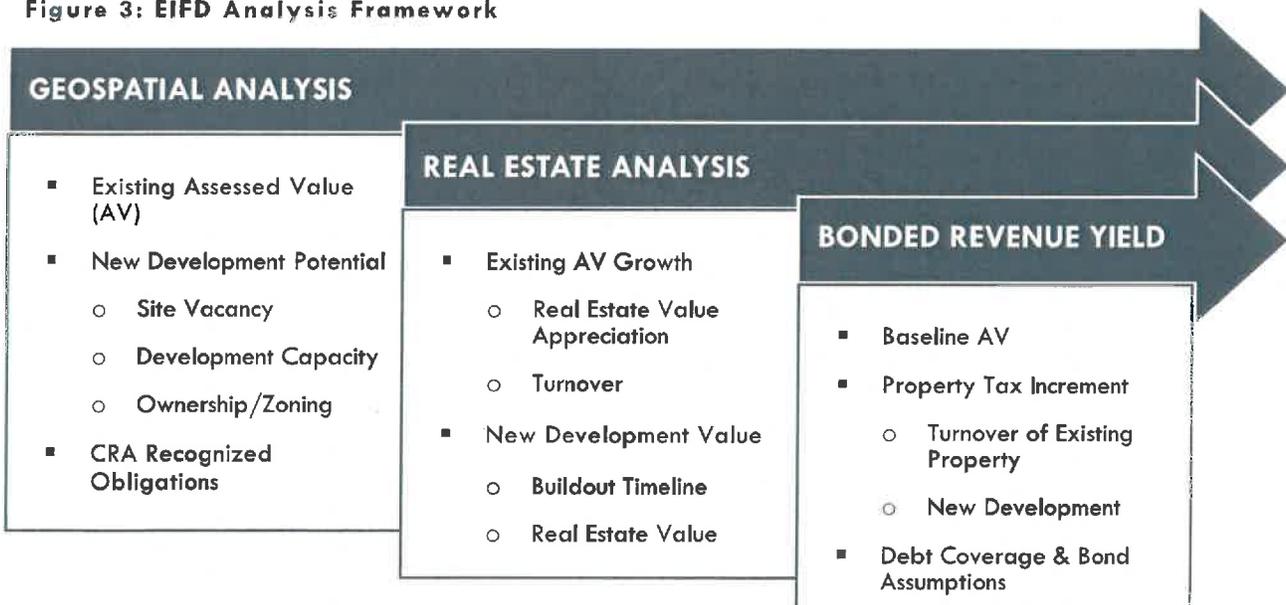
ANALYSIS FRAMEWORK

As illustrated in Figure 3, HR&A developed a detailed, multi-stage analysis methodology to estimate EIFD revenue yield from property tax increment, which is

likely to generate the greatest amount of revenue yield for an EIFD. The first stage included a geospatial and zoning analysis to determine existing assessed value within potential EIFD boundaries; development capacity based on vacancy, existing zoning, ownership and zoned land use; and to identify areas within former Los Angeles Community Redevelopment Agency ("CRA/LA") project areas with outstanding recognized obligations. This first stage determined the property tax "base" above which tax increment could be captured, as well as the maximum amount of development that could occur. A second stage analyzed a variety of real estate development metrics to identify the rate of real estate value growth, pace of turnover, employment and household growth and new development value. This stage provided inputs to estimate the growth in assessed value of existing property as well as the incremental creation of value from new development.

Taking these inputs, HR&A developed a detailed financial model to estimate the annual revenue yield generated by incremental assessed value from both existing property and new development, as well as bonding capacity. This last stage relied on primary research and discussions with City departments to confirm key bond issuance assumptions, as well as assumptions for taxing entity participation in an EIFD.

Figure 3: EIFD Analysis Framework



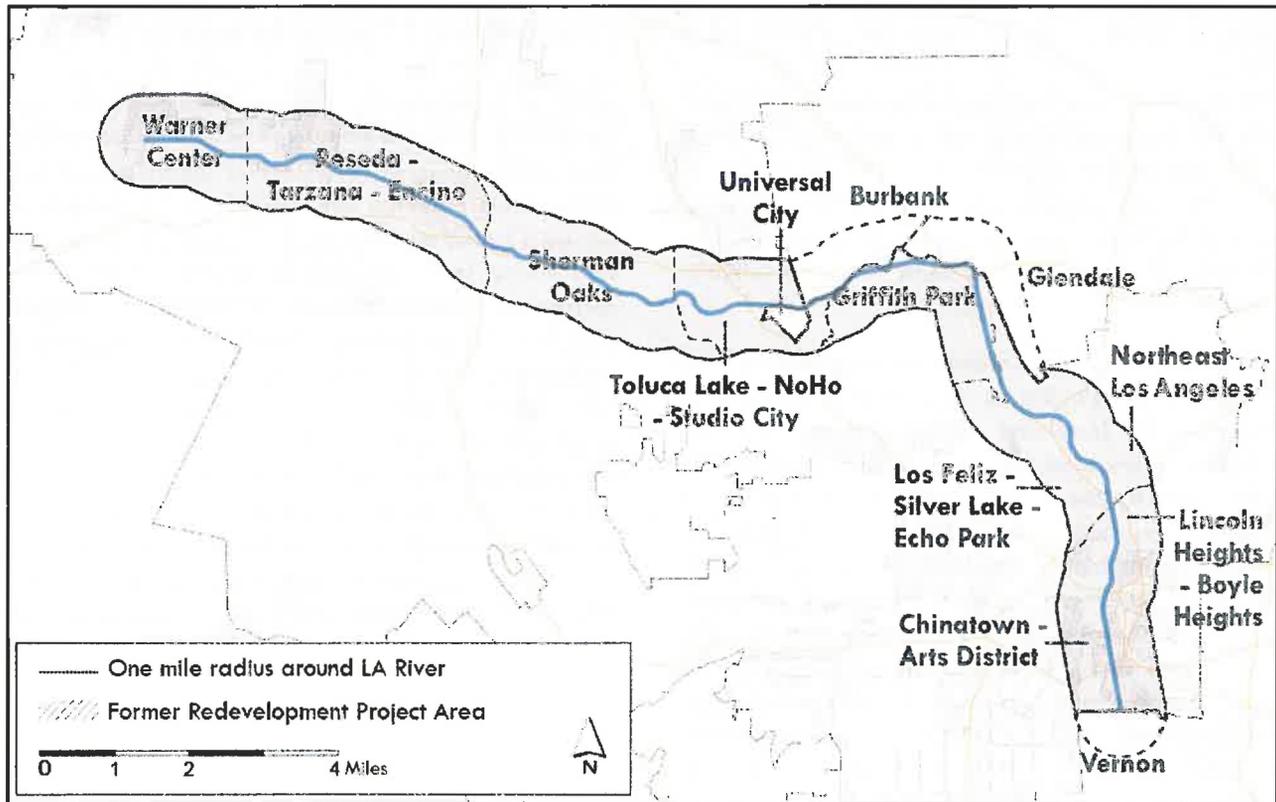


Figure 4: Preliminary EIFD Geographies

GEOSPATIAL ANALYSIS

In collaboration with the City’s Riverworks team, HR&A first developed a preliminary EIFD boundary of one mile on either side of the 32 miles of the River as it flows through the City of LA, to determine existing assessed value and future development potential near the River. HR&A used Geographic Information System (“GIS”) modeling tools to understand parcel-specific opportunities and constraints along the corridor.¹ Existing assessed values were summed for both residential and commercial properties’ land and improvement values within this one-mile radius as well as for 13 sub-geographies aligned with city, community plan and other recognized neighborhood boundaries. Sub-geographies within this one-mile radius include: Warner Center; greater Reseda,

Tarzana, and Encino; Sherman Oaks; greater Toluca Lake, North Hollywood and Studio City; Universal City; Burbank; Glendale; Griffith Park; Northeast Los Angeles; Los Feliz, Silver Lake and Echo Park; Lincoln Heights and Boyle Heights; Chinatown and the Arts District; and Vernon, as shown in Figure 4.

Redevelopment Project Areas with recognized obligations that may prevent the capture of tax increment by an EIFD were excluded from the analysis.

Next, HR&A identified vacant parcels that are likely to see development in the near future, specifically excluding the redevelopment of parcels with existing, viable land uses, even if at an intensity significantly lower than current zoning permits. Vacant parcels were identified as falling into one of two categories:

¹ This was done by linking the LA County Tax Assessor’s 2016 parcel database and associated parcel-level data with a parcel map and geospatial data from multiple other sources. Base data for the analysis was collected from a number public entities, specifically the Los Angeles County Assessor, the

Southern California Association of Governments, the City of Los Angeles, the City of Burbank, the City of Glendale, and the State of California Protected Areas Data Portal.

- *Vacant*, as identified by the LA County Assessor's database; and
- *Essentially vacant*, where the value of existing improvements is less than 10 percent of the parcel's total land plus improvement value. This is intended to identify parcels such as parking lots, where small structures may be present on the site.

Parcels identified through this analysis are shown in Figure 5.

HR&A then created a set of criteria to exclude parcels that are unlikely to accommodate new development. These criteria included the following:

- *Non-Development Zoning*, i.e. zoned for Open Space, Public Facilities, Submerged Land, or Agriculture;
- *Public Ownership*, i.e. publicly-owned;
- *Non-Development Use*, i.e. uses unlikely to be redeveloped such as cemeteries, churches, and right-of-ways;
- *Protected Areas*, i.e. State of California or non-profit holdings for open space purposes;

Parcels identified through this filtering analysis are shown in Figure 6.

HR&A, in collaboration with the LA Department of City Planning, determined the capacity of vacant parcels that are likely to accommodate new development by analyzing both the square footage and residential density permitted by current zoning. This analysis applied a set of high-level assumptions of floor area ratio (FAR), or the ratio of allowable development to lot size, based on City of LA, Glendale, Burbank and Vernon parcel-specific zoning designations and drew from geospatial parcel and zoning data provided by the Southern California Association of Governments ("SCAG") which identifies maximum permissible residential density on a parcel-by-parcel data.

REAL ESTATE ANALYSIS

HR&A estimated the growth in assessed value of existing property as well as the incremental value created by new development, analyzing data from a variety of publicly available and proprietary third-party sources.² Taking into account the varied real estate dynamics along the River within the City of LA, HR&A divided the corridor into the sub-geographies noted previously, illustrated in Figure 4, based on similarities in market characteristics and physical, jurisdictional, and psychological boundaries.

HR&A evaluated historic property appreciation rates as a way to project real estate value growth over a 30-year period. In so doing, HR&A analyzed the compound annual growth rate ("CAGR," a figure intended to represent annual growth) of commercial and residential transaction prices. As the past two decades have seen real estate value growth above and beyond historical averages, HR&A assumed a conservative four percent annual appreciation rate, inclusive of inflation, for both commercial and residential property values within the EIFD boundaries.

To determine turnover rates (i.e. the annual rate at which properties are bought and sold), which have a significant impact on assessed value growth due to Proposition 13, HR&A analyzed the proportion of residential units and commercial square footage sold in recent years, as compared to the total inventory of residential units and commercial square footage. This analysis found that turnover rates for both residential and commercial property were roughly five percent.

² HR&A relied on data retrieved from the United States Census American Community Survey, as well as from the CoStar Group and CoreLogic, respected third-party real estate databases.

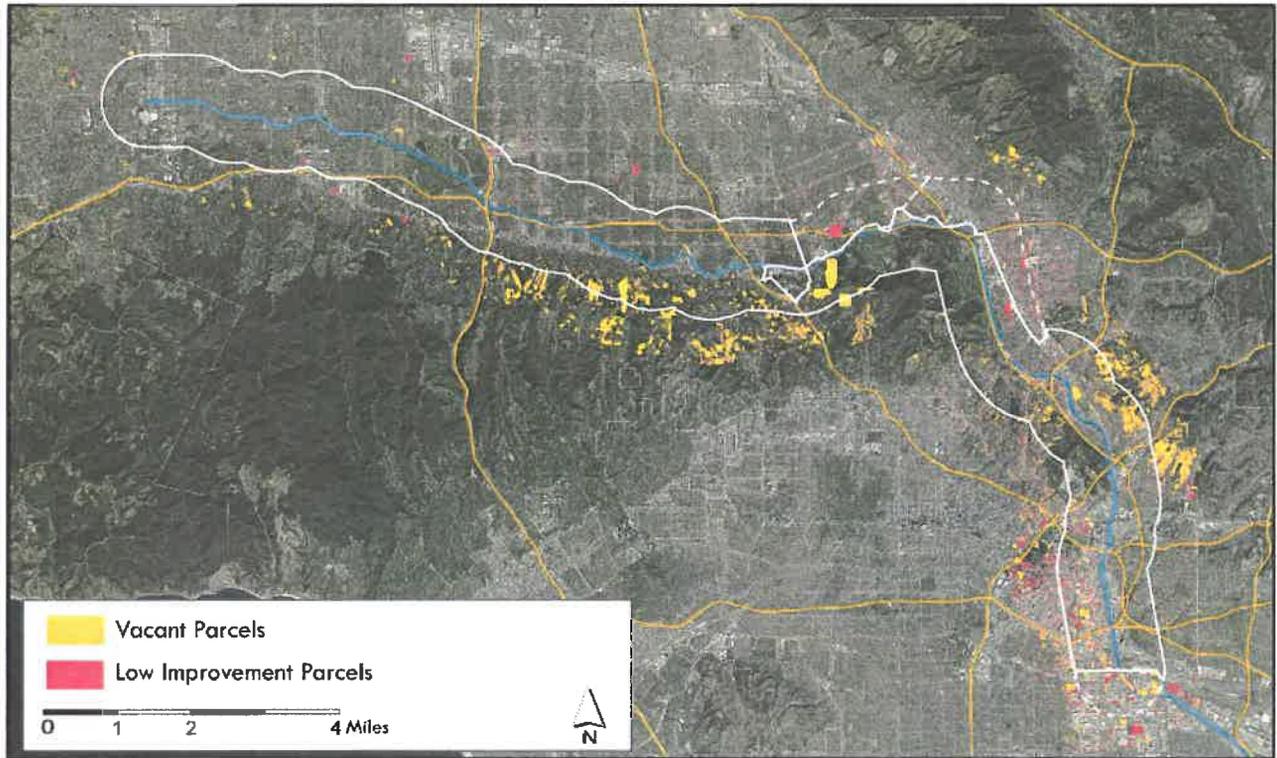


Figure 5: Vacant Parcels

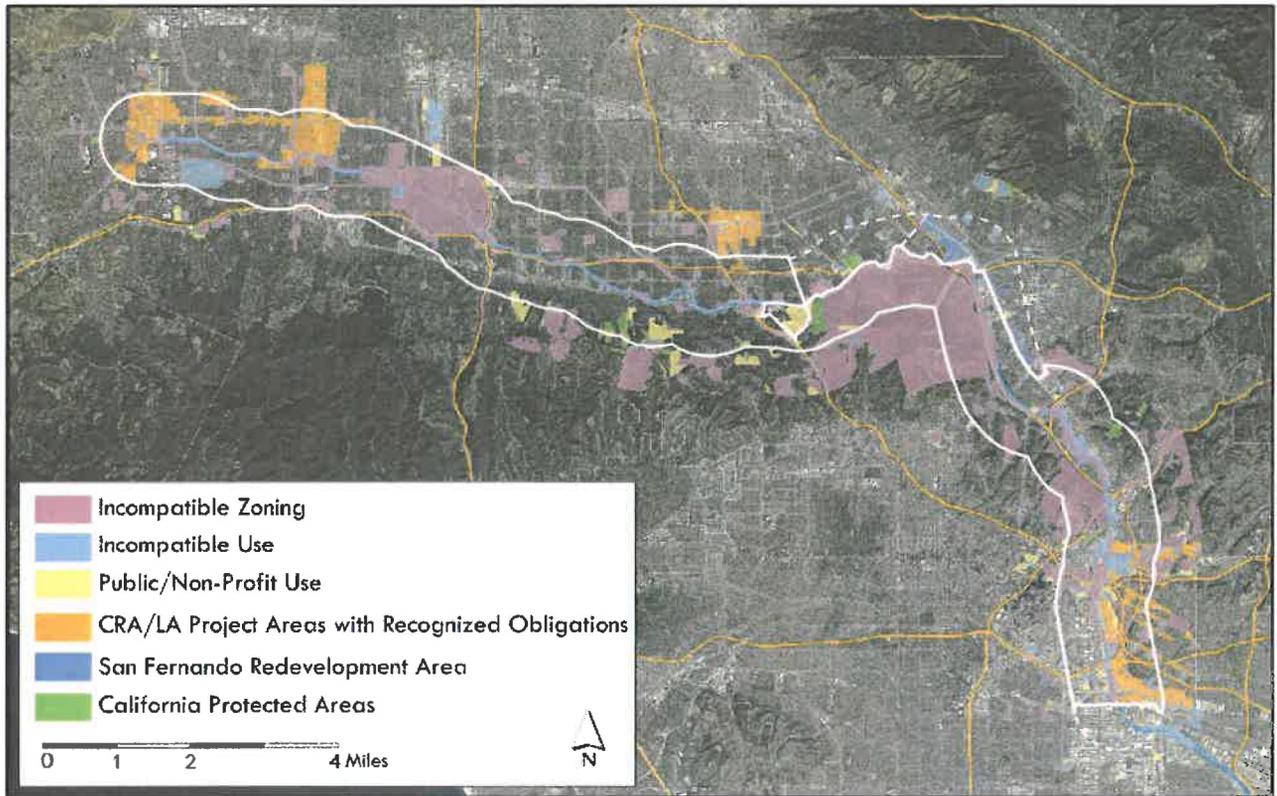


Figure 6: Excluded Parcels

The pace of new development is another important factor in analyzing potential tax-increment yield. HR&A determined the pace of new development using SCAG's Adopted 2012 Regional Transportation Plan ("RTP") Growth Forecast. The RTP forecast projects employment and household growth; employment growth was used as a proxy for commercial development, assuming an average of roughly 400 square feet of commercial space per office, retail and industrial employee; household growth was assumed to directly correlate with development of new residential units. For residential and commercial properties, HR&A assumed vacancy rates of five percent and 7.5 percent, respectively. Projected growth in most of the 13 sub-districts outpaced capacity for new development on vacant land; for modeling purposes HR&A conservatively assumed that annual development would occur in line with SCAG projections until vacant land was fully absorbed. HR&A did not analyze "underutilized" properties, which are currently developed at an intensity significantly lower than current zoning permits, and may be redeveloped, generating increased tax increment. Similarly, HR&A did not account for planned or potential zoning changes, which could increase development capacity and/or stimulate faster development.

Finally, HR&A examined real estate values (i.e. sale prices) for recently constructed properties, which were used as the basis for the value of new development, specifically analyzing transactions since January 1, 2013 for commercial and multifamily and single-family residential properties built since 2000.

BONDED REVENUE YIELD

In order to derive EIFD revenue yield, HR&A developed a detailed financial model that estimates incremental assessed value from both existing property and new development. This model incorporated the previously described assumptions to model annual assessed value growth above the "base" year, assumed to be 2017, from existing properties. Assessed value growth is generated by a maximum two percent annual increase on existing properties, as capped by Proposition 13, as well as growth captured when properties turn over and readjust to market values. HR&A assumed for the purposes of this analysis that readjustment to market value upon sale would equal roughly the difference between 20 years of

Proposition 13-capped growth (a five percent annual turnover) and 20 years of market growth.

HR&A assumed that incremental assessed value from new development would reflect the net difference between the value of vacant property and the value of newly developed commercial or residential property in the year of development. For both vacant property and new development, assessed value growth in any year other than the year that property was developed was assumed to grow and turn over per the assumptions described above for existing property.

To estimate EIFD bond revenue yield, HR&A consulted the office of the City's Chief Administrative Officer, which administers all City-issued debt, among other budgeting responsibilities. For the purposes of this analysis, EIFDs were assumed to issue bonds in the year of initiation, and bond revenue yield reflects the net present value (NPV) at a 5.5 percent discount rate of 30 years of tax increment. A 125 percent debt coverage ratio, as well as industry-standard capitalized interest reserve, delinquency reserve and issuance costs were deducted from revenue yield. In addition to bond revenue yield, HR&A evaluated the annual revenue potential through a "pay as you go" model, wherein incremental tax revenues are spent as collected, and not committed for bond repayment. For simplicity, HR&A's analysis uses a single NPV calculation to estimate the bonded value of each EIFD's 30-year cash flow.

RIVERWORKS TEAM FEEDBACK

HR&A developed and refined this methodology through a series of workshops with the City's Riverworks team, incorporating key feedback on potential EIFD geography, taxing entity increment contribution, and overall analytical framework.



STAKEHOLDER FEEDBACK

HR&A met with six groups of stakeholders, one-on-one, to gather input on the potential for one or more potential EIFDs along the River.

LA RIVER STAKEHOLDER MEETINGS

In addition to members of the LA Riverworks team, HR&A met with:

- **San Francisco Federal Reserve Bank:** Melody Head Winter, Regional Manager of Community Development Southern California;
- **Council for Watershed Health:** Pauline Louie, Urban Waters Los Angeles River Watershed Ambassador / Urban Waters Federal Ambassador;
- **River LA:** Omar Brownson, Executive Director;
- **Friends of the LA River:** William Preston Bowling, Special Projects Manager; Andrea White-Kjoss, Chief Operations Officer;
- **US Army Corp of Engineers:** Eugene Park, Assistant Civil Works Branch Chief;

- **Santa Monica Conservancy,** Joseph Edmiston, Executive Director; and Amy Lethbridge, Deputy Executive Officer.

During these meetings, HR&A reviewed the fundamentals of EIFDs and EIFD legislation, preliminary EIFD boundaries and preliminary revenue yield estimates for a 30-year bond on an EIFD bounded by a 1-mile radius of the River.

STAKEHOLDER INPUT

In the stakeholder meetings, HR&A described the methodology for developing EIFD revenue yield estimates and the importance of carefully defining the geography of a potential EIFD. Stakeholders felt it was important that the community understand that an EIFD does not generate new tax burdens for residents, but rather captures a portion of the growth in tax revenue and redirects those revenues to be spent within the defined geography. Stakeholders were cognizant of community concerns related to improvement of the River. They felt it was important to highlight that this analysis does not assume redevelopment of existing properties and, as a result, the revenues from the EIFD and improvement of the LA

River is not predicated on wholesale change of existing communities.

STAKEHOLDER COMMENTS ON DRAFT REVENUE YIELD

In considering potential geographies for the River, several stakeholders suggested making the geography as comprehensive as possible and were in general agreement that a 1-mile radius on either side of River in Los Angeles was a good starting point. They recognized a key issue: smaller EIFDs will have limited revenue capacity and may not be able to support the scale or scope of capital investments required in the district. This is also true for districts that have either limited current and future development capacity, such as Griffith Park, or modest assessed valuations, such as Lincoln Heights - Boyle Heights. Several stakeholders suggested that if smaller EIFD geographies were to be considered, splitting the 1-mile radius of the LA River into two north and south geographies at Griffith Park would be favorable.

Stakeholders felt it was important that the River-related EIFD(s) support affordable housing, which has been identified as both a City and County priority. Affordable housing is a potential use of the EIFD funds under current enabling legislation, but is not required.

Former California redevelopment agencies were required to set aside 20 percent of revenues for affordable housing, and, in a similar fashion, stakeholders suggested dedicating a portion of EIFD revenues specifically to an affordable housing fund.

An interest in quantifying the additional value premiums created by a range of River-related investments was also raised during the meetings. One stakeholder believed that improvement of the River could substantially increase property values near the River, and that this growth in value would support much of the revenue generated by an EIFD.

Finally, stakeholders pointed out that while EIFD revenues are a key potential source of funding with a significant revenue potential relative to other sources, other revenue sources will still need to be captured to support the full improvement of the River. River stakeholders are pursuing a variety of revenue sources, including County and State recreation and parks bond funds, water bond funds, and State Cap and Trade, as well as the federal funds provided for Alternative 20 by the USACE. The long term development of the River will require the cooperation and funding support from a range of jurisdictions and public and private entities.

RESULTS AND SENSITIVITIES

HR&A estimated EIFD revenue yield from tax increment for nine sub-districts around the River within the City of Los Angeles, as well as four additional sub-districts outside of the City, as previously illustrated Figure 4. These estimates are conservative in that they assume property value appreciation below historical averages, and assume only new development on vacant parcels. HR&A's estimates are intended for illustrative purposes only; EIFD revenue yield will depend on subsequent decisions about geographic boundaries, real estate market conditions within those boundaries as well as total tax increment contribution from participating taxing entities.

OVERALL CAPACITY

HR&A determined that the feasibility of an EIFD would likely require participation by both the City and County of Los Angeles, per discussions with the offices of the City of Los Angeles Chief Administrative Officer and Chief Legislative Analyst. Furthermore, it was determined that the City would be unlikely to contribute 100 percent of its property Tax Increment ("TI"). Accordingly, the following analysis assumes a contribution of 75 percent of property tax increment from the City and County of Los Angeles General

Funds, as well as the County of Los Angeles Flood Control District.

As shown in Figure 7, the revenue yield of a 30-year bond backed by property tax increment generated within one mile of the River within the City, including 75 percent of the City and County's share of tax increment, could total as much as \$1.9 billion (in 2016 dollars). If only the City of LA were to contribute tax increment, revenue yield would amount to roughly half of this total. If the neighboring cities of Burbank, Glendale and Vernon were to participate in an EIFD, and if the County were to contribute tax increment from within the unincorporated area of Universal City, 30-year bond revenue yield could reach as much as \$2.3 billion.

An EIFD is not required to issue bonds to capture and spend tax increment revenue; assuming EIFD formation in 2017, annual revenue could reach roughly \$48 million within the City of LA by the 5th year or as much as \$58 million (in 2016 dollars, adjusted for inflation) were other jurisdictions to participate. These figures could grow to as much as \$92 million and \$111 million, respectively, by the 10th year (again in 2016 dollars).

Figure 7: Projected City & County of LA (75% of TI) Property Tax Revenue Yield (\$M, 2016 \$)

SUB-AREA	30-YEAR BOND	YEAR 5 TI (2016 \$)	YEAR 10 TI (2016 \$)
Warner Center	\$170	\$5	\$8
Reseda-Tarzana-Encino	\$225	\$6	\$11
Sherman Oaks	\$505	\$12	\$24
North Hollywood	\$295	\$7	\$13
Griffith Park	\$10	\$0	\$0
Northeast LA	\$155	\$3	\$7
Los Feliz-Silver Lake-Echo Park	\$150	\$3	\$7
Lincoln Heights-Boyle Heights	\$60	\$2	\$3
Chinatown-Arts District	\$325	\$10	\$18
Subtotal 1-Mile City of LA/County	\$1,895	\$48	\$92
Universal City	\$15	\$0	\$1
Burbank	\$205	\$5	\$10
Glendale	\$150	\$4	\$7
Vernon	\$45	\$1	\$2
Total 1-Mile Cities/County	\$2,310	\$58	\$111

Source: HR&A Advisors, Inc.

Because of the significant base of assessed value in built-out areas with high base assessed values, the Reseda-Tarzana-Encino, Sherman Oaks, and North Hollywood sub-districts could generate a significant amount of property tax increment. As shown in Figure 8, property tax increment from new development amounts to only between eight and 12 percent in these sub-districts. This is in sharp contrast to how tax increment financing is typically used and how Redevelopment was applied, wherein tax increment was assumed to be generated above a relatively low base of assessed value due to infrastructure investments intended to stimulate new development. In areas like Chinatown and the Arts District, as well as Warner Center, a significantly greater share of property tax increment is likely to be generated by new development.

As noted previously, HR&A's analysis is conservative in nature because new development is assumed to occur only on vacant parcels. As the redevelopment of underutilized parcels was not estimated, there is potential for a greater amount of revenue yield in areas where large-scale development is occurring or is expected to occur due to planned or proposed zoning changes. These areas include Warner Center, North Hollywood, Boyle Heights, Chinatown and the Arts District.

“Recognized obligations” (i.e. outstanding debt repayments or other financial obligations after the dissolution of CRA/LA) within former CRA/LA project areas, notably the Reseda Project Area (which overlaps the Warner Center and Reseda-Tarzana-Encino sub-districts) and the Adelante-Eastside Project Area (which is within the Lincoln Heights-Boyle Heights sub-district) may limit the capture of tax increment for an EIFD until these obligations are fully funded. For the purposes of this analysis, it is assumed that property tax increment within former CRA/LA project areas, as well as the City of Glendale San Fernando Corridor Project Area, could not be captured by an EIFD, although obligations may not require 100 percent of tax increment or may expire at some point after an EIFD is formed.

Each sub-geography included in Figure 8 varies in size; as such, larger sub-districts including Reseda-Tarzana-Encino and Sherman Oaks generate significantly higher revenue yield than smaller sub-districts like Northeast LA and Los Feliz-Silverlake-Echo Park, which nevertheless have relatively high revenue yield per square mile of area. It should be noted that the Griffith Park sub-district, which includes primarily public land which does not generate property tax, generates a very low amount of revenue yield. These considerations may be relevant in defining EIFD boundaries.

Figure 8: Projected Cities and County of LA (75% of TI) Revenue Yield by Source



Source: HR&A Advisors, Inc.

As issuing bonds backed by EIFD revenue requires the approval of 55% of voters within EIFD boundaries, it may be politically or practically preferable to spend tax increment as it is generated under a “pay as you go” model. Figure 9 illustrates the growth in annual revenue yield. In present, inflation-adjusted terms, **annual revenue yield from just the City and County of Los Angeles could grow from roughly \$50 million in the 5th year after formation to as much as \$250 million by the 30th year.** Were neighboring jurisdictions to contribute their tax increment, these figures could amount to roughly \$60 million and \$305 million, respectively.

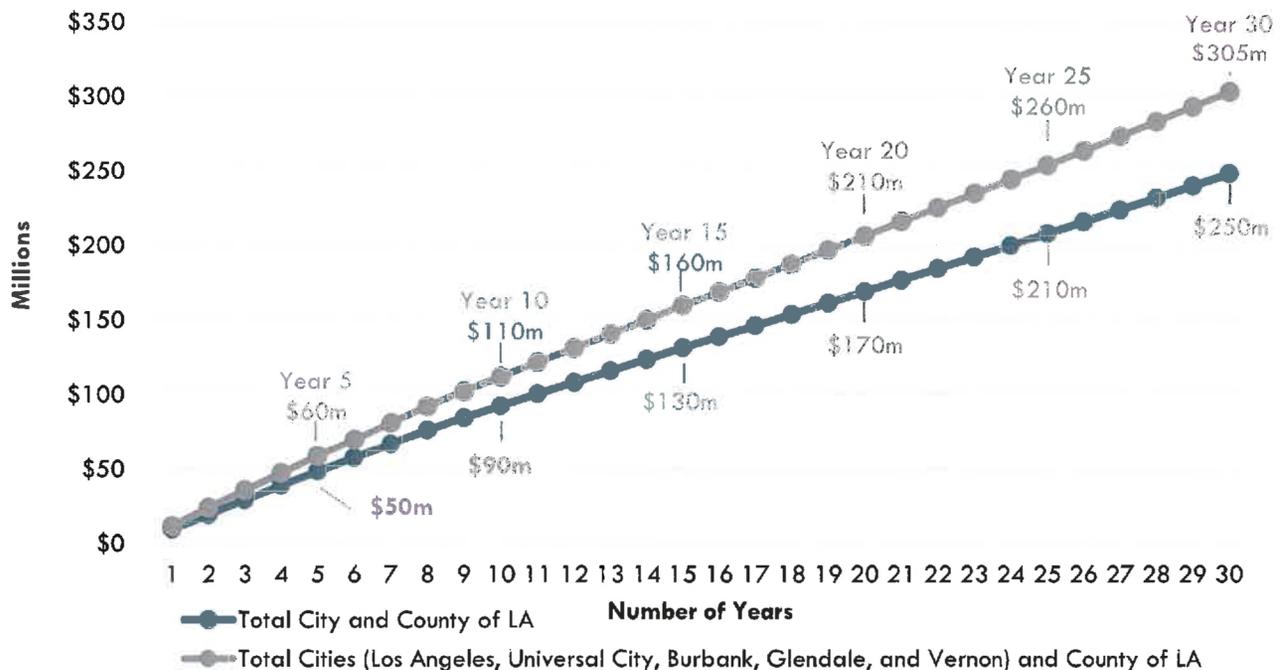
Because of HR&A’s conservative approach to estimating tax increment growth, annual revenue yield grows faster in early years and then slows as vacant land is fully developed. In reality, growth is likely to speed up and slow in parallel with real estate market cycles. Overall, HR&A’s analysis results in an estimated assessed value growth of roughly four percent annually. HR&A analyzed the CAGR of assessed value for the entire City of Los Angeles between 1990 to 2015, finding that annual growth averaged roughly

4.5 percent. Although historical data is not available for smaller geographies, it is likely that assessed value growth has been greater along the River, accounting for rapid development in Downtown LA, as well as rapid real estate value appreciation in areas like Silverlake, Echo Park, Northeast LA and Boyle Heights.

KEY SENSITIVITIES

To support decision-making and to illustrate the potential effect of changes in real estate market conditions, HR&A analyzed several key analysis variables to which the overall result is particularly sensitive. These include geography, tax increment contribution by participating taxing entities and real estate value appreciation.

Figure 9: Projected Cities and County of LA (75% of TI) Annual Property Tax Yield (2016 \$)



Source: HR&A Advisors, Inc.

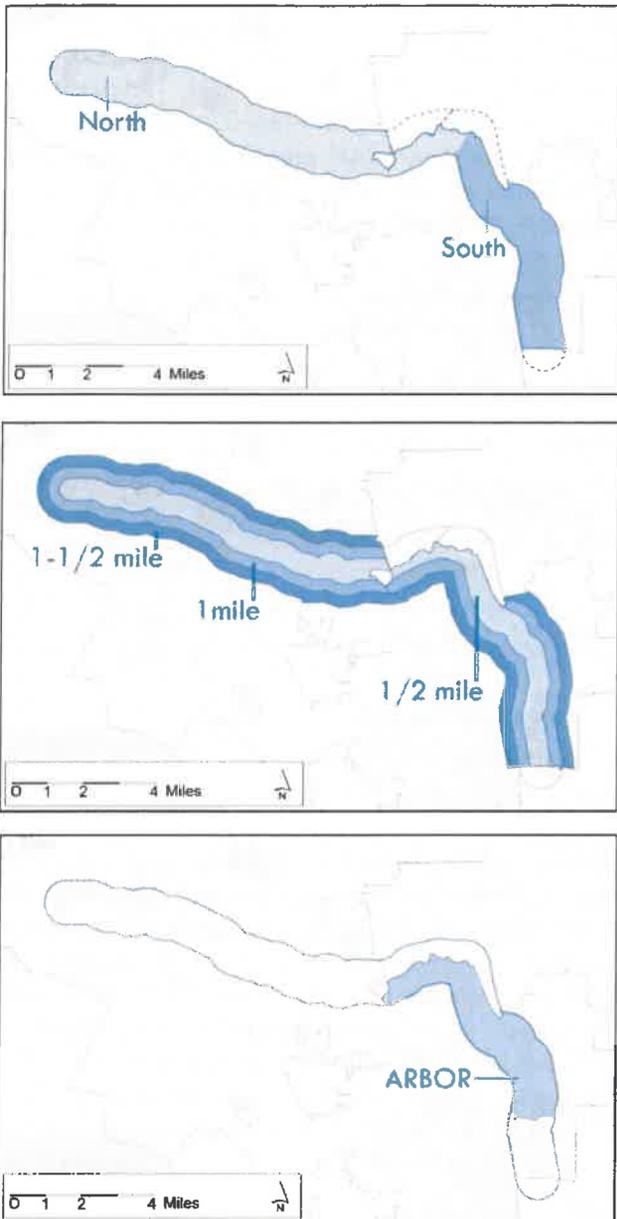


Figure 10: Additional EIFD Boundaries

GEOGRAPHY

Revenue yield varies significantly based on geography, as shown in Figure 11. The following sub-geographies geographies, including a pair of North-South geographies; a 1/2-, 1- and 1 1/2- mile radius around the River; and a boundary paralleling the ARBOR study area, illustrated in Figure 10 were developed in consultation with the Riverworks team. Revenue yield is highest in the northern section of the 1-mile radius, amounting to over 60 percent of overall

yield. A larger, 1-1/2 mile radius around the River within the City of LA could generate as much as \$3.4 billion, while a smaller area as a 1-mile buffer aligned with the ARBOR study area only would generate \$460 million.

Figure 11: Projected City and County of LA (75% of TI) Property Tax Revenue Yield by Area (\$M)

SUB-AREA	30-YEAR BOND (2016 \$)
City of LA 1-Mile North	\$1,190
City of LA 1-Mile South	\$705
Total City of LA 1-Mile	\$1,895
City of LA 1/2 Mile	\$870
City of LA 1 Mile	\$1,895
City of LA 1-1/2 Mile	\$3,415
SUB-AREA	30-YEAR BOND
ARBOR Study Area (City of LA)	\$460

Source: HR&A Advisors, Inc.

SHARE OF TAX INCREMENT

EIFD revenue yield is also highly sensitive to tax increment contribution from participating taxing entities. As shown in Figure 12, the relationship between revenue yield and taxing entity participation is roughly linear; were the City and County of LA to contribute 100 percent of their General Fund tax increment revenue, EIFD yield could reach as much as \$2.5 billion, 30 percent higher than the \$1.9 billion baseline estimate.

Figure 12: Projected City and County of LA 1-Mile Property Tax Revenue Yield by Tax Increment Contribution (\$M)

CITY AND COUNTY OF LA (GEN. FUND + FLOOD CONTROL DISTRICT)	30-YEAR BOND (2016 \$)
75% of Tax Increment	\$1,895
85% of Tax Increment	\$2,135
100% of Tax Increment	\$2,500

Source: HR&A Advisors, Inc.

As shown in Figure 13, if the neighboring cities of Burbank, Glendale and Vernon were to also participate in an EIFD, and if the County were to contribute tax increment from within unincorporated Universal City, revenue yield could reach as much as \$3.0 billion if each taxing entity were to contribute 100 percent of their tax increment.

Figure 13: Projected Cities of LA, Burbank, Glendale, Vernon and County of LA 1-Mile Property Tax Revenue Yield by Tax Increment Contribution (\$M)

ALL CITIES, COUNTY OF LA (GEN. FUND + FLOOD)	30-YEAR BOND (2016 \$)
75% of Tax Increment	\$2,310
85% of Tax Increment	\$2,600
100% of Tax Increment	\$3,045

Source: HR&A Advisors, Inc.

REAL ESTATE VALUE APPRECIATION

Because a significant amount of EIFD revenue yield is expected to be generated by the growth in assessed value of existing properties, **revenue yield is highly sensitive to real estate value appreciation.** As shown in Figure 14, if real estate value growth were to shrink to three percent, rather than this historic average of four percent assumed in the base case analysis, or roughly one percent above inflation, revenue yield from an EIFD within one mile of the River within the City of LA could drop to roughly \$1.4 billion.

Figure 14: Projected City and County of LA 1-Mile Property Tax Revenue Yield by Real Estate Value Growth (75% of TI)

REAL ESTATE VALUE GROWTH (REAL + INFLATION)	30-YEAR BOND (2016 \$)
3.0%	\$1,380
3.5%	\$1,615
4.0%	\$1,895

Source: HR&A Advisors, Inc.

However, as new development accounts for a relatively small share of overall revenue yield, and because this analysis does not account for redevelopment, **were development to occur at a slower pace than SCAG projections, revenue yield would be expected to only shrink slightly.** As shown in Figure 15, if development were to occur at half of the pace of SCAG projections assumed in the base case analysis, EIFD revenue yield would drop by less than \$150 million to roughly \$1.75 billion.

Figure 15: Projected City and County of LA (75% of TI) 1-Mile Property Tax Revenue Yield by Development Pace (\$M)

DEVELOPMENT PACE (% OF SCAG PROJECTION)	30-YEAR BOND (2016 \$)
50%	\$1,760
75%	\$1,835
100%	\$1,895

Source: HR&A Advisors, Inc.

Major infrastructure projects often stimulate both an increased pace of development or redevelopment, as well as growth in property values above and beyond those in similar areas. This additional property value growth, known as a “premium” has been demonstrated near major parks and open space projects.³ Anecdotal evidence suggests that areas near the River have already experienced value growth associated with proposed River revitalization. However, because Proposition 13 caps assessed value growth on existing properties to two percent annually, any River-related premium will have minimal impact on revenue yield as the premium will only be realized over time as properties turn over.

³ There is significant precedent for value premiums for property near parks; a Texas A&M study found that premiums for park-adjacent properties could reach 20%. An HR&A study found

that existing property near New York City's High Line demonstrated a 5% premium over comparable neighborhoods.

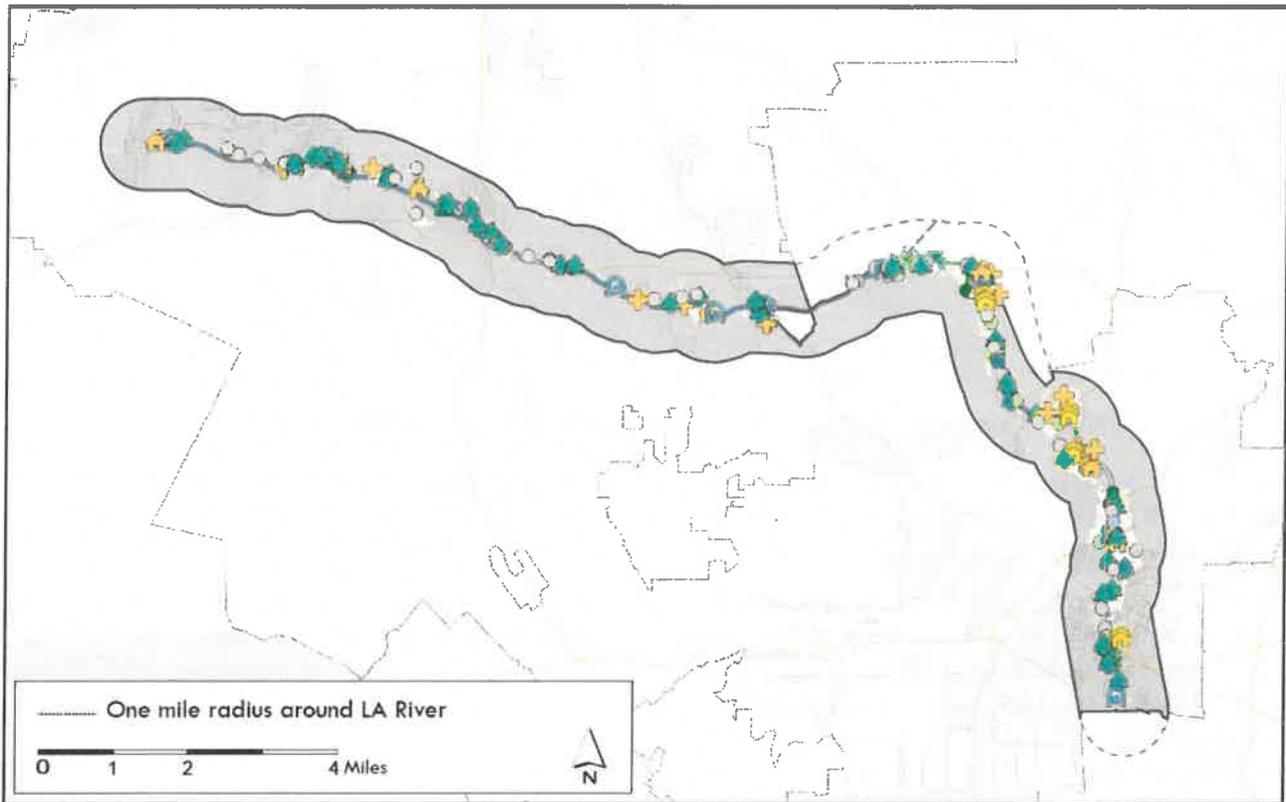


Figure 16: LA River Revitalization Master Plan Projects
 Source: City of Los Angeles; HR&A Advisors, Inc.

As shown in Figure 17, a 5 percent value premium on properties within one half mile of the River within the City of LA could generate \$75 million in additional EIFD revenue yield. It should be noted that this sensitivity analysis does not test an increased pace of turnover, which could significantly increase the effect of a River-related premium.

Figure 17: Projected City and County of LA (75% of TI) 1-Mile Property Tax Revenue Yield by River Adjacency Premium (\$M)

½-MILE RIVER PREMIUM	30-YEAR BOND (2016 \$)	NET 30-YEAR BOND YIELD (2016 \$)
0.0%	\$1,895	\$0
1.0%	\$1,910	\$15
2.5%	\$1,935	\$40
5.0%	\$1,970	\$75

Source: HR&A Advisors, Inc.

FUNDING CAPACITY AND PROJECT COST

HR&A's analysis determined that were the City and County of LA to contribute 75 percent of their tax increment to an EIFD, revenue yield could reach \$1.9 billion. EIFDs, unlike redevelopment, do not have a required set-aside for affordable housing. However, discussions with stakeholders, as previously discussed, suggest that an EIFD would be significantly more palatable were it to guarantee funding for affordable housing, which is explicitly designated as an allowable capital investment in EIFD enabling legislation. As such, HR&A has included a 20 percent set-aside for affordable housing, which amounts to roughly \$380 million. Accounting for this and the City's responsibility for Alternative 20's "local match," just over half a billion dollars of revenue yield revenue yield is left over to fund LARRMP or other projects.

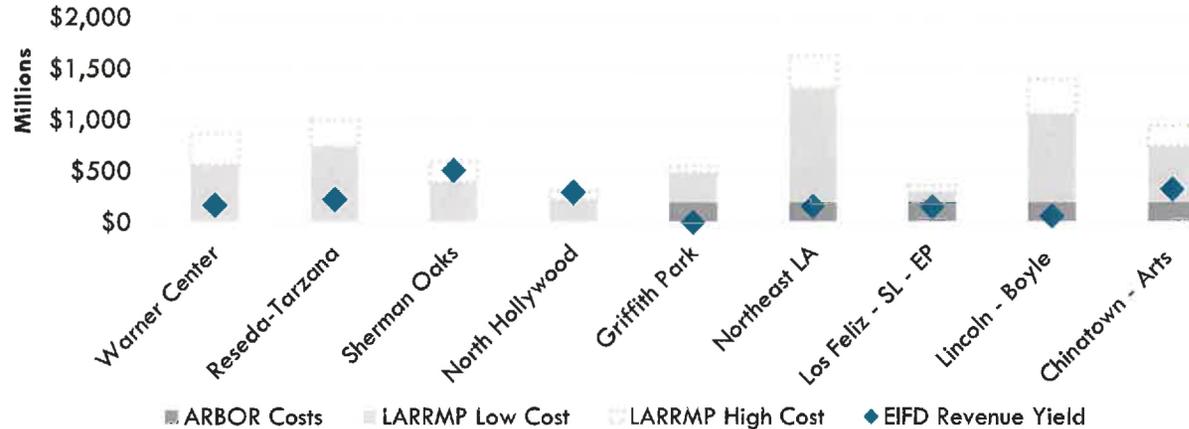


Figure 18: Projected City and County of LA (75% of TI) Revenue Yield & LARRMP & ARBOR Project Cost (2016 \$M)

Source: Los Angeles River Revitalization Master Plan; City of Los Angeles; HR&A Advisors, Inc.

As shown in Figure 16, projects proposed in the LA River Revitalization Master Plan are distributed along the length of the River as it flows through the City of LA. However, EIFD revenue yield is highly varied along the length of the river. As shown in Figure 18, **only a small number of sub-areas could generate enough revenue yield to support proposed LARRMP improvements within their respective subareas**, notably North Hollywood and Sherman Oaks. This consideration may affect the boundary of a River-related EIFD, which will need to reflect an alignment between revenue yield and expected project costs. Certain sub-areas like Reseda-Tarzana-Encino, Northeast LA and Lincoln Heights-Boyle Heights do not generate nearly enough revenue yield to support LARRMP improvements.

As shown in Figure 19, Alternative 20 costs are concentrated in the southern section of the River, between Griffith Park and Downtown. EIFD revenue yield within one mile of the northern section of the River in the San Fernando Valley could generate over a third of funding needed for proposed LARRMP improvements. However, revenue yield within one mile of the southern section of the LA River amounts to less than one-quarter of LARRMP costs, and would be insufficient to fully cover the \$980 million currently estimated to be the City’s Alternative 20 local match, but could cover approximately half of the City’s Alternative 20 costs. As such, it is clear that **while an EIFD could be a substantial and important funding source for River revitalization, it will be only one component of a broader funding strategy.**

Figure 19: Projected City and County of LA (75% of TI) Revenue Yield & LARRMP & ARBOR Project Cost (2016 \$M)

	FULL LENGTH	NORTH SUB-AREA	SOUTH SUB-AREA
30-Year Bond Revenue Yield (City/County of LA, 75% of TI)	\$1,895	\$1,190	\$705
Less: 20% Affordable Housing Set-Aside	\$380	\$240	\$140
Less: Alternative 20 Local Match	\$980	\$0	\$980
Revenue Yield Remaining after Alternative 20	\$535	\$950	(\$415)
LARRMP Cost*	\$5,780	\$2,495	\$3,240
Funding Gap	(\$5,245)	(\$1,545)	(\$3,655)

*Average of high and low estimates

Source: Los Angeles River Revitalization Master Plan; City of Los Angeles; HR&A Advisors, Inc.



OBSERVATIONS AND NEXT STEPS

With participation by the County, an EIFD could be a large revenue source for funding River-related projects identified in the LARRMP and Alternative 20, although it would not be enough to fund all of the projects set forth in those plans, as discussed previously. Key challenges and benefits of a River-related EIFD and success factors critical for implementation are summarized below.

EIFD CHALLENGES AND BENEFITS

It is important to note that **EIFD revenues are not “new money.”** Tax increment revenues captured by an EIFD are future property tax dollars that would have otherwise been collected by taxing entities to fund services. On the other hand, there is no additional cost to property owners and taxpayers.

Still, **any property tax revenues (a major source of general fund revenue) that is diverted by an EIFD could contribute to a citywide budget shortfall if and when the cost of City services grows.** As such, in order for taxing entities to forfeit this revenue, a clear and compelling case must be made for the catalytic potential of projects that could only be executed with

EIFD funding. Furthermore, it is important to consider that if any individual city choosing to act alone had sufficient resources, it could choose to use its general fund revenues to fund proposed capital improvements without forming an EIFD.

However, if multiple jurisdictions, notably the County of LA, choose to participate in a River-related EIFD, **the City may be able to leverage its tax increment potential to generate a significantly larger amount of capital funding than would be possible by itself.** EIFD funding could also be catalytic, demonstrating commitment and helping to secure funding from other public and private sources.

Furthermore, a key advantage of an EIFD is that **bonds backed by incremental future property tax revenues would not be counted against the City of LA's maximum debt cap.** Although rating agencies would consider the associated reduction of property tax revenue when evaluating the City's credit-worthiness, financial exposure and risk may be minimized as an EIFD's PFA is ultimately the responsible entity for repaying debts.

A River-related EIFD would be notably different than traditional TIF projects or former redevelopment projects, in that it would encompass areas with high existing assessed values. As such, investments are unlikely to significantly increase assessed values as they might in a smaller, underdeveloped or blighted area. Nevertheless, it is possible that **a value premium will be generated by River-related investments for nearby properties**. HR&A's research shows that parks and open space improvements often serve as a positive externality, catalyzing development and increasing rents and sale prices for nearby properties.

As the River and surrounding areas are progressively enhanced, it is possible that redevelopment will occur more quickly and that assessed values will increase higher than they would without River improvements due to real estate appreciation and faster turnover, which would increase revenue yield. Considering this, an **EIFD should include a portion of funds set aside specifically for housing to help mitigate pressure of neighborhood affordability**. Additionally, any EIFD strategy should carefully consider the impacts of potential improvements on existing residents and plan to mitigate these impacts where possible.

An EIFD could be packaged with other community revitalization initiatives to maximize community benefits. In this light and at the request of EWDD, HR&A explored potential overlap of a River EIFD with the city's two existing Promise Zones in Central and South Los Angeles, which are part of a federal initiative launched by President Barack Obama in 2013 to designate a number of high-poverty areas throughout the country for targeted community economic development helping to spur private investment, job creation, improve public safety, and expand educational opportunities. As shown in Figure 20, the South Los Angeles Promise Zone's boundaries lie just outside of the LA River's one-mile radius; however, the State enabling legislation permits EIFD revenues to be spent on capital improvement projects located outside of the EIFD's boundaries provided appropriate "public benefit" findings can be made. That said, doing so would imply additional costs in excess of the sum of Alternative 20 and LARRMP capital projects.



Source: HR&A Advisors, Inc.

Figure 20: LA River One-Mile Radius and LA Promise Zones

KEY SUCCESS FACTORS

As noted above, a critical success factor in forming a River-related EIFD is the involvement of the County, because it would likely be financially critical and politically advantageous. HR&A's analysis finds that a **River-related EIFD would yield roughly half of the \$1.9 billion from a 30-year bond described previously without participation of the County** (depending on the number of participating taxing entities and the share of tax increment contributed). Furthermore, collaborating with the County could help foster a comprehensive vision for all 51 miles of the River, which could encourage a broader partnership among all cities involved, reducing barriers to implementation and allowing further revenue generation.

EIFD revenue yield is highly sensitive to both the size and location of the EIFD boundaries. As noted previously, areas around the northern portion of the River are likely yield more revenue than those in the southern portion, although costs are greater in the southern portion. Naturally, the further the EIFD geography would extend from the River, the larger the assessed value base and potential to capture tax increment. However, **EIFD boundaries will need to be carefully defined to align planned projects and investments with community needs and desires, helping to ensure voter support for issuing bonds**. The former of these considerations may suggest a larger boundary, encompassing City Council and County Supervisorial Districts, although the latter may suggest

a smaller boundary encompassing areas that will directly benefit from River-related improvements.

Furthermore, an EIFD that encompasses multiple jurisdictions, while permitting greater revenue yield, may complicate the development and administration of a financing plan, as each taxing entity will have representation on the PFA. Participating taxing entities should have a shared vision for the LA River, and relative revenue yield contribution should be considered in outreach to additional jurisdictions and taxing entities.

An comprehensive LA River funding plan will need to include additional revenue sources. HR&A's analysis finds that even the highest revenue-yielding EIFD scenario with 100% participation of the City and County of LA and Cities of Burbank, Glendale and Vernon, would not have enough yield to fully fund proposed LA River infrastructure and revitalization projects and an affordable housing set aside. Furthermore, a sustainable financing plan will need to be developed, as EIFD revenues cannot be used for ongoing maintenance, operations or repairs with a lifespan of less than 15 years. Based on parks and open space projects elsewhere, albeit of smaller scales, potential sources may include:

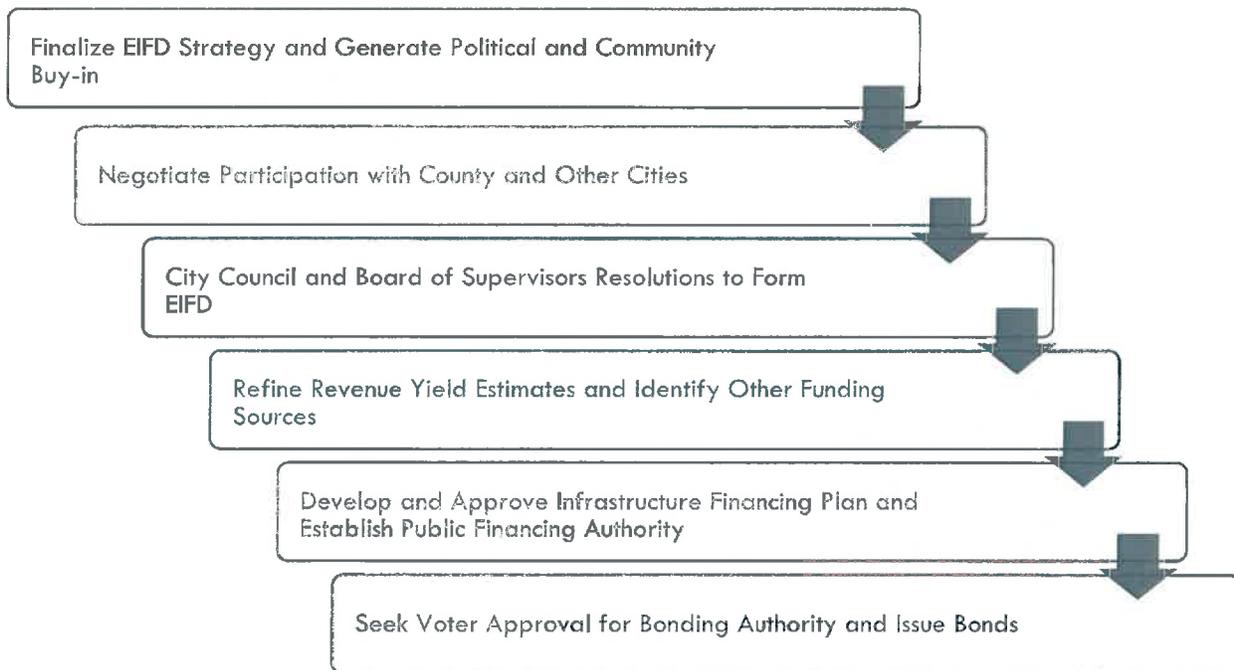
- Earned income (i.e. parking revenue, park programming, and vending and event licenses)
- Naming rights
- Philanthropy
- Assessment district(s)
- Real estate disposition
- Local, State, and Federal funds

Generally speaking, the City should consider the potential for an EIFD in conjunction with a new governance entity to manage and deliver large projects. An EIFD's effectiveness may be limited without a capable partner which can pursue additional financing sources, generate community consensus and effectively prioritize and execute projects. A dedicated entity not unlike the former CRA/LA, adequately staffed with planning, development, and implementation expertise, would be better able to effectively manage large, strategic City-wide projects from visioning, fundraising, land acquisition, and development to ongoing operation to deliver projects in a timely and cost-effective manner.

NEXT STEPS

Implementing an EIFD will require identifying a champion within the City who can rally both political

Figure 21: EIFD Implementation Steps



and community support. Part of this will include effectively communicating the potential economic and social value of River investments, and prioritizing investments that generate the greatest impact. There are also a number of additional analytical tasks, including a thorough review of other potential revenue sources and prioritization of infrastructure projects to align with yield.

Once an EIFD strategy is developed, the City will need to negotiate participation with the County of LA and

optionally, other taxing entities. As illustrated in Figure 21, participating jurisdictions will then need to pass resolutions to form an EIFD, followed by the development of an infrastructure financing plan, including identifying additional revenue sources, and establishment of a public financing authority, which will initiate the accrual of property tax increment. An EIFD would be able to spend property tax generated on a pay-as-you go basis, or could seek voter approval to issue bonds to pay for larger capital investments.

IMAGE CREDITS

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The City of Los Angeles

The Los Angeles River Revitalization Master Plan

Wikimedia

APPENDIX A: SUMMARIES OF EIFD REVENUE MODELS

Warner Center

Assumptions												
	Existing Assessed Value				New Development Projections							
	Residential		Commercial		Household Growth (DUs)	Annual Absorption	Sub-Area Capacity	Value per Unit				
	Occupied	Vacant	Occupied	Vacant					Commercial Space (SF)			
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
	\$ 3,516,046,299	\$ 48,762,479	\$ 1,095,708,144	\$ 8,268,002			346	1,550	\$ 357,353			
							243,027	549,403	\$ 169			
New Development Projections												
Household Growth (DUs)	0	346	346	346	346	346	0	0	0	0	0	
Commercial Space (SF)	0	243,027	243,027	243,027	0	0	0	0	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 1.3 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 3,656,688,151	\$ 3,802,955,677	\$ 3,955,073,904	\$ 4,113,276,860	\$ 4,277,807,935	\$ 4,448,920,252	\$ 5,412,791,737	\$ 6,585,488,777	\$ 8,012,254,034	\$ 9,748,132,126	\$ 11,860,093,244	
Less: Redeveloped Property		\$ (10,548,299)	\$ (10,970,231)	\$ (11,409,041)	\$ (11,865,402)	\$ (12,340,018)	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 128,707,266	\$ 265,265,675	\$ 410,177,368	\$ 563,974,240	\$ 727,219,927	\$ 822,637,854	\$ 953,501,595	\$ 1,132,315,477	\$ 1,372,307,664	\$ 1,669,622,103	
Total Value	\$ 3,656,688,151	\$ 3,921,114,643	\$ 4,209,369,347	\$ 4,512,045,188	\$ 4,829,916,772	\$ 5,163,800,160	\$ 6,235,429,591	\$ 7,538,990,372	\$ 9,144,569,511	\$ 11,120,439,790	\$ 13,529,715,346	
Tax Increment	\$ -	\$ 1,030,272	\$ 2,153,384	\$ 3,332,685	\$ 4,571,192	\$ 5,872,085	\$ 10,047,421	\$ 15,126,420	\$ 21,382,158	\$ 29,080,642	\$ 38,467,782	
Commercial Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 1,139,536,470	\$ 1,185,117,929	\$ 1,232,522,646	\$ 1,281,823,552	\$ 1,333,096,494	\$ 1,386,420,353	\$ 1,686,792,347	\$ 2,052,240,805	\$ 2,496,864,731	\$ 3,037,817,722	\$ 3,695,969,749	
Less: Redeveloped Property		\$ (2,980,890)	\$ (3,100,126)	\$ (3,224,131)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 41,071,567.57	\$ 86,357,077.97	\$ 134,412,414.78	\$ 137,366,050.40	\$ 140,321,908.90	\$ 159,741,404.80	\$ 186,053,159.82	\$ 222,009,380.22	\$ 269,755,566.60	\$ 328,198,893.04	
Total Value	\$ 1,139,536,470	\$ 1,223,208,606	\$ 1,315,779,598	\$ 1,413,011,835	\$ 1,470,462,544	\$ 1,526,942,262	\$ 1,846,533,752	\$ 2,238,293,964	\$ 2,718,874,111	\$ 3,307,573,289	\$ 4,024,168,642	
Tax Increment		\$ 326,008	\$ 686,687	\$ 1,065,528	\$ 1,289,371	\$ 1,509,430	\$ 2,754,638	\$ 4,281,034	\$ 6,153,494	\$ 8,447,213	\$ 11,239,248	
Bond Capacity	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Subtotal Tax Increment	\$ -	\$ 1,356,279	\$ 2,840,071	\$ 4,398,213	\$ 5,860,563	\$ 7,381,515	\$ 12,802,059	\$ 19,407,454	\$ 27,535,652	\$ 37,527,856	\$ 49,707,030	
Less: Debt Coverage Ratio	125%	\$ (271,256)	\$ (568,014)	\$ (879,643)	\$ (1,172,113)	\$ (1,476,303)	\$ (2,560,412)	\$ (3,881,491)	\$ (5,507,130)	\$ (7,505,571)	\$ (9,941,406)	
Bondable Tax Increment	\$ -	\$ 1,085,023	\$ 2,272,057	\$ 3,518,571	\$ 4,688,450	\$ 5,905,212	\$ 10,241,648	\$ 15,525,963	\$ 22,028,522	\$ 30,022,285	\$ 39,765,624	
Net Present Value	5.5%	\$ 197,934,731										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (9,305,769)										
Less: Reserve for Future Delinquencies	10.0%	\$ (19,793,473)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$ 168,335,488										

Reseda-Tarzana-Encino

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Household Growth (DUs)	Annual Absorption	Sub-Area Capacity	Value per Unit			
	Occupied	Vacant	Occupied	Vacant					Commercial Space (SF)		
	\$ 6,481,107,371	\$ 39,160,231	\$ 981,337,199	\$ 3,276,151	206	60,108	809	\$ 357,353			
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	206	206	206	206	0	0	0	0	0	0
Commercial Space (SF)	0	60,108	0	0	0	0	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 6,740,351,666	\$ 7,009,965,732	\$ 7,290,364,362	\$ 7,581,978,936	\$ 7,885,258,094	\$ 8,200,668,417	\$ 9,977,367,032	\$ 12,138,992,557	\$ 14,768,940,527	\$ 17,968,674,358	\$ 21,861,639,809
Less: Redeveloped Property	\$ -	\$ (10,588,926)	\$ (11,012,484)	\$ (11,452,983)	\$ (11,911,102)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 76,676,669	\$ 158,030,615	\$ 244,360,995	\$ 335,784,653	\$ 343,536,546	\$ 389,581,562	\$ 452,668,963	\$ 538,872,500	\$ 654,035,993	\$ 795,734,789
Total Value	\$ 6,740,351,666	\$ 7,076,053,475	\$ 7,437,382,493	\$ 7,814,886,939	\$ 8,209,331,645	\$ 8,544,204,963	\$ 10,366,948,593	\$ 12,591,661,520	\$ 15,307,813,027	\$ 18,622,710,351	\$ 22,657,374,599
Tax Increment	\$ -	\$ 1,307,978	\$ 2,715,806	\$ 4,186,658	\$ 5,723,513	\$ 7,028,263	\$ 14,130,128	\$ 22,798,166	\$ 33,380,971	\$ 46,296,640	\$ 62,016,701
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 1,020,590,687	\$ 1,061,414,314	\$ 1,103,870,887	\$ 1,148,025,722	\$ 1,193,946,751	\$ 1,241,704,621	\$ 1,510,723,532	\$ 1,838,026,169	\$ 2,236,239,874	\$ 2,720,727,739	\$ 3,310,181,293
Less: Redeveloped Property	\$ -	\$ (3,543,485)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 17,972,324.32	\$ 18,349,743.14	\$ 18,753,477.12	\$ 19,184,725.95	\$ 19,645,101.62	\$ 22,443,281.48	\$ 26,269,330.20	\$ 31,500,392.91	\$ 38,325,044.46	\$ 46,628,276.57
Total Value	\$ 1,020,590,687	\$ 1,075,843,154	\$ 1,122,220,630	\$ 1,166,779,150	\$ 1,213,131,477	\$ 1,261,349,723	\$ 1,533,166,813	\$ 1,864,295,500	\$ 2,267,740,267	\$ 2,759,052,777	\$ 3,356,809,569
Tax Increment	\$ -	\$ 215,277	\$ 395,976	\$ 569,587	\$ 750,187	\$ 938,057	\$ 1,997,125	\$ 3,287,285	\$ 4,859,207	\$ 6,773,483	\$ 9,102,493
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 1,523,256	\$ 3,111,782	\$ 4,756,245	\$ 6,473,700	\$ 7,966,321	\$ 16,127,253	\$ 26,085,451	\$ 38,240,178	\$ 53,070,123	\$ 71,119,193
Less: Debt Coverage Ratio	125%	\$ (304,651)	\$ (622,356)	\$ (951,249)	\$ (1,294,740)	\$ (1,593,264)	\$ (3,225,451)	\$ (5,217,090)	\$ (7,648,036)	\$ (10,614,025)	\$ (14,223,839)
Bondable Tax Increment	\$ -	\$ 1,218,604	\$ 2,489,426	\$ 3,804,996	\$ 5,178,960	\$ 6,373,057	\$ 12,901,802	\$ 20,868,361	\$ 30,592,142	\$ 42,456,098	\$ 56,895,355
Net Present Value	5.5%	\$264,949,262									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (12,785,982)									
Less: Reserve for Future Delinquencies	10.0%	\$ (26,494,926)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$225,168,354									

Sherman Oaks

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity	Value per Unit			
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 13,046,912,390	\$ 160,232,115	\$ 2,703,347,394	\$ 17,483,744	237	87,351	2,401	\$ 431,563			
							771,039	\$ 299			
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	237	237	237	237	237	237	0	0	0	0
Commercial Space (SF)	0	87,351	87,351	87,351	87,351	87,351	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 13,568,788,886	\$ 14,111,540,442	\$ 14,676,002,059	\$ 15,263,042,142	\$ 15,873,563,827	\$ 16,508,506,380	\$ 20,085,122,202	\$ 24,436,622,222	\$ 29,730,887,351	\$ 36,172,170,387	\$ 44,008,976,087
Less: Redeveloped Property	\$ -	\$ (15,755,187)	\$ (16,385,394)	\$ (17,040,810)	\$ (17,722,442)	\$ (18,431,340)	\$ (22,424,544)	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 106,300,734	\$ 219,085,813	\$ 338,769,960	\$ 465,792,473	\$ 600,618,865	\$ 1,410,170,257	\$ 1,786,128,986	\$ 2,089,809,931	\$ 2,501,200,440	\$ 3,033,710,010
Total Value	\$ 13,568,788,886	\$ 14,202,085,989	\$ 14,878,702,477	\$ 15,584,771,292	\$ 16,321,633,857	\$ 17,090,693,905	\$ 21,472,867,915	\$ 26,222,751,208	\$ 31,820,697,282	\$ 38,673,370,827	\$ 47,042,686,097
Tax Increment	\$ -	\$ 2,467,484	\$ 5,103,751	\$ 7,854,771	\$ 10,725,772	\$ 13,722,222	\$ 30,796,268	\$ 49,303,001	\$ 71,113,998	\$ 97,813,727	\$ 130,422,672
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 2,811,481,290	\$ 2,923,940,541	\$ 3,040,898,163	\$ 3,162,534,090	\$ 3,289,035,453	\$ 3,420,596,871	\$ 4,161,679,111	\$ 5,063,318,970	\$ 6,160,301,720	\$ 7,494,948,968	\$ 9,118,751,415
Less: Redeveloped Property	\$ -	\$ (2,101,158)	\$ (2,185,204)	\$ (2,272,612)	\$ (2,363,516)	\$ (2,458,057)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 26,118,054,005	\$ 54,915,820,45	\$ 85,474,962,91	\$ 117,907,655,25	\$ 152,332,764,45	\$ 320,371,768,32	\$ 367,612,664,93	\$ 432,236,707,53	\$ 519,642,435,37	\$ 631,541,428,85
Total Value	\$ 2,811,481,290	\$ 2,947,957,438	\$ 3,093,628,780	\$ 3,245,736,440	\$ 3,404,579,592	\$ 3,570,471,579	\$ 4,482,050,880	\$ 5,430,931,635	\$ 6,592,538,428	\$ 8,014,591,403	\$ 9,750,292,844
Tax Increment	\$ -	\$ 531,745	\$ 1,099,317	\$ 1,691,967	\$ 2,310,859	\$ 2,957,216	\$ 6,508,957	\$ 10,206,033	\$ 14,731,944	\$ 20,272,618	\$ 27,035,345
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 2,999,229	\$ 6,203,068	\$ 9,546,738	\$ 13,036,631	\$ 16,679,438	\$ 37,305,225	\$ 59,509,034	\$ 85,845,942	\$ 118,086,345	\$ 157,458,017
Less: Debt Coverage Ratio 125%	\$ -	\$ (599,846)	\$ (1,240,614)	\$ (1,909,348)	\$ (2,607,326)	\$ (3,335,888)	\$ (7,461,045)	\$ (11,901,807)	\$ (17,169,188)	\$ (23,617,269)	\$ (31,491,603)
Bondable Tax Increment	\$ -	\$ 2,399,383	\$ 4,962,454	\$ 7,637,390	\$ 10,429,305	\$ 13,343,551	\$ 29,844,180	\$ 47,607,227	\$ 68,676,754	\$ 94,469,076	\$ 125,966,413
Net Present Value 5.5%	\$ -	\$ 592,344,819									
Less: Capitalized Interest Proxy (of Avg. Year) 50.0%	\$ -	\$ (28,573,272)									
Less: Reserve for Future Delinquencies 10.0%	\$ -	\$ (59,234,482)									
Less: Issuance Costs \$ 500,000	\$ -	\$ (500,000)									
EIFD Capacity		\$ 304,037,065									

North Hollywood

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption	Sub-Area Capacity	Value per Unit				
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 7,637,451,487	\$ 172,259,049	\$ 1,560,426,813	\$ 9,859,056	89	44,541	1,934	324,664	\$ 431,563	299	
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	89	89	89	89	89	89	89	89	0	0
Commercial Space (SF)	0	44,541	44,541	44,541	44,541	44,541	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 7,942,949,547	\$ 8,260,667,529	\$ 8,591,094,230	\$ 8,934,737,999	\$ 9,292,127,519	\$ 9,663,812,620	\$ 11,757,505,672	\$ 14,304,803,401	\$ 17,403,980,576	\$ 21,174,603,481	\$ 25,762,142,782
Less: Redeveloped Property	\$ -	\$ (6,010,699)	\$ (6,251,127)	\$ (6,501,172)	\$ (6,761,219)	\$ (7,031,668)	\$ (8,555,099)	\$ (10,408,587)	\$ (12,663,637)	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 40,158,055	\$ 82,765,731	\$ 127,929,263	\$ 175,966,045	\$ 226,900,460	\$ 532,730,986	\$ 945,651,481	\$ 1,603,824,260	\$ 2,954,505,298	\$ 5,232,565,718
Total Value	\$ 7,942,949,547	\$ 8,294,814,884	\$ 8,667,608,854	\$ 9,056,216,589	\$ 9,461,332,345	\$ 9,883,681,412	\$ 12,281,681,558	\$ 15,240,046,295	\$ 18,895,141,199	\$ 23,129,108,778	\$ 28,083,708,500
Tax Increment	\$ -	\$ 1,370,955	\$ 2,823,454	\$ 4,337,567	\$ 5,915,999	\$ 7,561,577	\$ 16,904,785	\$ 28,431,313	\$ 42,672,477	\$ 59,169,073	\$ 78,473,432
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 1,622,843,888	\$ 1,687,257,643	\$ 1,755,267,949	\$ 1,825,478,667	\$ 1,898,497,813	\$ 1,974,437,726	\$ 2,402,205,390	\$ 2,922,650,160	\$ 3,555,850,800	\$ 4,326,236,196	\$ 5,263,527,824
Less: Redeveloped Property	\$ -	\$ (1,332,944)	\$ (1,386,262)	\$ (1,441,713)	\$ (1,499,381)	\$ (1,559,356)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 13,317,621.62	\$ 28,001,631.22	\$ 43,583,768.22	\$ 60,121,230.15	\$ 77,674,627.42	\$ 144,004,696.01	\$ 165,656,765.51	\$ 195,262,151.93	\$ 235,259,220.38	\$ 286,089,635.92
Total Value	\$ 1,622,843,888	\$ 1,699,742,320	\$ 1,781,883,318	\$ 1,867,620,722	\$ 1,957,119,662	\$ 2,050,552,997	\$ 2,546,210,086	\$ 3,088,306,925	\$ 3,751,112,952	\$ 4,561,495,416	\$ 5,549,617,460
Tax Increment	\$ -	\$ 299,616	\$ 619,657	\$ 953,712	\$ 1,302,422	\$ 1,666,462	\$ 3,597,666	\$ 5,709,810	\$ 8,292,268	\$ 11,449,721	\$ 15,299,692
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 1,670,571	\$ 3,443,111	\$ 5,291,278	\$ 7,218,421	\$ 9,228,038	\$ 20,502,450	\$ 34,141,124	\$ 50,964,745	\$ 70,618,794	\$ 93,773,124
Less: Debt Coverage Ratio	125%	\$ (334,114)	\$ (688,622)	\$ (1,058,256)	\$ (1,443,684)	\$ (1,845,608)	\$ (4,100,490)	\$ (6,828,225)	\$ (10,192,949)	\$ (14,123,759)	\$ (18,754,625)
Bondable Tax Increment	\$ -	\$ 1,336,457	\$ 2,754,489	\$ 4,233,023	\$ 5,774,737	\$ 7,382,431	\$ 16,401,960	\$ 27,312,899	\$ 40,771,796	\$ 56,495,035	\$ 75,018,499
Net Present Value	5.5%	\$344,293,188									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (16,787,958)									
Less: Reserve for Future Delinquencies	10.0%	\$ (34,429,319)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$292,575,911									

Universal City

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption	Sub-Area Capacity	Value per Unit				
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 3,517,816	\$ 6,096	\$ 672,389,013	\$ -	0	86,486	0	1,289,110	\$ 407,985	\$ 299	
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
New Development Projections											
Household Growth (DUs)	0	0	0	0	0	0	0	0	0	0	0
Commercial Space (SF)	0	86,486	86,486	86,486	86,486	86,486	86,486	86,486	86,486	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 3,658,529	\$ 3,804,870	\$ 3,957,065	\$ 4,115,347	\$ 4,279,961	\$ 4,451,159	\$ 5,415,516	\$ 6,588,803	\$ 8,016,287	\$ 9,753,039	\$ 11,866,063
Less: Redeveloped Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Value	\$ 3,658,529	\$ 3,804,870	\$ 3,957,065	\$ 4,115,347	\$ 4,279,961	\$ 4,451,159	\$ 5,415,516	\$ 6,588,803	\$ 8,016,287	\$ 9,753,039	\$ 11,866,063
Tax Increment	\$ -	\$ 189	\$ 385	\$ 589	\$ 802	\$ 1,023	\$ 2,267	\$ 3,780	\$ 5,622	\$ 7,862	\$ 10,588
Commercial Property											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 699,284,574	\$ 727,255,956	\$ 756,346,195	\$ 786,600,043	\$ 818,064,044	\$ 850,786,606	\$ 1,035,111,993	\$ 1,259,372,011	\$ 1,532,218,613	\$ 1,864,178,222	\$ 2,268,057,845
Less: Redeveloped Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 25,859,459.46	\$ 54,372,099.46	\$ 84,628,676.15	\$ 116,740,252.72	\$ 150,824,519.25	\$ 355,478,087.69	\$ 631,790,619.80	\$ 1,005,297,700.08	\$ 1,373,232,153.11	\$ 1,627,311,845.73
Total Value	\$ 699,284,574	\$ 753,115,416	\$ 810,718,294	\$ 871,228,719	\$ 934,804,297	\$ 1,001,611,125	\$ 1,390,590,081	\$ 1,891,162,631	\$ 2,537,516,313	\$ 3,237,410,375	\$ 3,895,369,690
Tax Increment	\$ -	\$ 69,446	\$ 143,758	\$ 221,821	\$ 303,838	\$ 390,024	\$ 891,836	\$ 1,537,612	\$ 2,371,457	\$ 3,274,373	\$ 4,123,190
Bond Capacity											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Subtotal Tax Increment	\$ -	\$ 69,635	\$ 144,143	\$ 222,410	\$ 304,640	\$ 391,046	\$ 894,103	\$ 1,541,392	\$ 2,377,079	\$ 3,282,235	\$ 4,133,778
Less: Debt Coverage Ratio 125%	\$ -	\$ (13,927)	\$ (28,829)	\$ (44,482)	\$ (60,928)	\$ (78,209)	\$ (178,821)	\$ (308,278)	\$ (475,416)	\$ (656,447)	\$ (826,756)
Bondable Tax Increment	\$ -	\$ 55,708	\$ 115,314	\$ 177,928	\$ 243,712	\$ 312,837	\$ 715,282	\$ 1,233,114	\$ 1,901,663	\$ 2,625,788	\$ 3,307,022
Net Present Value	5.5%	\$ 15,541,528									
Less: Capitalized Interest Proxy (af Avg. Year)	50.0%	\$ (761,225)									
Less: Reserve for Future Delinquencies	10.0%	\$ (1,554,153)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$12,726,150									

Burbank

Assumptions												
	Existing Assessed Value				New Development Projections							
	Residential		Commercial		Annual Absorption	Sub-Area Capacity	Value per Unit					
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)						
	\$ 2,270,847,849	\$ 5,016,494	\$ 3,362,453,765	\$ 19,251,847	52	294,054	91	\$ 407,985				
					470							
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
New Development Projections												
Household Growth (DUs)	0	52	52	0	0	0	0	0	0	0	0	
Commercial Space (SF)	0	294,054	294,054	0	0	0	0	0	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 2,361,681,763	\$ 2,456,149,033	\$ 2,554,394,995	\$ 2,656,570,795	\$ 2,762,833,626	\$ 2,873,346,971	\$ 3,495,865,932	\$ 4,253,255,433	\$ 5,174,735,567	\$ 6,295,857,047	\$ 7,659,872,749	
Less: Redeveloped Property	\$ -	\$ (2,712,920)	\$ (2,821,437)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 21,885,148	\$ 45,105,289	\$ 46,074,833	\$ 47,111,266	\$ 48,218,078	\$ 54,951,473	\$ 64,163,205	\$ 76,754,044	\$ 93,337,872	\$ 113,559,793	
Total Value	\$ 2,361,681,763	\$ 2,475,321,261	\$ 2,596,678,847	\$ 2,702,645,627	\$ 2,809,944,892	\$ 2,921,565,049	\$ 3,550,817,405	\$ 4,317,418,638	\$ 5,251,489,611	\$ 6,389,194,920	\$ 7,773,432,543	
Tax Increment	\$ -	\$ 512,997	\$ 1,060,836	\$ 1,539,196	\$ 2,023,572	\$ 2,527,453	\$ 5,368,056	\$ 8,828,685	\$ 13,045,315	\$ 18,181,201	\$ 24,429,996	
Commercial Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 3,496,951,916	\$ 3,636,829,992	\$ 3,782,303,192	\$ 3,933,595,320	\$ 4,090,939,132	\$ 4,254,576,698	\$ 5,176,343,088	\$ 6,297,812,841	\$ 7,662,252,272	\$ 9,322,301,466	\$ 11,342,005,136	
Less: Redeveloped Property	\$ -	\$ (10,411,399)	\$ (10,827,855)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 138,205,405.41	\$ 290,590,685.41	\$ 296,834,117.84	\$ 303,508,363.57	\$ 310,635,890.96	\$ 353,997,651.25	\$ 413,320,049.21	\$ 494,403,007.03	\$ 601,220,273.47	\$ 731,476,390.70	
Total Value	\$ 3,496,951,916	\$ 3,764,623,999	\$ 4,062,066,023	\$ 4,230,429,437	\$ 4,394,447,496	\$ 4,565,212,589	\$ 5,530,340,739	\$ 6,711,132,891	\$ 8,156,655,279	\$ 9,923,521,740	\$ 12,073,481,526	
Tax Increment	\$ -	\$ 1,208,339	\$ 2,551,066	\$ 3,311,101	\$ 4,051,519	\$ 4,822,396	\$ 9,179,225	\$ 14,509,616	\$ 21,035,066	\$ 29,011,143	\$ 38,716,599	
Bond Capacity	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Subtotal Tax Increment	\$ -	\$ 1,721,336	\$ 3,611,902	\$ 4,850,297	\$ 6,075,091	\$ 7,349,849	\$ 14,547,281	\$ 23,338,302	\$ 34,080,381	\$ 47,192,344	\$ 63,146,595	
Less: Debt Coverage Ratio	125%	\$ (344,267)	\$ (722,380)	\$ (970,059)	\$ (1,215,018)	\$ (1,469,970)	\$ (2,909,456)	\$ (4,667,660)	\$ (6,816,076)	\$ (9,438,469)	\$ (12,629,319)	
Bondable Tax Increment	\$ -	\$ 1,377,069	\$ 2,889,522	\$ 3,880,238	\$ 4,860,073	\$ 5,879,879	\$ 11,637,825	\$ 18,670,641	\$ 27,264,305	\$ 37,753,875	\$ 50,517,276	
Net Present Value	5.5%	\$238,357,889										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (11,430,301)										
Less: Reserve for Future Delinquencies	10.0%	\$ (23,835,789)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$202,591,800										

Glendale

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity		Value per Unit		
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)	81	693	\$	407,985	
	\$ 2,655,162,183	\$ 18,743,969	\$ 741,993,997	\$ 22,071,093			66,162	1,367,941	\$	470	
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	81	81	81	81	81	0	0	0	0	0
Commercial Space (SF)	0	66,162	66,162	66,162	66,162	66,162	66,162	66,162	66,162	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 2,761,368,670	\$ 2,871,823,417	\$ 2,986,696,354	\$ 3,106,164,208	\$ 3,230,410,776	\$ 3,359,627,207	\$ 4,087,500,193	\$ 4,973,068,973	\$ 6,050,498,800	\$ 7,361,356,926	\$ 8,956,216,269
Less: Redeveloped Property	\$ -	\$ (2,252,609)	\$ (2,342,713)	\$ (2,436,421)	\$ (2,533,878)	\$ (2,635,233)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 34,390,946	\$ 70,879,740	\$ 109,600,556	\$ 160,695,516	\$ 194,315,226	\$ 407,276,311	\$ 467,369,870	\$ 549,575,736	\$ 660,742,910	\$ 803,029,967
Total Value	\$ 2,761,368,670	\$ 2,903,961,755	\$ 3,055,233,381	\$ 3,213,328,342	\$ 3,378,572,414	\$ 3,551,307,200	\$ 4,494,776,504	\$ 5,440,438,843	\$ 6,600,074,536	\$ 8,022,099,835	\$ 9,759,246,236
Tax Increment	\$ -	\$ 624,985	\$ 1,288,009	\$ 1,980,939	\$ 2,705,204	\$ 3,462,301	\$ 7,597,527	\$ 11,742,365	\$ 16,825,048	\$ 23,057,785	\$ 30,671,697
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 771,673,757	\$ 802,540,707	\$ 834,642,335	\$ 868,028,029	\$ 902,749,150	\$ 938,859,116	\$ 1,142,265,668	\$ 1,389,740,841	\$ 1,690,832,228	\$ 2,057,155,937	\$ 2,502,844,742
Less: Redeveloped Property	\$ -	\$ (1,136,766)	\$ (1,182,237)	\$ (1,229,527)	\$ (1,278,708)	\$ (1,329,856)	\$ (1,617,973)	\$ (1,968,512)	\$ (2,394,995)	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 31,096,216.22	\$ 65,382,904.22	\$ 101,766,690.67	\$ 140,381,129.98	\$ 181,367,745.48	\$ 427,465,372.68	\$ 759,733,502.83	\$ 1,208,878,889.84	\$ 1,492,681,831.02	\$ 1,776,938,918.92
Total Value	\$ 771,673,757	\$ 832,500,157	\$ 898,843,003	\$ 968,565,193	\$ 1,041,851,572	\$ 1,118,897,006	\$ 1,568,113,068	\$ 2,147,505,832	\$ 2,897,316,122	\$ 3,549,837,768	\$ 4,279,783,661
Tax Increment	\$ -	\$ 266,602	\$ 557,383	\$ 862,975	\$ 1,184,189	\$ 1,521,879	\$ 3,490,794	\$ 6,030,272	\$ 9,316,690	\$ 12,176,693	\$ 15,376,046
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 891,588	\$ 1,845,392	\$ 2,843,914	\$ 3,889,393	\$ 4,984,180	\$ 11,088,320	\$ 17,772,637	\$ 26,141,738	\$ 35,234,478	\$ 46,047,743
Less: Debt Coverage Ratio	125%	\$ (178,318)	\$ (369,078)	\$ (568,783)	\$ (777,879)	\$ (996,836)	\$ (2,217,664)	\$ (3,554,527)	\$ (5,228,348)	\$ (7,046,896)	\$ (9,209,549)
Bondable Tax Increment	\$ -	\$ 713,270	\$ 1,476,313	\$ 2,275,132	\$ 3,111,515	\$ 3,987,344	\$ 8,870,656	\$ 14,218,109	\$ 20,913,391	\$ 28,187,582	\$ 36,838,194
Net Present Value	5.5%	\$ 176,819,935									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (8,512,129)									
Less: Reserve for Future Delinquencies	10.0%	\$ (17,681,993)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$150,125,812									

Griffith Park

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption	Sub-Area Capacity	Value per Unit				
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 330,026,575	\$ 1,279,242	\$ 82,015,047	\$ -	18	6,054	0				
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	18	0	0	0	0	0	0	0	0	0
Commercial Space (SF)	0	6,054	0	0	0	0	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 343,227,638	\$ 356,956,744	\$ 371,235,013	\$ 386,084,414	\$ 401,527,790	\$ 417,588,902	\$ 508,060,750	\$ 618,133,586	\$ 752,054,021	\$ 914,988,707	\$ 1,113,223,666
Less: Redeveloped Property	\$ -	\$ (1,383,628)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Value	\$ 343,227,638	\$ 355,573,115	\$ 371,235,013	\$ 386,084,414	\$ 401,527,790	\$ 417,588,902	\$ 508,060,750	\$ 618,133,586	\$ 752,054,021	\$ 914,988,707	\$ 1,113,223,666
Tax Increment	\$ -	\$ 48,101	\$ 109,124	\$ 166,981	\$ 227,152	\$ 289,730	\$ 642,231	\$ 1,071,102	\$ 1,592,890	\$ 2,227,724	\$ 3,000,097
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 85,295,649	\$ 88,707,475	\$ 92,255,774	\$ 95,946,005	\$ 99,783,845	\$ 103,775,199	\$ 126,258,397	\$ 153,612,645	\$ 186,893,270	\$ 227,384,240	\$ 276,647,695
Less: Redeveloped Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Value	\$ 85,295,649	\$ 88,707,475	\$ 92,255,774	\$ 95,946,005	\$ 99,783,845	\$ 103,775,199	\$ 126,258,397	\$ 153,612,645	\$ 186,893,270	\$ 227,384,240	\$ 276,647,695
Tax Increment	\$ -	\$ 13,293	\$ 27,118	\$ 41,496	\$ 56,450	\$ 72,001	\$ 159,601	\$ 266,180	\$ 395,850	\$ 553,613	\$ 745,555
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 61,394	\$ 136,242	\$ 208,477	\$ 283,602	\$ 361,731	\$ 801,832	\$ 1,337,282	\$ 1,988,740	\$ 2,781,337	\$ 3,745,652
Less: Debt Coverage Ratio	125%	\$ (12,279)	\$ (27,248)	\$ (41,695)	\$ (56,720)	\$ (72,346)	\$ (160,366)	\$ (267,456)	\$ (397,748)	\$ (556,267)	\$ (749,130)
Bondable Tax Increment	\$ -	\$ 49,116	\$ 108,994	\$ 166,782	\$ 226,881	\$ 289,385	\$ 641,466	\$ 1,069,826	\$ 1,590,992	\$ 2,225,069	\$ 2,996,522
Net Present Value	5.5%	\$ 113,527,940									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (661,353)									
Less: Reserve for Future Delinquencies	10.0%	\$ (1,352,794)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$ 111,013,793									

Northeast LA

Assumptions												
	Existing Assessed Value				New Development Projections							
	Residential		Commercial		Annual Absorption	Sub-Area Capacity	Value per Unit					
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)						
	\$ 2,434,315,611	\$ 148,768,528	\$ 1,065,168,814	\$ 31,671,178	92	76,973	3,048	2,606,823	\$ 467,210			\$ 299
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
New Development Projections												
Household Growth (DUs)	0	92	92	92	92	92	92	92	92	92	92	
Commercial Space (SF)	0	76,973	76,973	76,973	76,973	76,973	76,973	76,973	76,973	76,973	76,973	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 2,531,688,236	\$ 2,632,955,765	\$ 2,738,273,996	\$ 2,847,804,956	\$ 2,961,717,154	\$ 3,080,185,840	\$ 3,747,517,042	\$ 4,559,427,486	\$ 5,547,240,684	\$ 6,749,066,479	\$ 8,211,271,320	
Less: Redeveloped Property	\$ -	\$ (4,732,589)	\$ (4,921,893)	\$ (5,118,769)	\$ (5,323,519)	\$ (5,536,460)	\$ (6,735,950)	\$ (8,195,314)	\$ (9,970,852)	\$ (12,131,066)	\$ (14,759,297)	
New Development Assessed Value	\$ -	\$ 44,498,097	\$ 91,710,578	\$ 141,811,049	\$ 194,983,401	\$ 251,422,502	\$ 590,305,359	\$ 1,047,851,828	\$ 1,666,348,576	\$ 2,501,817,189	\$ 3,621,083,332	
Total Value	\$ 2,531,688,236	\$ 2,672,721,273	\$ 2,825,062,681	\$ 2,984,497,236	\$ 3,151,377,035	\$ 3,326,071,882	\$ 4,331,086,451	\$ 5,599,084,000	\$ 7,203,618,408	\$ 9,238,752,602	\$ 11,817,595,355	
Tax Increment	\$ -	\$ 549,500	\$ 1,143,060	\$ 1,764,257	\$ 2,414,462	\$ 3,095,117	\$ 7,010,905	\$ 11,951,341	\$ 18,203,008	\$ 26,132,400	\$ 36,180,216	
Commercial Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Existing Assessed Value Growth	\$ 1,107,775,567	\$ 1,152,086,589	\$ 1,198,170,053	\$ 1,246,096,855	\$ 1,295,940,729	\$ 1,347,778,358	\$ 1,639,778,451	\$ 1,995,041,212	\$ 2,427,272,681	\$ 2,953,148,352	\$ 3,592,956,514	
Less: Redeveloped Property	\$ -	\$ (1,105,018)	\$ (1,149,218)	\$ (1,195,187)	\$ (1,242,995)	\$ (1,292,714)	\$ (1,572,785)	\$ (1,913,533)	\$ (2,328,105)	\$ (2,832,496)	\$ (3,446,165)	
New Development Assessed Value	\$ -	\$ 23,014,918.92	\$ 48,391,168.52	\$ 75,319,521.78	\$ 103,898,824.92	\$ 134,233,822.13	\$ 316,375,498.05	\$ 562,293,651.62	\$ 894,714,953.07	\$ 1,343,763,739.80	\$ 1,945,391,412.42	
Total Value	\$ 1,107,775,567	\$ 1,173,996,491	\$ 1,245,412,003	\$ 1,320,221,190	\$ 1,398,596,559	\$ 1,480,719,466	\$ 1,954,581,165	\$ 2,555,421,331	\$ 3,319,659,529	\$ 4,294,079,596	\$ 5,534,901,762	
Tax Increment	\$ -	\$ 258,013	\$ 536,266	\$ 827,741	\$ 1,133,111	\$ 1,453,083	\$ 3,299,366	\$ 5,640,390	\$ 8,618,053	\$ 12,414,637	\$ 17,249,190	
Bond Capacity	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
Subtotal Tax Increment	\$ -	\$ 807,513	\$ 1,679,326	\$ 2,591,998	\$ 3,547,574	\$ 4,548,200	\$ 10,310,272	\$ 17,591,731	\$ 26,821,061	\$ 38,547,037	\$ 53,429,406	
Less: Debt Coverage Ratio	125%	\$ -	\$ (161,503)	\$ (335,865)	\$ (518,400)	\$ (709,515)	\$ (909,640)	\$ (2,062,054)	\$ (3,518,346)	\$ (5,364,212)	\$ (7,709,407)	
Bondable Tax Increment	\$ -	\$ 646,011	\$ 1,343,461	\$ 2,073,599	\$ 2,838,059	\$ 3,638,560	\$ 8,248,217	\$ 14,073,384	\$ 21,456,849	\$ 30,837,629	\$ 42,743,525	
Net Present Value	5.5%	\$ 182,272,466										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (9,046,821)										
Less: Reserve for Future Delinquencies	10.0%	\$ (18,227,247)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$ 154,498,398										

Los Feliz-Silverlake-Echo Park

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity		Value per Unit		
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 3,574,369,600	\$ 101,893,864	\$ 296,631,002	\$ 8,446,832	64	39,351	2,014	318,468	\$ 652,207	\$ 255	
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	64	64	64	64	64	64	64	64	64	64
Commercial Space (SF)	0	39,351	39,351	39,351	39,351	39,351	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 3,717,344,384	\$ 3,866,038,159	\$ 4,020,679,685	\$ 4,181,506,873	\$ 4,348,767,148	\$ 4,522,717,834	\$ 5,502,577,779	\$ 6,694,727,225	\$ 8,145,159,310	\$ 9,909,831,715	\$ 12,056,825,518
Less: Redeveloped Property		\$ (3,444,013)	\$ (3,581,773)	\$ (3,725,044)	\$ (3,874,046)	\$ (4,029,008)	\$ (4,901,904)	\$ (5,963,916)	\$ (7,256,015)	\$ (8,828,052)	\$ (10,740,675)
New Development Assessed Value	\$ -	\$ 43,553,724	\$ 89,764,226	\$ 138,801,426	\$ 190,845,313	\$ 246,086,621	\$ 377,777,445	\$ 1,025,613,511	\$ 1,630,984,046	\$ 2,448,721,792	\$ 3,544,233,919
Total Value	\$ 3,717,344,384	\$ 3,906,147,871	\$ 4,106,862,138	\$ 4,316,583,254	\$ 4,535,738,415	\$ 4,764,775,447	\$ 6,075,453,320	\$ 7,714,376,821	\$ 9,768,887,340	\$ 12,349,725,365	\$ 15,590,318,762
Tax Increment	\$ -	\$ 735,626	\$ 1,517,659	\$ 2,334,784	\$ 3,188,668	\$ 4,081,053	\$ 9,187,782	\$ 15,573,438	\$ 23,578,324	\$ 33,633,914	\$ 46,260,076
Commercial Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 308,496,242	\$ 320,836,092	\$ 333,669,535	\$ 347,016,317	\$ 360,896,970	\$ 375,332,848	\$ 456,649,799	\$ 555,584,304	\$ 675,953,256	\$ 822,400,490	\$ 1,000,575,943
Less: Redeveloped Property		\$ (1,015,121)	\$ (1,055,726)	\$ (1,097,955)	\$ (1,141,874)	\$ (1,187,549)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 10,022,280.42	\$ 21,072,846.80	\$ 32,799,305.99	\$ 45,244,702.44	\$ 58,454,648.98	\$ 122,936,252.94	\$ 141,064,001.34	\$ 165,862,184.06	\$ 199,402,382.44	\$ 242,341,381.21
Total Value	\$ 308,496,242	\$ 329,843,251	\$ 353,686,656	\$ 378,717,667	\$ 404,999,798	\$ 432,599,949	\$ 579,586,052	\$ 696,648,305	\$ 841,815,440	\$ 1,021,802,873	\$ 1,242,917,325
Tax Increment	\$ -	\$ 83,173	\$ 176,073	\$ 273,600	\$ 376,002	\$ 483,539	\$ 1,056,234	\$ 1,512,337	\$ 2,077,945	\$ 2,779,221	\$ 3,640,738
Bond Capacity	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 818,799	\$ 1,693,732	\$ 2,608,385	\$ 3,564,670	\$ 4,564,592	\$ 10,244,016	\$ 17,085,775	\$ 25,656,269	\$ 36,413,135	\$ 49,900,815
Less: Debt Coverage Ratio	125%	\$ (163,760)	\$ (338,746)	\$ (521,677)	\$ (712,934)	\$ (912,918)	\$ (2,048,803)	\$ (3,417,155)	\$ (5,131,254)	\$ (7,282,627)	\$ (9,980,163)
Bondable Tax Increment	\$ -	\$ 655,039	\$ 1,354,985	\$ 2,086,708	\$ 2,851,736	\$ 3,651,674	\$ 8,195,212	\$ 13,668,620	\$ 20,525,015	\$ 29,130,508	\$ 39,920,652
Net Present Value	5.5%	\$ 175,197,322									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (8,620,248)									
Less: Reserve for Future Delinquencies	10.0%	\$ (17,519,732)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EFD Capacity		\$148,557,342									

Lincoln Heights-Boyle Heights

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity		Value per Unit		
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 1,110,801,668	\$ 44,644,596	\$ 378,539,238	\$ 15,901,897	104	151,784	996	506,549	\$ 280,247		
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	104	104	104	104	104	104	0	0	0	0
Commercial Space (SF)	0	151,784	151,784	151,784	151,784	0	0	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 1.3 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 1,155,233,735	\$ 1,201,443,084	\$ 1,249,500,808	\$ 1,299,480,840	\$ 1,351,460,074	\$ 1,405,518,477	\$ 1,710,028,134	\$ 2,080,510,692	\$ 2,531,259,372	\$ 3,079,664,062	\$ 3,746,882,220
Less: Redeveloped Property	\$ -	\$ (4,828,759)	\$ (5,021,910)	\$ (5,222,786)	\$ (5,431,698)	\$ (5,648,966)	\$ (6,872,830)	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 30,372,842	\$ 62,598,428	\$ 96,795,254	\$ 133,088,839	\$ 171,612,192	\$ 402,921,758	\$ 461,198,981	\$ 540,968,531	\$ 648,942,164	\$ 788,007,859
Total Value	\$ 1,155,233,735	\$ 1,226,987,167	\$ 1,307,077,325	\$ 1,391,053,307	\$ 1,479,117,215	\$ 1,571,481,703	\$ 2,106,077,061	\$ 2,541,709,674	\$ 3,072,227,903	\$ 3,728,606,226	\$ 4,534,890,078
Tax Increment	\$ -	\$ 279,569	\$ 591,621	\$ 918,812	\$ 1,261,931	\$ 1,621,806	\$ 3,704,723	\$ 5,402,057	\$ 7,469,089	\$ 10,026,503	\$ 13,167,986
Commercial Property											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 393,680,808	\$ 409,428,040	\$ 425,805,161	\$ 442,837,368	\$ 460,550,863	\$ 478,972,897	\$ 582,743,765	\$ 708,996,894	\$ 862,603,128	\$ 1,049,488,600	\$ 1,276,863,351
Less: Redeveloped Property	\$ -	\$ (4,299,873)	\$ (4,471,868)	\$ (4,650,743)	\$ (4,836,772)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 18,877,943.57	\$ 39,692,764.16	\$ 61,780,694.82	\$ 85,222,814.00	\$ 87,137,133.07	\$ 98,809,392.39	\$ 114,802,167.92	\$ 136,654,797.62	\$ 165,855,668.78	\$ 201,788,780.80
Total Value	\$ 393,680,808	\$ 424,006,110	\$ 461,026,058	\$ 499,967,320	\$ 540,936,904	\$ 566,110,030	\$ 681,553,158	\$ 823,799,061	\$ 999,257,926	\$ 1,215,344,268	\$ 1,478,652,132
Tax Increment	\$ -	\$ 118,155	\$ 262,394	\$ 414,119	\$ 573,747	\$ 671,827	\$ 1,121,623	\$ 1,675,848	\$ 2,359,480	\$ 3,201,406	\$ 4,227,320
Bond Capacity											
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 397,724	\$ 854,015	\$ 1,332,931	\$ 1,835,678	\$ 2,293,634	\$ 4,826,346	\$ 7,077,905	\$ 9,828,568	\$ 13,227,909	\$ 17,395,306
Less: Debt Coverage Ratio 125%	\$ -	\$ (79,545)	\$ (170,803)	\$ (266,586)	\$ (367,136)	\$ (458,727)	\$ (965,269)	\$ (1,415,581)	\$ (1,965,714)	\$ (2,645,582)	\$ (3,479,061)
Bondable Tax Increment	\$ -	\$ 318,179	\$ 683,212	\$ 1,066,345	\$ 1,468,542	\$ 1,834,907	\$ 3,861,077	\$ 5,662,324	\$ 7,862,855	\$ 10,582,327	\$ 13,916,244
Net Present Value 5.5%	\$ -	\$ 69,988,757									
Less: Capitalized Interest Proxy (of Avg. Year) 50.0%	\$ -	\$ (3,295,493)									
Less: Reserve for Future Delinquencies 10.0%	\$ -	\$ (6,998,876)									
Less: Less Issuance Costs \$ 500,000	\$ -	\$ (500,000)									
EIFD Capacity		\$ 59,194,389									

Chinatown Arts District

Assumptions											
	Existing Assessed Value					New Development Projections					
	Residential		Commercial			Annual Absorption		Sub-Area Capacity		Value per Unit	
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)	5,170	4,863,283	\$ 440,161	\$ 299	
	\$ 1,229,328,372	\$ 332,934,677	\$ 3,828,982,432	\$ 154,618,180							
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
New Development Projections											
Household Growth (DUs)	0	652	652	652	652	652	0	0	0	0	0
Commercial Space (SF)	0	344,216	344,216	344,216	344,216	344,216	344,216	344,216	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 1,278,501,507	\$ 1,329,641,567	\$ 1,382,827,230	\$ 1,438,140,319	\$ 1,495,665,932	\$ 1,555,492,569	\$ 1,892,494,549	\$ 2,302,508,986	\$ 2,801,354,241	\$ 3,408,275,768	\$ 4,146,688,605
Less: Redeveloped Property	\$ (45,012,768)	\$ (46,813,279)	\$ (46,813,279)	\$ (48,685,810)	\$ (50,633,243)	\$ (52,658,572)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 298,271,627	\$ 614,737,823	\$ 950,562,272	\$ 1,306,977,604	\$ 1,685,290,020	\$ 3,115,517,371	\$ 3,584,244,484	\$ 4,225,145,899	\$ 5,090,853,032	\$ 6,190,803,884
Total Value	\$ 1,278,501,507	\$ 1,582,900,426	\$ 1,950,751,774	\$ 2,340,016,781	\$ 2,752,010,294	\$ 3,188,124,017	\$ 5,008,011,921	\$ 5,886,753,470	\$ 7,026,500,140	\$ 8,499,128,800	\$ 10,337,492,489
Tax Increment	\$ -	\$ 1,186,014	\$ 2,619,255	\$ 4,135,929	\$ 5,741,159	\$ 7,440,367	\$ 14,531,105	\$ 17,954,902	\$ 22,395,640	\$ 28,133,369	\$ 35,296,094
Commercial Property	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 3,982,141,729	\$ 4,141,427,398	\$ 4,307,084,494	\$ 4,479,367,874	\$ 4,658,542,589	\$ 4,844,884,293	\$ 5,894,542,537	\$ 7,171,612,285	\$ 8,725,362,902	\$ 10,615,738,099	\$ 12,915,668,569
Less: Redeveloped Property	\$ (11,149,002)	\$ (11,594,962)	\$ (12,058,760)	\$ (12,541,111)	\$ (13,042,753)	\$ (13,868,506)	\$ (19,306,463)	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 102,920,648.65	\$ 216,400,955.85	\$ 336,822,131.02	\$ 464,626,705.82	\$ 600,281,586.62	\$ 1,414,802,789.02	\$ 2,514,526,666.79	\$ 2,911,907,375.17	\$ 3,451,952,175.32	\$ 4,160,258,102.78
Total Value	\$ 3,982,141,729	\$ 4,233,199,046	\$ 4,511,890,489	\$ 4,804,131,245	\$ 5,110,627,684	\$ 5,432,123,124	\$ 7,293,476,820	\$ 9,666,832,489	\$ 11,637,270,277	\$ 14,067,690,274	\$ 17,075,926,672
Tax Increment	\$ -	\$ 978,182	\$ 2,064,034	\$ 3,202,677	\$ 4,396,863	\$ 5,649,490	\$ 12,901,789	\$ 22,148,976	\$ 29,826,295	\$ 39,295,819	\$ 51,016,660
Bond Capacity	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Subtotal Tax Increment	\$ -	\$ 2,164,196	\$ 4,683,289	\$ 7,338,606	\$ 10,138,022	\$ 13,089,857	\$ 27,432,894	\$ 40,103,878	\$ 52,221,934	\$ 67,429,188	\$ 86,312,753
Less: Debt Coverage Ratio 125%	\$ -	\$ (432,839)	\$ (936,658)	\$ (1,467,721)	\$ (2,027,604)	\$ (2,617,971)	\$ (5,486,579)	\$ (8,020,776)	\$ (10,444,387)	\$ (13,485,838)	\$ (17,262,551)
Bondable Tax Increment	\$ -	\$ 1,731,357	\$ 3,746,631	\$ 5,870,884	\$ 8,110,418	\$ 10,471,885	\$ 21,946,315	\$ 32,083,102	\$ 41,777,547	\$ 53,943,350	\$ 69,050,203
Net Present Value	5.5%	\$377,579,948									
Less: Capitalized Interest Proxy (af Avg. Year)	50.0%	\$ (17,376,946)									
Less: Reserve for Future Delinquencies	10.0%	\$ (37,757,995)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$321,945,008									

Vernon

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity	Value per Unit			
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)					
	\$ 44,297,455	\$ 11,800,820	\$ 1,195,076,315	\$ 79,683,022	0	11,243	0	612,584	\$ 187,192	\$ 169	
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
New Development Projections											
Household Growth (DUs)	0	0	0	0	0	0	0	0	0	0	0
Commercial Space (SF)	0	11,243	11,243	11,243	11,243	11,243	11,243	11,243	11,243	11,243	11,243
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 46,069,353	\$ 47,912,127	\$ 49,828,612	\$ 51,821,757	\$ 53,894,627	\$ 56,050,412	\$ 68,193,897	\$ 82,968,302	\$ 100,943,626	\$ 122,813,356	\$ 149,421,225
Less: Redeveloped Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Value	\$ 46,069,353	\$ 47,912,127	\$ 49,828,612	\$ 51,821,757	\$ 53,894,627	\$ 56,050,412	\$ 68,193,897	\$ 82,968,302	\$ 100,943,626	\$ 122,813,356	\$ 149,421,225
Tax Increment	\$ -	\$ 9,294	\$ 18,961	\$ 29,014	\$ 39,469	\$ 50,342	\$ 111,591	\$ 186,109	\$ 276,772	\$ 387,078	\$ 521,281
Commercial Property											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Existing Assessed Value Growth	\$ 1,242,879,368	\$ 1,292,594,542	\$ 1,344,298,324	\$ 1,398,070,257	\$ 1,453,993,067	\$ 1,512,152,790	\$ 1,839,765,081	\$ 2,238,355,525	\$ 2,723,301,746	\$ 3,313,312,974	\$ 4,031,151,846
Less: Redeveloped Property	\$ -	\$ (2,780,166)	\$ (2,891,373)	\$ (3,007,028)	\$ (3,127,309)	\$ (3,252,401)	\$ (3,937,044)	\$ (4,814,349)	\$ (5,857,391)	\$ (7,126,412)	\$ (8,670,370)
New Development Assessed Value	\$ -	\$ 1,900,108.11	\$ 3,995,167.31	\$ 6,218,367.94	\$ 8,577,870.74	\$ 11,082,323.37	\$ 26,119,911.66	\$ 46,422,875.98	\$ 73,867,526.66	\$ 110,940,924.29	\$ 160,611,210.89
Total Value	\$ 1,242,879,368	\$ 1,291,714,484	\$ 1,345,402,118	\$ 1,401,281,597	\$ 1,459,443,629	\$ 1,519,982,712	\$ 1,861,927,949	\$ 2,279,964,053	\$ 2,791,311,882	\$ 3,417,127,486	\$ 4,183,092,687
Tax Increment	\$ -	\$ 246,312	\$ 517,099	\$ 798,941	\$ 1,092,296	\$ 1,397,640	\$ 3,122,326	\$ 5,230,796	\$ 7,809,906	\$ 10,966,364	\$ 14,829,701
Bond Capacity											
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30
Subtotal Tax Increment	\$ -	\$ 255,607	\$ 536,060	\$ 827,955	\$ 1,131,765	\$ 1,447,982	\$ 3,233,917	\$ 5,416,905	\$ 8,086,679	\$ 11,353,442	\$ 15,350,982
Less: Debt Coverage Ratio	125%	\$ -	\$ (51,121)	\$ (107,212)	\$ (165,591)	\$ (226,353)	\$ (289,596)	\$ (646,783)	\$ (1,083,381)	\$ (1,617,336)	\$ (2,270,688)
Bondable Tax Increment	\$ -	\$ 204,485	\$ 428,848	\$ 662,364	\$ 905,412	\$ 1,158,386	\$ 2,587,134	\$ 4,333,524	\$ 6,469,343	\$ 9,082,753	\$ 12,280,786
Net Present Value	5.5%	\$ 54,951,702									
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (2,693,356)									
Less: Reserve for Future Delinquencies	10.0%	\$ (5,495,170)									
Less: Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$ 46,263,175									

LA 1 Mile North

Assumptions											
	Existing Assessed Value				New Development Projections						
	Residential		Commercial		Annual Absorption		Sub-Area Capacity		Value per Unit		
	Occupied	Vacant	Occupied	Vacant	Household Growth (DUs)	Commercial Space (SF)	Household Growth (DUs)	Commercial Space (SF)	Value per Unit		
	\$ 30,997,897,251	\$ 360,823,711	\$ 6,398,318,323	\$ 49,456,358	947	771,892	6,303	2,163,302	\$ 384,904		\$ 349
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	947	947	947	947	947	0	0	0	0	0
Commercial Space (SF)	0	771,892	771,892	771,892	0	0	0	0	0	0	0
Rent Rate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 32,237,813,141	\$ 33,527,325,667	\$ 34,868,418,694	\$ 36,263,155,441	\$ 37,713,681,659	\$ 39,222,228,925	\$ 47,719,838,661	\$ 58,058,480,209	\$ 70,637,018,455	\$ 85,940,733,520	\$ 104,560,042,871
Less: Redeveloped Property	\$ -	\$ (55,752,418)	\$ (57,982,515)	\$ (60,301,815)	\$ (62,713,888)	\$ (65,222,443)	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 379,231,678	\$ 781,596,489	\$ 1,208,573,975	\$ 1,661,731,341	\$ 2,142,729,329	\$ 3,440,432,035	\$ 3,967,974,406	\$ 4,689,049,770	\$ 5,661,624,958	\$ 6,887,280,398
Total Value	\$ 32,237,813,141	\$ 33,850,804,927	\$ 35,592,032,668	\$ 37,411,427,601	\$ 39,312,699,112	\$ 41,299,735,811	\$ 51,160,270,696	\$ 62,026,454,614	\$ 75,326,068,225	\$ 91,602,358,478	\$ 111,447,323,269
Tax Increment	\$ -	\$ 6,284,619	\$ 13,068,878	\$ 20,157,695	\$ 27,565,524	\$ 35,307,516	\$ 73,726,625	\$ 116,063,994	\$ 167,882,614	\$ 231,299,110	\$ 308,620,054
Commercial Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 6,654,251,056	\$ 6,920,421,098	\$ 7,197,237,942	\$ 7,485,127,460	\$ 7,784,532,558	\$ 8,095,913,860	\$ 9,849,917,096	\$ 11,983,930,223	\$ 14,580,283,488	\$ 17,739,144,224	\$ 21,882,381,106
Less: Redeveloped Property	\$ -	\$ (17,830,666)	\$ (18,543,892)	\$ (19,285,648)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 269,501,859.32	\$ 566,654,609.41	\$ 881,282,301.71	\$ 901,363,356.30	\$ 922,071,349.26	\$ 1,048,185,110.89	\$ 1,220,836,590.22	\$ 1,456,772,757.86	\$ 1,770,071,878.56	\$ 2,153,563,088.51
Total Value	\$ 6,654,251,056	\$ 7,172,092,292	\$ 7,745,348,659	\$ 8,347,824,113	\$ 8,685,895,914	\$ 9,017,985,210	\$ 10,898,102,207	\$ 13,204,766,813	\$ 16,037,056,246	\$ 19,509,216,102	\$ 23,735,944,394
Tax Increment	\$ -	\$ 2,017,639	\$ 4,251,189	\$ 6,598,584	\$ 7,915,796	\$ 9,209,699	\$ 16,535,105	\$ 25,522,447	\$ 36,537,755	\$ 50,086,158	\$ 66,554,548
Bond Capacity	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 8,302,258	\$ 17,320,067	\$ 26,756,279	\$ 35,481,321	\$ 44,517,215	\$ 90,261,730	\$ 141,586,441	\$ 204,440,369	\$ 281,385,267	\$ 375,174,602
Less: Debt Coverage Ratio 125%	\$ -	\$ (1,660,452)	\$ (3,464,013)	\$ (5,351,256)	\$ (7,096,264)	\$ (8,903,443)	\$ (18,052,346)	\$ (28,317,288)	\$ (40,888,074)	\$ (56,277,053)	\$ (75,034,920)
Bondable Tax Increment	\$ -	\$ 6,641,807	\$ 13,856,053	\$ 21,405,023	\$ 28,385,057	\$ 35,613,772	\$ 72,209,384	\$ 113,269,153	\$ 163,552,295	\$ 225,108,214	\$ 300,139,681
Net Present Value 5.5%	\$ -	\$ 1,396,465,784									
Less: Capitalized Interest Proxy (at Avg. Year) 50.0%	\$ -	\$ (68,524,516)									
Less: Reserve for Future Delinquencies 10.0%	\$ -	\$ (139,646,578)									
Less: Less Issuance Costs \$ 500,000	\$ -	\$ (500,000)									
EIFD Capacity		\$ 1,187,794,690									

LA 1 Mile South

Assumptions											
	Existing Assessed Value				New Development Projections						
	Occupied	Vacant	Commercial		Annual Absorption			Sub-Area Capacity		Value per Unit	
	\$	\$	\$	\$	Household Growth (DUs)	Commercial Space (SF)			\$	\$	
	8,383,729,253	617,843,939	5,604,254,165	221,335,813	995	670,270	11,088	8,466,859	439,534		240
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
New Development Projections											
Household Growth (DUs)	0	995	995	995	995	995	995	0	0	0	0
Commercial Space (SF)	0	670,270	670,270	670,270	670,270	670,270	670,270	0	0	0	0
Real Estate and Assessed Value Growth											
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%
Residential Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 8,719,078,423	\$ 9,067,841,560	\$ 9,430,555,223	\$ 9,807,777,432	\$ 10,200,088,529	\$ 10,608,092,070	\$ 12,906,366,006	\$ 15,702,567,660	\$ 19,104,574,519	\$ 23,243,636,038	\$ 28,279,437,248
Less: Redeveloped Property	\$ -	\$ (55,688,334)	\$ (57,915,867)	\$ (60,232,502)	\$ (62,641,802)	\$ (65,147,474)	\$ (79,261,863)	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 454,709,000	\$ 937,155,249	\$ 1,449,112,759	\$ 1,992,460,651	\$ 2,569,190,199	\$ 6,032,104,240	\$ 8,387,520,037	\$ 9,788,828,958	\$ 11,688,600,140	\$ 14,157,772,548
Total Value	\$ 8,719,078,423	\$ 9,466,862,227	\$ 10,309,794,605	\$ 11,196,657,689	\$ 12,129,907,378	\$ 13,112,134,795	\$ 18,859,208,382	\$ 24,090,087,697	\$ 28,893,403,477	\$ 34,932,236,178	\$ 42,437,209,796
Tax Increment	\$ -	\$ 2,913,553	\$ 6,197,828	\$ 9,653,268	\$ 13,289,442	\$ 17,116,446	\$ 39,508,481	\$ 59,889,295	\$ 78,604,214	\$ 102,133,016	\$ 131,374,269
Commercial Property	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Existing Assessed Value Growth	\$ 5,828,424,332	\$ 6,061,561,305	\$ 6,304,023,757	\$ 6,556,184,707	\$ 6,818,432,096	\$ 7,091,169,379	\$ 8,627,491,807	\$ 10,496,662,947	\$ 12,770,795,440	\$ 15,537,625,339	\$ 18,903,896,964
Less: Redeveloped Property	\$ -	\$ (18,415,140)	\$ (19,151,745)	\$ (19,917,815)	\$ (20,714,528)	\$ (21,543,109)	\$ (26,210,486)	\$ -	\$ -	\$ -	\$ -
New Development Assessed Value	\$ -	\$ 160,869,676.46	\$ 338,244,581.73	\$ 526,468,380.88	\$ 726,231,989.28	\$ 938,267,547.81	\$ 2,211,401,404.04	\$ 3,356,178,585.55	\$ 3,906,619,410.71	\$ 4,653,512,382.23	\$ 5,627,803,858.41
Total Value	\$ 5,828,424,332	\$ 6,204,015,842	\$ 6,623,116,594	\$ 7,062,735,273	\$ 7,523,949,557	\$ 8,007,893,819	\$ 10,812,682,725	\$ 13,852,841,533	\$ 16,677,414,851	\$ 20,191,137,721	\$ 24,531,700,823
Tax Increment	\$ -	\$ 1,463,398	\$ 3,096,320	\$ 4,809,184	\$ 6,606,190	\$ 8,491,758	\$ 19,419,917	\$ 31,265,136	\$ 42,270,379	\$ 55,960,722	\$ 72,872,641
Bond Capacity	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30
Subtotal Tax Increment	\$ -	\$ 4,376,951	\$ 9,294,148	\$ 14,462,452	\$ 19,895,632	\$ 25,608,204	\$ 58,928,398	\$ 91,154,430	\$ 120,874,593	\$ 158,093,738	\$ 204,246,910
Less: Debt Coverage Ratio	125%	\$ -	\$ (875,390)	\$ (1,858,830)	\$ (2,892,490)	\$ (3,979,126)	\$ (5,121,641)	\$ (11,785,680)	\$ (18,230,886)	\$ (24,174,919)	\$ (31,618,748)
Bondable Tax Increment	\$ -	\$ 3,501,561	\$ 7,435,318	\$ 11,569,962	\$ 15,916,506	\$ 20,486,563	\$ 47,142,718	\$ 72,923,544	\$ 96,699,675	\$ 126,474,990	\$ 163,397,528
Net Present Value	5.5%	\$829,559,309									
Less: Capitalized Interest Proxy (af Avg. Year)	50.0%	\$ (39,903,469)									
Less: Reserve for Future Delinquencies	10.0%	\$ (82,955,931)									
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)									
EIFD Capacity		\$706,199,909									

LA 0.5 Mile

Assumptions												
	Existing Assessed Value				New Development Projections							
	Occupied	Vacant	Commercial Occupied	Vacant	Household Growth (DUs)	Annual Absorption	Sub-Area Capacity	Value per Unit				
	\$ 18,324,390,457	\$ 429,987,632	\$ 5,275,970,163	\$ 101,350,793	818	6,370	\$ 408,588					
					504,649	3,254,387	\$ 338					
	2016 Year 0	2017 Year 1	2018 Year 2	2019 Year 3	2020 Year 4	2021 Year 5	2026 Year 10	2031 Year 15	2036 Year 20	2041 Year 25	2046 Year 30	
New Development Projections												
Household Growth (DUs)	0	818	818	818	818	818	0	0	0	0	0	
Commercial Space (SF)	0	504,649	504,649	504,649	504,649	504,649	0	0	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property												
Existing Assessed Value Growth	\$ 19,057,366,075	\$ 19,819,660,718	\$ 20,612,447,146	\$ 21,436,945,032	\$ 22,294,422,834	\$ 23,186,199,747	\$ 28,209,557,218	\$ 34,321,239,664	\$ 41,757,035,852	\$ 50,803,818,865	\$ 61,810,613,675	
Less: Redeveloped Property	\$ -	\$ (58,134,328)	\$ (60,459,701)	\$ (62,878,089)	\$ (65,393,213)	\$ (68,008,941)	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 347,549,533	\$ 716,299,587	\$ 1,107,606,101	\$ 1,522,905,349	\$ 1,963,719,331	\$ 3,630,236,704	\$ 4,176,402,931	\$ 4,923,188,638	\$ 5,931,920,554	\$ 7,213,595,949	
Total Value	\$ 19,057,366,075	\$ 20,109,075,923	\$ 21,268,287,033	\$ 22,481,673,044	\$ 23,751,934,970	\$ 25,081,910,137	\$ 31,839,793,922	\$ 38,497,642,596	\$ 46,680,224,489	\$ 56,735,739,419	\$ 69,024,209,623	
Tax Increment	\$ -	\$ 4,097,724	\$ 8,614,301	\$ 13,341,956	\$ 18,291,214	\$ 23,473,130	\$ 49,803,534	\$ 75,744,177	\$ 107,625,562	\$ 146,804,362	\$ 194,683,314	
Commercial Property												
Existing Assessed Value Growth	\$ 5,487,008,970	\$ 5,706,489,328	\$ 5,934,748,901	\$ 6,172,138,857	\$ 6,419,024,412	\$ 6,675,785,388	\$ 8,122,113,668	\$ 9,881,793,168	\$ 12,022,712,339	\$ 14,627,467,862	\$ 17,796,551,229	
Less: Redeveloped Property	\$ -	\$ (13,702,627)	\$ (14,250,732)	\$ (14,820,762)	\$ (15,413,592)	\$ (16,030,136)	\$ -	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 170,525,557.44	\$ 358,547,037.08	\$ 558,068,593.78	\$ 749,822,613.73	\$ 994,585,183.10	\$ 1,843,908,901.96	\$ 2,121,152,941.97	\$ 2,500,235,271.11	\$ 3,012,377,948.39	\$ 3,663,236,276.74	
Total Value	\$ 5,487,008,970	\$ 5,863,312,259	\$ 6,279,045,206	\$ 6,715,386,690	\$ 7,173,433,434	\$ 7,654,340,436	\$ 9,966,022,570	\$ 12,002,946,110	\$ 14,522,947,610	\$ 17,639,845,811	\$ 21,459,787,506	
Tax Increment	\$ -	\$ 1,466,172	\$ 3,085,971	\$ 4,786,067	\$ 6,570,731	\$ 8,444,465	\$ 17,451,357	\$ 25,387,720	\$ 35,206,276	\$ 47,350,491	\$ 62,233,938	
Bond Capacity												
Subtotal Tax Increment	\$ -	\$ 5,563,896	\$ 11,700,272	\$ 18,128,023	\$ 24,861,945	\$ 31,917,595	\$ 67,254,891	\$ 101,131,897	\$ 142,831,838	\$ 194,154,853	\$ 256,917,253	
Less: Debt Coverage Ratio	125%	\$ -	\$ (1,112,779)	\$ (2,340,054)	\$ (3,625,605)	\$ (4,972,389)	\$ (6,383,519)	\$ (13,450,978)	\$ (20,226,379)	\$ (28,566,368)	\$ (38,830,971)	
Bondable Tax Increment	\$ -	\$ 4,451,117	\$ 9,360,218	\$ 14,502,418	\$ 19,889,556	\$ 25,534,076	\$ 53,803,913	\$ 80,905,518	\$ 114,265,470	\$ 155,323,882	\$ 205,533,802	
Net Present Value	5.5%	\$ 1,020,842,630										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (47,918,637)										
Less: Reserve for Future Delinquencies	10.0%	\$ (102,084,263)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$ 870,339,730										

LA 1 Mile Donut

Assumptions												
	Existing Assessed Value				New Development Projections							
	Occupied	Vacant	Occupied	Vacant	Annual Absorption		Sub-Area Capacity		Value per Unit			
	\$ 21,039,603,621	\$ 566,312,444	\$ 6,726,602,325	\$ 151,808,952	Household Growth (DUs)	992	11,599	\$ 408,588	Commercial Space (SF)	548,757	5,982,304	\$ 338
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
New Development Projections												
Household Growth (DUs)	0	992	992	992	992	992	992	0	0	0	0	
Commercial Space (SF)	0	548,757	548,757	548,757	548,757	548,757	548,757	0	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 21,881,187,765	\$ 22,756,435,276	\$ 23,666,692,687	\$ 24,613,360,395	\$ 25,597,894,810	\$ 26,621,810,603	\$ 32,389,503,137	\$ 39,406,782,999	\$ 47,944,376,910	\$ 58,331,665,321	\$ 70,969,389,915	
Less: Redeveloped Property	\$ -	\$ (51,043,628)	\$ (53,085,373)	\$ (55,208,788)	\$ (57,417,140)	\$ (59,713,826)	\$ (72,650,999)	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 421,353,488	\$ 868,409,538	\$ 1,342,812,030	\$ 1,846,302,238	\$ 2,380,725,367	\$ 5,589,614,808	\$ 7,772,247,351	\$ 9,070,762,228	\$ 10,831,174,301	\$ 13,119,218,756	
Total Value	\$ 21,881,187,765	\$ 23,126,745,135	\$ 24,482,016,852	\$ 25,900,963,636	\$ 27,386,779,909	\$ 28,942,822,144	\$ 37,906,466,945	\$ 47,179,030,350	\$ 57,015,139,137	\$ 69,162,839,622	\$ 84,088,608,670	
Tax Increment	\$ -	\$ 4,899,711	\$ 10,231,011	\$ 15,812,793	\$ 21,657,623	\$ 27,778,704	\$ 63,039,442	\$ 99,515,388	\$ 138,208,181	\$ 185,994,198	\$ 244,708,442	
Commercial Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 6,995,666,418	\$ 7,275,493,075	\$ 7,566,512,798	\$ 7,869,173,310	\$ 8,183,940,242	\$ 8,511,297,852	\$ 10,355,295,234	\$ 12,598,800,002	\$ 15,328,366,589	\$ 18,649,301,700	\$ 22,689,727,041	
Less: Redeveloped Property	\$ -	\$ (14,926,960)	\$ (15,524,039)	\$ (16,145,000)	\$ (16,790,800)	\$ (17,462,432)	\$ (21,245,719)	\$ -	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 185,430,104.88	\$ 389,885,338.52	\$ 606,845,797.35	\$ 837,107,880.73	\$ 1,081,515,507.59	\$ 2,549,022,309.85	\$ 3,229,495,304.40	\$ 3,778,264,459.25	\$ 4,521,779,099.68	\$ 5,484,413,761.80	
Total Value	\$ 6,995,666,418	\$ 7,445,996,219	\$ 7,940,874,098	\$ 8,459,874,107	\$ 9,004,257,323	\$ 9,575,350,927	\$ 12,883,071,826	\$ 15,828,295,307	\$ 19,106,631,049	\$ 23,171,080,800	\$ 28,174,140,803	
Tax Increment	\$ -	\$ 1,771,485	\$ 3,718,211	\$ 5,759,827	\$ 7,901,294	\$ 10,147,834	\$ 23,159,581	\$ 34,745,354	\$ 47,641,507	\$ 63,630,036	\$ 83,310,824	
Bond Capacity												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Subtotal Tax Increment	\$ -	\$ 6,671,196	\$ 13,949,222	\$ 21,572,620	\$ 29,558,918	\$ 37,926,538	\$ 86,199,023	\$ 134,260,742	\$ 185,849,688	\$ 249,624,234	\$ 328,019,264	
Less: Debt Coverage Ratio	125%	\$ -	\$ (1,334,239)	\$ (2,789,844)	\$ (4,314,524)	\$ (5,911,784)	\$ (7,585,308)	\$ (17,239,805)	\$ (26,852,148)	\$ (37,169,938)	\$ (49,924,847)	
Bondable Tax Increment	\$ -	\$ 5,336,957	\$ 11,159,378	\$ 17,258,096	\$ 23,647,134	\$ 30,341,231	\$ 68,959,218	\$ 107,408,594	\$ 148,679,751	\$ 199,699,387	\$ 262,415,412	
Net Present Value	5.5%	\$ 1,206,438,695										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (61,680,474)										
Less: Reserve for Future Delinquencies	10.0%	\$ (120,643,869)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$1,023,614,351										

LA 1.5 Mile Donut

Assumptions												
	Existing Assessed Value				New Development Projections							
	Occupied	Vacant	Occupied	Vacant	Annual Absorption	Sub-Area Capacity	Value per Unit					
	\$ 22,393,035,410	\$ 692,183,258	\$ 13,757,716,720	\$ 223,963,676	Household Growth (DUs)	1,526	18,574	\$ 408,588				
					Commercial Space (SF)	609,297	10,005,594	\$ 338				
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
New Development Projections:												
Household Growth (DUs)	0	1,526	1,526	1,526	1,526	1,526	1,526	0	0	0	0	
Commercial Space (SF)	0	609,297	609,297	609,297	609,297	609,297	609,297	609,297	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 23,288,756,826	\$ 24,220,307,099	\$ 25,189,119,383	\$ 26,196,684,158	\$ 27,244,551,525	\$ 28,334,333,586	\$ 34,473,049,195	\$ 41,941,735,357	\$ 51,028,534,054	\$ 62,084,014,062	\$ 75,534,695,901	
Less: Redeveloped Property	\$ (57,589,647)	\$ (59,893,233)	\$ (62,288,967)	\$ (64,780,521)	\$ (67,371,747)	\$ (70,166,735)	\$ (73,271,747)	\$ (76,704,025)	\$ (80,580,000)	\$ (84,810,000)	\$ (89,400,000)	
New Development Assessed Value	\$ 648,580,209	\$ 1,336,723,811	\$ 2,066,961,192	\$ 2,841,972,660	\$ 3,664,598,494	\$ 4,539,971,838	\$ 5,473,049,195	\$ 6,473,049,195	\$ 7,534,695,901	\$ 8,710,208,255	\$ 10,005,594,000	
Total Value	\$ 23,288,756,826	\$ 24,811,297,661	\$ 26,465,949,961	\$ 28,201,356,388	\$ 30,021,743,664	\$ 31,931,560,338	\$ 42,995,053,007	\$ 54,988,913,796	\$ 66,216,837,474	\$ 80,177,229,809	\$ 97,416,419,774	
Tax Increment	\$ -	\$ 5,932,200	\$ 12,379,139	\$ 19,140,716	\$ 26,233,400	\$ 33,674,523	\$ 76,780,656	\$ 123,511,737	\$ 167,258,534	\$ 221,651,713	\$ 288,819,907	
Commercial Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 14,308,025,389	\$ 14,880,346,404	\$ 15,475,560,261	\$ 16,094,582,671	\$ 16,738,365,978	\$ 17,407,900,617	\$ 21,179,372,810	\$ 25,767,945,401	\$ 31,350,645,561	\$ 38,142,853,913	\$ 46,406,613,919	
Less: Redeveloped Property	\$ (14,249,360)	\$ (14,819,334)	\$ (15,412,107)	\$ (16,028,592)	\$ (16,669,735)	\$ (17,338,282)	\$ (18,138,282)	\$ (19,073,282)	\$ (20,153,282)	\$ (21,378,282)	\$ (22,753,282)	
New Development Assessed Value	\$ 205,887,326,85	\$ 432,898,693,44	\$ 673,794,900,22	\$ 929,460,208,00	\$ 1,200,831,639,23	\$ 1,592,062,521	\$ 2,330,238,325,12	\$ 3,030,177,913,92	\$ 3,674,734,565,53	\$ 4,243,710,208,25	\$ 4,728,952,417,00	
Total Value	\$ 14,308,025,389	\$ 15,071,984,372	\$ 15,893,639,620	\$ 16,752,965,464	\$ 17,651,797,594	\$ 18,592,062,521	\$ 23,989,329,854	\$ 30,773,448,034	\$ 38,025,380,126	\$ 46,016,564,122	\$ 55,859,566,336	
Tax Increment	\$ -	\$ 2,976,575	\$ 6,177,949	\$ 9,526,098	\$ 13,028,172	\$ 16,691,680	\$ 37,720,783	\$ 64,153,403	\$ 92,408,743	\$ 123,544,394	\$ 161,895,191	
Bond Capacity												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Subtotal Tax Increment	\$ -	\$ 8,908,775	\$ 18,557,088	\$ 28,666,814	\$ 39,261,572	\$ 50,366,203	\$ 114,501,439	\$ 187,665,140	\$ 259,667,278	\$ 345,196,107	\$ 450,715,098	
Less: Debt Coverage Ratio	125%	\$ (1,781,755)	\$ (3,711,418)	\$ (5,233,363)	\$ (7,852,314)	\$ (10,073,241)	\$ (22,900,288)	\$ (37,533,028)	\$ (51,933,456)	\$ (69,039,221)	\$ (90,143,020)	
Bondable Tax Increment	\$ -	\$ 7,127,020	\$ 14,845,671	\$ 22,933,451	\$ 31,409,258	\$ 40,292,962	\$ 91,601,151	\$ 150,132,112	\$ 207,733,822	\$ 276,156,886	\$ 360,572,079	
Net Present Value:	5.5%	\$1,782,027,713										
Ints. Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (85,026,873)										
Less: Reserve for Future Delinquencies	10.0%	\$ (178,202,771)										
Less: Less Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$1,518,298,069										

LA ARBOR

Assumptions												
	Existing Assessed Value				New Development Projections							
	Occupied	Vacant	Occupied	Vacant	Annual Absorption		Sub-Area Capacity	Value per Unit				
	\$ 7,009,121,722	\$ 385,871,036	\$ 2,409,143,783	\$ 87,604,132	Household Growth (DUs)	433	7,221	\$ 543,459				
					Commercial Space (SF)	231,351	3,333,517	\$ 216				
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
New Development Projections												
Household Growth (DUs)	0	433	433	433	433	433	433	433	0	0	0	
Commercial Space (SF)	0	231,351	231,351	231,351	231,351	231,351	231,351	231,351	0	0	0	
Real Estate and Assessed Value Growth												
Residential Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Commercial Appreciation Index	100%	104%	108%	112%	117%	122%	148%	180%	219%	267%	324%	
Prop 13 Assessed Value Growth Index	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	102%	
Residential Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 7,289,486,591	\$ 7,581,066,055	\$ 7,884,308,697	\$ 8,199,681,045	\$ 8,527,668,287	\$ 8,868,775,018	\$ 10,790,220,867	\$ 13,127,953,535	\$ 15,972,162,771	\$ 19,432,578,193	\$ 23,642,702,660	
Less: Redeveloped Property	\$ -	\$ (24,550,477)	\$ (25,532,496)	\$ (26,553,796)	\$ (27,615,948)	\$ (28,720,586)	\$ (34,942,984)	\$ (42,513,483)	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 244,522,287	\$ 503,960,434	\$ 779,268,425	\$ 1,071,456,768	\$ 1,381,596,282	\$ 3,243,797,517	\$ 5,758,069,284	\$ 7,638,844,457	\$ 9,011,612,453	\$ 10,819,407,984	
Total Value	\$ 7,289,486,591	\$ 7,801,037,865	\$ 8,362,736,635	\$ 8,952,395,674	\$ 9,571,509,107	\$ 10,221,650,714	\$ 13,999,075,400	\$ 18,843,509,336	\$ 23,611,007,228	\$ 28,444,190,647	\$ 34,462,110,644	
Tax Increment	\$ -	\$ 1,993,132	\$ 4,181,650	\$ 6,479,110	\$ 8,891,330	\$ 11,424,444	\$ 26,142,235	\$ 45,017,361	\$ 63,592,725	\$ 82,424,016	\$ 105,871,336	
Commercial Property												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Existing Assessed Value Growth	\$ 2,505,509,534	\$ 2,605,729,916	\$ 2,709,959,112	\$ 2,818,357,477	\$ 2,931,091,776	\$ 3,048,335,447	\$ 3,708,766,169	\$ 4,512,281,124	\$ 5,489,879,926	\$ 6,679,278,345	\$ 8,126,363,385	
Less: Redeveloped Property	\$ -	\$ (6,316,842)	\$ (6,569,516)	\$ (6,832,296)	\$ (7,105,588)	\$ (7,389,812)	\$ (8,990,836)	\$ (10,938,726)	\$ -	\$ -	\$ -	
New Development Assessed Value	\$ -	\$ 50,046,647.08	\$ 105,228,080.15	\$ 163,784,610.22	\$ 225,931,181.46	\$ 291,895,563.31	\$ 687,968,224.04	\$ 1,222,724,791.53	\$ 1,415,956,881.78	\$ 1,678,561,440.49	\$ 2,022,985,394.67	
Total Value	\$ 2,505,509,534	\$ 2,649,459,721	\$ 2,808,617,677	\$ 2,975,309,791	\$ 3,149,917,369	\$ 3,332,841,199	\$ 4,387,743,557	\$ 5,724,067,189	\$ 6,905,836,808	\$ 8,357,839,786	\$ 10,149,348,780	
Tax Increment	\$ -	\$ 560,866	\$ 1,180,985	\$ 1,830,459	\$ 2,510,774	\$ 3,223,491	\$ 7,333,654	\$ 12,540,305	\$ 17,144,775	\$ 22,802,142	\$ 29,782,309	
Band Capacity												
	2016	2017	2018	2019	2020	2021	2026	2031	2036	2041	2046	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	
Subtotal Tax Increment	\$ -	\$ 2,553,998	\$ 5,362,636	\$ 8,309,569	\$ 11,402,104	\$ 14,647,935	\$ 33,475,890	\$ 57,557,666	\$ 80,737,500	\$ 105,226,157	\$ 135,653,645	
Less: Debt Coverage Ratio	125%	\$ -	\$ (510,800)	\$ (1,072,527)	\$ (1,661,914)	\$ (2,280,421)	\$ (2,929,587)	\$ (6,695,178)	\$ (11,511,533)	\$ (16,147,500)	\$ (21,045,231)	
Bondable Tax Increment	\$ -	\$ 2,043,198	\$ 4,290,108	\$ 6,647,655	\$ 9,121,683	\$ 11,718,348	\$ 26,780,712	\$ 46,046,133	\$ 64,590,000	\$ 84,180,926	\$ 108,522,916	
Net Present Value	5.5%	\$ 538,917,509										
Less: Capitalized Interest Proxy (of Avg. Year)	50.0%	\$ (25,812,137)										
Less: Reserve for Future Delinquencies	10.0%	\$ (53,891,751)										
Less: Issuance Costs	\$ 500,000	\$ (500,000)										
EIFD Capacity		\$ 458,713,621										

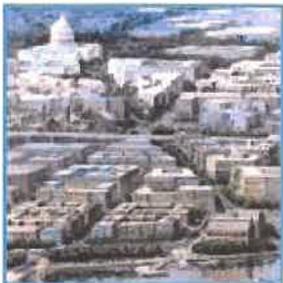
APPENDIX B: GENERAL & LIMITING CONDITIONS

- In preparing this Report, HR&A has used its independent professional judgment and skills in good faith, subject to the limitations, disclosures and disclaimers herein.
- This Report is based on estimates, assumptions and other information developed by HR&A based upon data provided by other parties. Every reasonable effort has been made to ensure that the data contained in this Report are accurate as of the date of this Report; however, factors exist that are outside the control of HR&A and that may affect the estimates and/or projections noted herein.
- HR&A reviewed the information and projections provided by third parties using its independent professional judgment and skills in good faith, but assumes no liability resulting from errors, omissions or any other inaccuracies with respect to the information provided by such third parties referenced in this Report.
- In addition to relying on data, information, projections and forecasts of others as referred to above, HR&A has included in this Report estimates and assumptions made by HR&A that HR&A believes are appropriate, but HR&A makes no representation that there will be no variances between actual outcomes and such estimates and assumptions.
- No summary or abstract of this Report, and no excerpts from this Report, may be made for any purpose without HR&A's prior written consent, which consent will not be unreasonably withheld.
- No opinion is intended to be expressed and no responsibility is assumed for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate and economic development consultant.
- This Report is qualified in its entirety by, and should be considered in light of these General and Limiting Conditions. By use of this Report each party that uses this Report agrees to be bound by all of the General and Limiting Conditions stated herein.

APPENDIX C: HR&A QUALIFICATIONS

Over almost 40 years, HR&A Advisors, Inc. (HR&A) has built a distinguished track record solving complex real estate and economic development challenges.

HR&A Advisors, Inc. (HR&A) is an industry-leading development advisor with over three decades of experience working in collaboration with government agencies, private developers, architects, engineers, and other specialists. We bring a wealth of national experience in corridor redevelopment projects through place making and mixed-use development including transit-oriented development. Our services include but are not limited to:



- **Strategic Positioning and Project Management**
- **Market Analysis and Financial Feasibility Analysis**
- **Economic and Fiscal Impact Analysis**
- **Other Socio-Economic Impact Analyses**
- **Developer Negotiations**
- **Affordable Housing Strategies and Development**
- **Energy Efficiency Solutions**

HR&A's clients include, but are not limited to:

- **Financial Institutions & Investment Companies**
- **Real Estate Development Organizations and Private Companies**
- **Public Development Agencies**
- **Cultural, Recreational & Special Events Clients**
- **Other Quasi-Public and Non-Profit Organizations and Foundations**
- **Governmental Agencies**
- **Transportation & Housing Agencies**

HR&A was founded in 1976 (our predecessor corporation was Hamilton, Rabinovitz & Alschuler, Inc.) and has maintained an office in Los Angeles for 40 years. The firm's four offices in New York, Los Angeles, Dallas and Washington, D.C. enable us to serve clients around the U.S. and the world.