Attachment 4

HOW the TDFP Gap Financing Program Works

Alexandria Economic Development Partnership

Industrial Development Authority

Per TDFP Project Ordinance:
Transfers 5% Developer Access Fee

Transfers 1% City Tax Revenue

Transfers 1% State Tax Revenue

Per Detailed Performance Agreement:
Pays 5% Developer Access Fee

Pays 1% City Tax Contribution

Pays 1% State Tax Contribution

BOND TRUSTEES

Gap Financing

Provides up to 30% Gap financing

Collects and Transfers 5% Developer Access Fee

Collects and Pays 6.5% City Occupancy Tax + $1.25/night Tax

Transfers City Portion of 1% of Sales Tax

Transfers 1% of State Collected Sales Tax per TDFP requirement

START HERE

Meets TDFP Required 70% Debt & Equity Qualification

MAY | RIEGLER PROPERTIES

TWAIN FINANCIAL PARTNERS

Project Developer & Primary Lender

Project: Hotel Heron

Collects and Pays 6% Sales Tax

Commonwealth of Virginia