

## Action Plan Objective

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Determine how TCF Bank can become involved in socially responsible, financially successful Transit Oriented Developments.

## Barriers to Objective

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- Commercial Banks' risk profile - Lowest priced/lowest risk construction capital.
  - Need identified repayment sources.
  - Need strong understanding of local real estate market.
  - Need local decision making.
  - Need good loan capacity.

## Barriers to Objective

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- Development risk of TOD's:
  - Large Infrastructural cost to create "Place".
  - Creates need for large amounts of long term capital.
  - Requires Community Leadership to address zoning and entitlements (density a frequent issue).
  - Must be able to assemble sufficient land to make mixed use viable.

## Barriers to Objective

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- Project Risk of new concepts:
  - Counter intuitive staging – retail build prior or contiguous with build of housing.
  - Mixed use structures – Requires dependence on multiple sources of identified repayment sources for project viability (i.e., retail leasing, office leasing, apartment leasing, condo sales).
  - Concessions may be required causing delay in cash flows (i.e., discount retail rents until residential build out).

## Tactics

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- Develop expertise necessary to structure and approve TOD loan (2 – 6 months).
- Meet with TOD experts to understand opportunities and issues for commercial bank involvement:
  - Meet with Marilee Utter.
  - Meet with Jim Mercado
  - Meet with other industry experts as identified.

## Tactics

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- Meet with TOD developers to explore financing opportunities (3 – 9 months):
  - Meet with Continuum.
  - Meet with Urban Villages.
  - Meet with other identified developers.

## Project Completion

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- ▣ Identify, approve and close first TOD loan (9 – 12 months).