

# EXHIBIT “B”

## Tax Increment Reinvestment Zone No. 2 (Airport)

### Financing Plan



November 16, 2010

## **Summary**

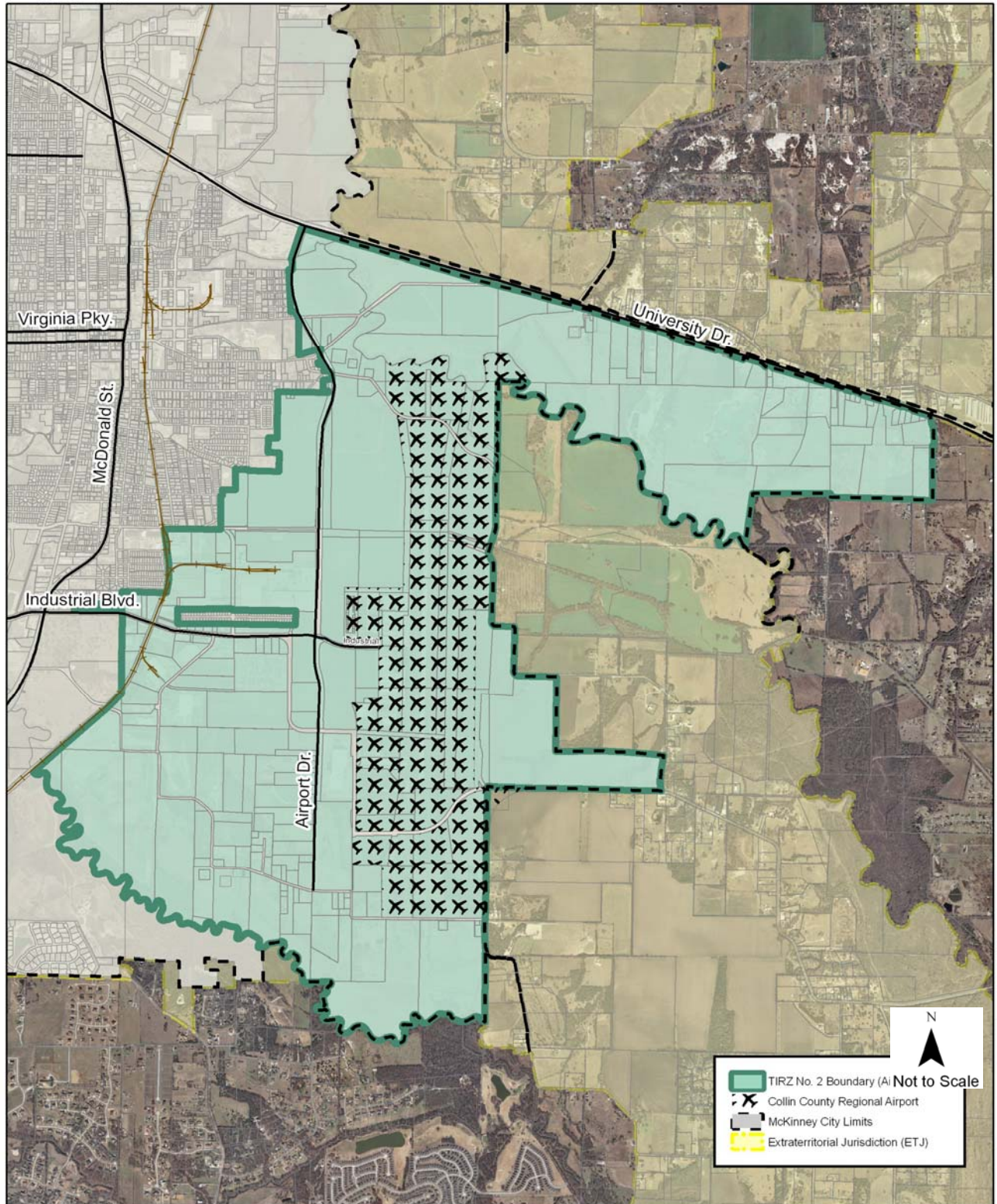
The Airport Tax Increment Reinvestment Zone (TIRZ No. 2) consists of approximately 3,617 acres of property outlined in Figure 1. The zone is located in the McKinney Independent School District. The 2009 base property value is \$114,374,431. Projections show that property value within the zone is estimated to grow to \$505.96 million by 2040, creating a total of \$29.08 million in potential TIRZ revenue from City property taxes (assuming 100% participation) and a total of \$6.02 million in potential TIRZ revenue from County property taxes (assuming 50% participation). Similarly, City sales tax revenue within the TIRZ is projected to grow from a 2009 base of \$278.59 thousand to \$369.75 thousand by 2040, creating a total of \$5.56 million over the life of the TIRZ (assuming 100% City participation).

Collectively, 100% City participation in both property and sales taxes combined with 50% County property tax participation yield a total cumulative of \$40.66 million in tax revenues over the life of the TIRZ (See Table 13, Projection No. 2).

The projections assume the construction of approximately 2.5 million square feet of industrial, office, and commercial/restaurant/retail within TIRZ No. 2. The total public infrastructure associated with the proposed developments will be determined after designation by the TIRZ Board.

The term of the zone is 30 years with the TIRZ in existence through 2040.

Figure 1: Proposed TIRZ No. 2 Boundary



Source: City of McKinney

### **Public Infrastructure**

The total public infrastructure capital costs are estimated to be approximately \$80 million. This TIRZ can reimburse costs such as: drainage, parking, roadway enhancements, and any other public improvements outlined in the anticipated Final Project and Finance Plans. Furthermore, the City and the TIRZ Board shall have the authority to establish and administer economic development programs, including but not limited to grants and loans, authorized under Chapter 380 of the Texas Local Government Code.

### **Financing Policy and Capacity**

The projections that follow do not, by themselves, create a marketable basis for debt financing. Therefore, any debt to be issued to pay for public infrastructure prior to the collection of actual TIRZ No. 2 revenues is likely to require credit support from the City. If debt were to be issued at this point by TIRZ No. 2, the City's overall bonding capacity in general would be reduced by the amount issued. In the future, the credit-worthiness of TIRZ No. 2 should be a function of its performance, with annual debt service capacity expected to equal 80-90% of the revenue collected in the year of proposed issuance.

It is the policy of the City of McKinney, the Airport Development Corporation and TIRZ No. 2 to provide financing capacity for long term investment in substantial transportation infrastructure and other substantial catalytic projects. Accordingly, the ability to aggregate the tax revenue increment to maximize financing capacity and financing options shall take precedent over projects that tend to diminish the ability of the TIRZ to aggregate a sufficient increment fund over time. Notwithstanding this policy, certain projects may arise that justify a targeted expenditure versus aggregation of the tax revenue increment, such as a unique economic development opportunity, among others.

### **Limited Obligation of the City or Participating Governmental Entities**

The City and Participating Governmental Entities shall have a limited obligation to impose and collect taxes, and deposit such tax receipts into the TIRZ No. 2 fund so long as the project is viable and capital costs incurred by the City and/or a developer (if any) have not been fully paid. The TIRZ collections for this project shall not extend beyond 2040, and may be terminated prior to 2040, upon payment of public improvement capital costs incurred by the City and/or a developer (if any), or for the failure of the TIRZ Project to perform as projected in the Final Project and Finance Plans.

The public improvement infrastructure costs incurred by a developer shall be paid solely from the TIRZ No. 2 revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, the Participating Governmental Entities, any political corporation, subdivision, or agency of the State. Any costs incurred by a Developer (if any) are not and shall never in any event become general obligations or debt of the City or any of the Participating Governmental Entities.

The City will negotiate a participation rate and potential maximum cap based on the following criteria:

- Ensure the City's ability to provide adequate municipal services such as police, fire, streets, libraries, parks, and other basic services;
- Complete a gap analysis that accounts for financial capacity of developer(s) (if any) and the minimum amount needed to meet the gap;
- Prioritize public improvement needs such as the need for streets and sidewalks vs. the need for underground utilities;
- Factor a reasonable annual growth assumption; and

- Consider developer contribution (if any) of land for public use needs and/or minimum financial contribution.

Further, the City's participation rate and maximum contribution will take into consideration the participation of other taxing entities and the overall impact to the City's Operational Budget and Debt Plan (the final financing plan must not adversely impact the City's ability to deliver services or its debt management plan).

#### **City and/or Developers' Risk**

All financing, developmental costs, construction costs, improvements, damages, or other costs incurred with respect to this project are at the sole risk of a developer (if any). The City in conjunction with TIRZ Board will determine the costs that can be supported with future TIRZ revenue associated with this TIRZ through the development of the Final Project and Finance Plans. All costs will be reimbursed solely through TIRZ revenue.

The City and any Participating Taxing Entities shall minimize any risk whatsoever associated with the development, construction, completion or failure of the project. In the event that the project fails, is abandoned or for any reason is not completed, the City shall have the right to terminate TIRZ No. 2 and any funds remaining in the TIRZ No. 2 account shall be distributed to the Participating Taxing Entities on a pro rata basis in accordance with each entity's participation level.

#### **Compliance**

The development of this TIRZ shall comply with all federal, state and local laws, rules and regulations.

#### **Reporting**

City and/or Developers (if any) shall submit a project status report and financial report on a quarterly basis (January 15th, April 15th, July 15th and October 15th) to the City.

#### **Inspection**

The Participating Taxing Entities, and/or Administrator shall have the right to inspect the project site or sites and the premises of a developer utilizing TIRZ funding without notice

## Supporting Information

### The Market Environment

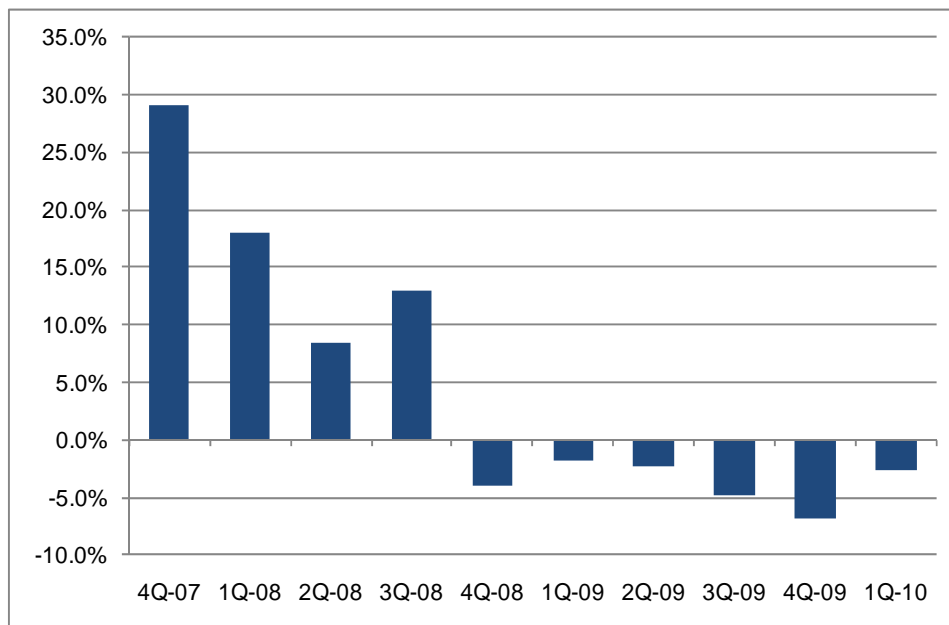
As the nation emerges from the recession, there is no question that the Metroplex and McKinney have felt the impact. The numbers tell the story, as job growth has slowed, sales tax revenue is stagnant, and development has more or less come to a halt. That having been said, the impacts in the Dallas/Fort Worth region have been less profound than elsewhere, and the area should be well-positioned to bounce back. Factors contributing to the resurgence, aside from recovery of the national economy, include continued in-migration and overall population growth and a well-diversified regional economy with a strong presence in energy, transportation, and technology. In addition, relatively low current market values, competitive labor costs, and a comparatively modest overall tax burden all indicate a cost environment that accommodates future development and growth.

**Table 1: Recent McKinney Annual Indicators**

	A. Sales Tax	B. Population	C. Unemployment	D. Single-Family Permits
2001	\$14,186,870	58,438	4.8%	2,554
2002	\$14,365,248	66,990	7.0%	2,150
2003	\$15,485,000	76,907	6.9%	2,795
2004	\$18,301,409	85,865	5.8%	3,005
2005	\$23,381,858	94,733	4.4%	3,400
2006	\$26,683,569	104,853	4.4%	2,978
2007	\$31,025,152	115,198	4.1%	1,662
2008	\$33,592,023	120,978	4.7%	987
2009	\$32,265,078	122,083	7.4%	943

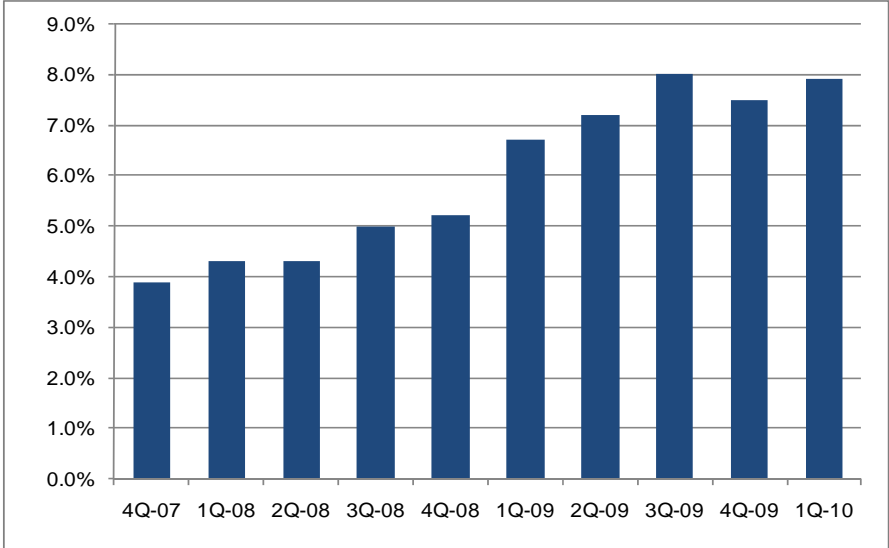
Sources: A. Texas State Comptroller's Office; B. City of McKinney; C. Bureau of Labor Statistics; D. Census Bureau

**Figure 2: Recent McKinney 12-Month Sales Tax Revenue Growth**



Sources: Texas State Comptroller's Office; TXP

**Figure 3: Recent McKinney Unemployment Rates**



Sources: Texas Workforce Commission; TXP

## Tax Base Scenarios

### **Key Assumptions for Overall Forecasts**

- Base data was derived from a number of sources, including County Business Patterns, The North Central Texas Council of Governments, the Texas Comptroller's Office, the Bureau of Labor Statistics/Texas Workforce Commission, the Census Bureau, and the City of McKinney.
- Since activity adjacent to the airport is likely largely to be the result of demand that currently does not exist locally, a combination of capacity analysis and case study approach was used to estimate the potential "footprint" at buildout and at points along the process. Land use patterns at several analogous airports were examined, along with an evaluation of what could be done from a zoning perspective. Values per square foot for the ad valorem tax base are based on a combination of local rates and other values in the region.

### **Ad Valorem**

The current aggregate taxable property value of the TIRZ #2 area is \$114,374,431. For illustration, two development scenarios are included in this document, all of which assume a 30-year horizon:

- Scenario #1: Inflation Only. For purposes of this exercise, the current aggregate value of property is assumed to grow at a conservative inflation rate of 3% annually. Since there is no new development, this scenario does not necessarily represent any share of the overall market demand.
- Scenario #2: Case-Study Development; Current Values. In this scenario, total new development of approximately 2,225,000 square feet of industrial and 265,000 square feet of commercial space is anticipated. Development is phased in over a thirty year period beginning in 2011, and inflation of 3% annually is applied to values.

The following tables reflect the timing and assumptions outlined above, and the aggregate TIRZ No. 2 property values that result.



**Table 2: Projected TIRZ No. 2 Aggregate Annual Property Values\***

	<b>Baseline</b>	<b>Scenario #1</b>	<b>Scenario #2</b>
2011	\$114,374,431	\$121,339,834	\$123,580,562
2012	\$114,374,431	\$124,980,029	\$130,557,576
2013	\$114,374,431	\$128,729,430	\$137,841,987
2014	\$114,374,431	\$132,591,313	\$145,445,962
2015	\$114,374,431	\$136,569,052	\$153,382,117
2016	\$114,374,431	\$140,666,124	\$161,663,540
2017	\$114,374,431	\$144,886,107	\$170,303,804
2018	\$114,374,431	\$149,232,690	\$179,316,987
2019	\$114,374,431	\$153,709,671	\$188,717,688
2020	\$114,374,431	\$158,320,961	\$198,521,046
2021	\$114,374,431	\$163,070,590	\$208,742,759
2022	\$114,374,431	\$167,962,708	\$219,399,106
2023	\$114,374,431	\$173,001,589	\$230,506,965
2024	\$114,374,431	\$178,191,637	\$242,083,836
2025	\$114,374,431	\$183,537,386	\$254,147,864
2026	\$114,374,431	\$189,043,507	\$266,717,858
2027	\$114,374,431	\$194,714,813	\$279,813,318
2028	\$114,374,431	\$200,556,257	\$293,454,460
2029	\$114,374,431	\$206,572,945	\$307,662,238
2030	\$114,374,431	\$212,770,133	\$322,458,375
2031	\$114,374,431	\$219,153,237	\$337,865,383
2032	\$114,374,431	\$225,727,834	\$353,906,599
2033	\$114,374,431	\$232,499,669	\$370,606,209
2034	\$114,374,431	\$239,474,659	\$387,989,280
2035	\$114,374,431	\$246,658,899	\$406,081,790
2036	\$114,374,431	\$254,058,666	\$424,910,660
2037	\$114,374,431	\$261,680,426	\$444,503,789
2038	\$114,374,431	\$269,530,839	\$464,890,085
2039	\$114,374,431	\$277,616,764	\$486,099,506
2040	\$114,374,431	\$285,945,267	\$505,962,915

**Source: TXP**

\*projected appraised values of all taxable TIRZ property

**Table 3: Projected TIRZ No. 2 Ad Valorem Increment\***

	Scenario #1	Scenario #2
2011	\$6,965,403	\$9,206,131
2012	\$10,605,598	\$16,183,145
2013	\$14,354,999	\$23,467,556
2014	\$18,216,882	\$31,071,531
2015	\$22,194,621	\$39,007,686
2016	\$26,291,693	\$47,289,109
2017	\$30,511,676	\$55,929,373
2018	\$34,858,259	\$64,942,556
2019	\$39,335,240	\$74,343,257
2020	\$43,946,530	\$84,146,615
2021	\$48,696,159	\$94,368,328
2022	\$53,588,277	\$105,024,675
2023	\$58,627,158	\$116,132,534
2024	\$63,817,206	\$127,709,405
2025	\$69,162,955	\$139,773,433
2026	\$74,669,076	\$152,343,427
2027	\$80,340,382	\$165,438,887
2028	\$86,181,826	\$179,080,029
2029	\$92,198,514	\$193,287,807
2030	\$98,395,702	\$208,083,944
2031	\$104,778,806	\$223,490,952
2032	\$111,353,403	\$239,532,168
2033	\$118,125,238	\$256,231,778
2034	\$125,100,228	\$273,614,849
2035	\$132,284,468	\$291,707,359
2036	\$139,684,235	\$310,536,229
2037	\$147,305,995	\$330,129,358
2038	\$155,156,408	\$350,515,654
2039	\$163,242,333	\$371,725,075
2040	\$171,570,836	\$391,588,484

**Source: TXP**

\*the difference between the Baseline and Projected Values in Table 2

**Table 4: Projected Annual TIRZ No. 2 Revenues from City Ad Valorem Taxes, Current Tax Rate - \$0.5855\***

	Scenario #1	Scenario #2
2010	N.A.	N.A.
2011	\$40,782	\$53,902
2012	\$62,096	\$94,752
2013	\$84,049	\$137,403
2014	\$106,660	\$181,924
2015	\$129,950	\$228,390
2016	\$153,938	\$276,878
2017	\$178,646	\$327,466
2018	\$204,095	\$380,239
2019	\$230,308	\$435,280
2020	\$257,307	\$492,678
2021	\$285,116	\$552,527
2022	\$313,759	\$614,919
2023	\$343,262	\$679,956
2024	\$373,650	\$747,739
2025	\$404,949	\$818,373
2026	\$437,187	\$891,971
2027	\$470,393	\$968,645
2028	\$504,595	\$1,048,514
2029	\$539,822	\$1,131,700
2030	\$576,107	\$1,218,331
2031	\$613,480	\$1,308,540
2032	\$651,974	\$1,402,461
2033	\$691,623	\$1,500,237
2034	\$732,462	\$1,602,015
2035	\$774,526	\$1,707,947
2036	\$817,851	\$1,818,190
2037	\$862,477	\$1,932,907
2038	\$908,441	\$2,052,269
2039	\$955,784	\$2,176,450
2040	\$1,004,547	\$2,292,751
<b>TOTAL</b>	<b>\$13,709,834</b>	<b>\$29,075,354</b>

**Source: TXP**

\*the TIRZ revenue associated with dedicating 100% of City taxes imposed on the increment in Table 3

**Table 5: Projected Annual TIRZ No. 2 Revenues from County Ad Valorem Taxes, Current Tax Rate - \$0.2425\***

	Scenario #1	Scenario #2
2010	N.A.	N.A.
2011	\$16,891	\$22,325
2012	\$25,719	\$39,244
2013	\$34,811	\$56,909
2014	\$44,176	\$75,348
2015	\$53,822	\$94,594
2016	\$63,757	\$114,676
2017	\$73,991	\$135,629
2018	\$84,531	\$157,486
2019	\$95,388	\$180,282
2020	\$106,570	\$204,056
2021	\$118,088	\$228,843
2022	\$129,952	\$254,685
2023	\$142,171	\$281,621
2024	\$154,757	\$309,695
2025	\$167,720	\$338,951
2026	\$181,073	\$369,433
2027	\$194,825	\$401,189
2028	\$208,991	\$434,269
2029	\$223,581	\$468,723
2030	\$238,610	\$504,604
2031	\$254,089	\$541,966
2032	\$270,032	\$580,866
2033	\$286,454	\$621,362
2034	\$303,368	\$663,516
2035	\$320,790	\$707,390
2036	\$338,734	\$753,050
2037	\$357,217	\$800,564
2038	\$376,254	\$850,000
2039	\$395,863	\$901,433
2040	\$416,059	\$949,602
<b>TOTAL</b>	<b>\$5,678,283</b>	<b>\$12,042,311</b>
<b>Source: TXP</b>		

\*the TIRZ revenue associated with dedicating 100% of County taxes imposed on the increment in Table 3

**Table 6: Projected Annual TIRZ No. 2 Revenues from Community College District Ad Valorem Taxes, Current Tax Rate – \$0.0863\***

	Scenario #1	Scenario #2
2010	N.A.	N.A.
2011	\$6,011	\$7,945
2012	\$9,153	\$13,966
2013	\$12,388	\$20,253
2014	\$15,721	\$26,815
2015	\$19,154	\$33,664
2016	\$22,690	\$40,811
2017	\$26,332	\$48,267
2018	\$30,083	\$56,045
2019	\$33,946	\$64,158
2020	\$37,926	\$72,619
2021	\$42,025	\$81,440
2022	\$46,247	\$90,636
2023	\$50,595	\$100,222
2024	\$55,074	\$110,213
2025	\$59,688	\$120,624
2026	\$64,439	\$131,472
2027	\$69,334	\$142,774
2028	\$74,375	\$154,546
2029	\$79,567	\$166,807
2030	\$84,915	\$179,576
2031	\$90,424	\$192,873
2032	\$96,098	\$206,716
2033	\$101,942	\$221,128
2034	\$107,961	\$236,130
2035	\$114,161	\$251,743
2036	\$120,547	\$267,993
2037	\$127,125	\$284,902
2038	\$133,900	\$302,495
2039	\$140,878	\$320,799
2040	\$148,066	\$337,941
<b>TOTAL</b>	<b>\$2,020,766</b>	<b>\$4,285,573</b>
<b>Source: TXP</b>		

\*the TIRZ revenue associated with dedicating 100% of Community College District taxes imposed on the increment in Table 3

NOTE: The City of McKinney has requested Community College District participation in TIRZ No. 2; however, a response from the District has not yet been received. Therefore, Table 6 is included for informational purposes only.

**Table 7: Projected 30-Year TIRZ No. 2 Revenues from City Ad Valorem Taxes (at \$0.5855)\***

	Participation Rate	Scenario #1	Scenario #2
Total	100%	\$13,709,834	\$29,075,354
Present Value		\$7,545,841	\$15,703,639
Total	90%	\$12,338,851	\$26,167,817
Present Value		\$6,791,257	\$14,133,275
Total	80%	\$10,967,868	\$23,260,282
Present Value		\$6,036,672	\$12,562,911
Total	70%	\$9,596,884	\$20,352,746
Present Value		\$5,282,089	\$10,992,547
Total	60%	\$8,225,900	\$17,445,211
Present Value		\$4,527,505	\$9,422,183
Total	50%	\$6,854,917	\$14,537,676
Present Value		\$3,772,921	\$7,851,820
<b>Source: TXP</b>			

\*Scenarios reflect the total and present value of TIRZ revenue at different City participation levels. A 5% discount rate is assumed to calculate the present values.

**Table 8: Projected 30-Year TIRZ No. 2 Revenues from County Ad Valorem Taxes (at \$0.2425)\***

	Participation Rate	Scenario #1	Scenario #2
Total	100%	\$5,678,283	\$12,042,311
Present Value		\$3,125,305	\$6,504,069
Total	90%	\$5,110,455	\$10,838,080
Present Value		\$2,812,775	\$5,853,662
Total	80%	\$4,542,627	\$9,633,849
Present Value		\$2,500,244	\$5,203,255
Total	70%	\$3,974,798	\$8,429,618
Present Value		\$2,187,714	\$4,552,848
Total	60%	\$3,406,970	\$7,225,387
Present Value		\$1,875,183	\$3,902,441
Total	50%	\$2,839,142	\$6,021,156
Present Value		\$1,562,653	\$3,252,035
<b>Source: TXP</b>			

\*Scenarios reflect the total and present value of TIRZ revenue at different County participation levels. A 5% discount rate is assumed to calculate the present values.

**Table 9: Projected 30-Year TIRZ No. 2 Revenues from Community College District Ad Valorem Taxes (at \$.0863)\***

	Participation Rate	Scenario #1	Scenario #2
Total	100%	\$2,020,766	\$4,285,573
Present Value		\$1,112,222	\$2,314,644
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Total	90%	\$1,818,690	\$3,857,016
Present Value		\$1,001,000	\$2,083,180
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Total	80%	\$1,616,613	\$3,428,458
Present Value		\$889,778	\$1,851,715
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Total	70%	\$1,414,536	\$2,999,901
Present Value		\$778,555	\$1,620,251
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Total	60%	\$1,212,460	\$2,571,344
Present Value		\$667,333	\$1,388,786
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Total	50%	\$1,010,383	\$2,142,787
Present Value		\$556,111	\$1,157,322
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<b>Source: TXP</b>			

\*Scenarios reflect the total and present value of Community College revenue at different Community College participation levels. A 5% discount rate is assumed to calculate the present values.

NOTE: The City of McKinney has requested Community College District participation in TIRZ No. 2; however, a response from the District has not yet been received. Therefore, Table 9 is included for informational purposes only.

## **Sales Tax**

The current aggregate sales tax base of TIRZ No. 2 is \$278,592. For illustration, three scenarios on sales tax growth are included in this document, all of which assume a 30-year horizon:

- Scenario A: Inflation Only. For purposes of this exercise, the current aggregate value of the sales tax base is assumed to grow at a conservative inflation rate of 3% annually. Since there is no new development, this scenario does not necessarily represent any share of the overall market demand.
- Scenario B: Medium Development; Current Sales Level. In this scenario, the assumption is that none of the new industrial activity is subject to sales tax, while just under half (47%) of the projected commercial activity is expected to be retail-oriented. Based on data from the Texas Comptroller's Office, 38.9% of this retail activity is assumed to be subject to sales tax. The phase-in matches the same pattern established in Development Scenario 2, and the current City of McKinney sales tax rate of 1% and annual inflation of 3% is applied. Sales per square foot are \$188, reflecting the 2009 level within the TIRZ area.



**Table 10: Projected TIRZ No. 2 City Sales Tax Increment**

	Scenario A	Scenario B
2010	N.A.	N.A.
2011	\$848,313	\$1,080,422
2012	\$1,291,650	\$1,869,410
2013	\$1,748,288	\$2,692,227
2014	\$2,218,624	\$3,550,195
2015	\$2,703,071	\$4,444,681
2016	\$3,202,051	\$5,377,104
2017	\$3,716,001	\$6,348,936
2018	\$4,245,369	\$7,361,702
2019	\$4,790,618	\$8,416,983
2020	\$5,352,224	\$9,516,418
2021	\$5,930,679	\$10,661,708
2022	\$6,526,487	\$11,854,614
2023	\$7,140,170	\$13,096,962
2024	\$7,772,263	\$14,390,645
2025	\$8,423,319	\$15,737,625
2026	\$9,093,906	\$17,139,936
2027	\$9,784,612	\$18,599,685
2028	\$10,496,038	\$20,119,056
2029	\$11,228,807	\$21,700,313
2030	\$11,983,559	\$23,345,802
2031	\$12,760,954	\$25,057,953
2032	\$13,561,671	\$26,839,286
2033	\$14,386,409	\$28,692,410
2034	\$15,235,889	\$30,620,029
2035	\$16,110,854	\$32,624,945
2036	\$17,012,067	\$34,710,062
2037	\$17,940,317	\$36,878,386
2038	\$18,896,415	\$39,133,035
2039	\$19,881,195	\$41,477,235
2040	\$20,895,519	\$43,686,421

**Source: TXP**

**Table 11: Projected Annual TIRZ No. 2 Revenues from City Sales Tax, Current Tax Rate (1%)**

	Scenario A	Scenario B
2011	N.A.	N.A.
2012	\$15,037	\$21,395
2013	\$17,483	\$26,923
2014	\$22,186	\$35,502
2015	\$27,031	\$44,447
2016	\$32,021	\$53,771
2017	\$37,160	\$63,490
2018	\$42,454	\$73,617
2019	\$47,906	\$84,170
2020	\$53,522	\$95,164
2021	\$59,307	\$106,617
2022	\$65,265	\$118,546
2023	\$71,402	\$130,970
2024	\$77,723	\$143,907
2025	\$84,233	\$157,377
2026	\$90,939	\$171,400
2027	\$97,846	\$185,997
2028	\$104,961	\$201,191
2029	\$112,288	\$217,003
2030	\$119,836	\$233,458
2031	\$127,610	\$250,580
2032	\$135,617	\$268,393
2033	\$143,864	\$286,924
2034	\$152,359	\$306,201
2035	\$161,109	\$326,250
2036	\$170,121	\$347,101
2037	\$179,403	\$368,784
2038	\$188,964	\$391,331
2039	\$198,812	\$414,773
2040	\$208,955	\$436,864
<b>TOTAL</b>	<b>\$2,845,409</b>	<b>\$5,562,146</b>
<b>Source: TXP</b>		

\*the TIRZ revenue associated with dedicating 100% of City sales taxes imposed on the increment in Table 10

## Revenue Projections

Once revenue from various streams has been forecasted, a number of projections which combine different revenue streams at different rates can be developed to inform the overall financing. The following are provided to measure a range of possibilities. In all both projections, Scenario #2 is used as the basis for the calculation of ad valorem taxes and Scenario B is used as the basis for calculation of sales taxes.

**Projection No. 1:** 100% City participation in both ad valorem and sales tax; no County participation in ad valorem tax.

**Table 12: Projection No. 1: Annual and Cumulative Revenues**

	City Property	City Sales	County Property	Annual Total	Cumulative Total
2011	\$53,902	\$0	\$0	\$53,902	
2012	\$94,752	\$21,395	\$0	\$116,147	\$170,049
2013	\$137,403	\$26,923	\$0	\$164,326	\$334,375
2014	\$181,924	\$35,502	\$0	\$217,426	\$551,801
2015	\$228,390	\$44,447	\$0	\$272,837	\$824,638
2016	\$276,878	\$53,771	\$0	\$330,649	\$1,155,287
2017	\$327,466	\$63,490	\$0	\$390,956	\$1,546,243
2018	\$380,239	\$73,617	\$0	\$453,856	\$2,000,099
2019	\$435,280	\$84,170	\$0	\$519,450	\$2,519,549
2020	\$492,678	\$95,164	\$0	\$587,842	\$3,107,391
2021	\$552,527	\$106,617	\$0	\$659,144	\$3,766,535
2022	\$614,919	\$118,546	\$0	\$733,465	\$4,500,000
2023	\$679,956	\$130,970	\$0	\$810,926	\$5,310,926
2024	\$747,739	\$143,907	\$0	\$891,646	\$6,202,572
2025	\$818,373	\$157,377	\$0	\$975,750	\$7,178,322
2026	\$891,971	\$171,400	\$0	\$1,063,371	\$8,241,693
2027	\$968,645	\$185,997	\$0	\$1,154,642	\$9,396,335
2028	\$1,048,514	\$201,191	\$0	\$1,249,705	\$10,646,040
2029	\$1,131,700	\$217,003	\$0	\$1,348,703	\$11,994,743
2030	\$1,218,331	\$233,458	\$0	\$1,451,789	\$13,446,532
2031	\$1,308,540	\$250,580	\$0	\$1,559,120	\$15,005,652
2032	\$1,402,461	\$268,393	\$0	\$1,670,854	\$16,676,506
2033	\$1,500,237	\$286,924	\$0	\$1,787,161	\$18,463,667
2034	\$1,602,015	\$306,201	\$0	\$1,908,216	\$20,371,883
2035	\$1,707,947	\$326,250	\$0	\$2,034,197	\$22,406,080
2036	\$1,818,190	\$347,101	\$0	\$2,165,291	\$24,571,371
2037	\$1,932,907	\$368,784	\$0	\$2,301,691	\$26,873,062
2038	\$2,052,269	\$391,331	\$0	\$2,443,600	\$29,316,662
2039	\$2,176,450	\$414,773	\$0	\$2,591,223	\$31,907,885
2040	\$2,292,751	\$436,864	\$0	\$2,729,615	\$34,637,500
<b>TOTAL</b>	<b>\$29,075,354</b>	<b>\$5,562,146</b>	<b>-</b>	<b>\$34,637,500</b>	<b>-</b>

Source: TXP

**Projection No. 2:** 100% City participation in both ad valorem and sales tax; 50% County participation in ad valorem tax.

**Table 13: Projection No. 2: Annual and Cumulative Revenues**

	City Property	City Sales	County Property	Annual Total	Cumulative Total
2011	\$53,902	\$0	\$11,163	\$65,065	
2012	\$94,752	\$21,395	\$19,622	\$135,769	\$200,834
2013	\$137,403	\$26,923	\$28,455	\$192,781	\$393,615
2014	\$181,924	\$35,502	\$37,674	\$255,100	\$648,715
2015	\$228,390	\$44,447	\$47,297	\$320,134	\$968,849
2016	\$276,878	\$53,771	\$57,338	\$387,987	\$1,356,836
2017	\$327,466	\$63,490	\$67,815	\$458,771	\$1,815,607
2018	\$380,239	\$73,617	\$78,743	\$532,599	\$2,348,206
2019	\$435,280	\$84,170	\$90,141	\$609,591	\$2,957,797
2020	\$492,678	\$95,164	\$102,028	\$689,870	\$3,647,667
2021	\$552,527	\$106,617	\$114,422	\$773,566	\$4,421,233
2022	\$614,919	\$118,546	\$127,343	\$860,808	\$5,282,041
2023	\$679,956	\$130,970	\$140,811	\$951,737	\$6,233,778
2024	\$747,739	\$143,907	\$154,848	\$1,046,494	\$7,280,272
2025	\$818,373	\$157,377	\$169,476	\$1,145,226	\$8,425,498
2026	\$891,971	\$171,400	\$184,717	\$1,248,088	\$9,673,586
2027	\$968,645	\$185,997	\$200,595	\$1,355,237	\$11,028,823
2028	\$1,048,514	\$201,191	\$217,135	\$1,466,840	\$12,495,663
2029	\$1,131,700	\$217,003	\$234,362	\$1,583,065	\$14,078,728
2030	\$1,218,331	\$233,458	\$252,302	\$1,704,091	\$15,782,819
2031	\$1,308,540	\$250,580	\$270,983	\$1,830,103	\$17,612,922
2032	\$1,402,461	\$268,393	\$290,433	\$1,961,287	\$19,574,209
2033	\$1,500,237	\$286,924	\$310,681	\$2,097,842	\$21,672,051
2034	\$1,602,015	\$306,201	\$331,758	\$2,239,974	\$23,912,025
2035	\$1,707,947	\$326,250	\$353,695	\$2,387,892	\$26,299,917
2036	\$1,818,190	\$347,101	\$376,525	\$2,541,816	\$28,841,733
2037	\$1,932,907	\$368,784	\$400,282	\$2,701,973	\$31,543,706
2038	\$2,052,269	\$391,331	\$425,000	\$2,868,600	\$34,412,306
2039	\$2,176,450	\$414,773	\$450,717	\$3,041,940	\$37,454,246
2040	\$2,292,751	\$436,864	\$474,801	\$3,204,416	\$40,658,662
<b>TOTAL</b>	<b>\$29,075,354</b>	<b>\$5,562,146</b>	<b>\$6,021,156</b>	<b>\$40,658,662</b>	<b>-</b>

**Source: TXP**