

EXHIBIT “B”

Tax Increment Reinvestment Zone No. 2 (Airport)

Preliminary Project Plan



September 1, 2010

Background

The City of McKinney TIRZ No. 2 (outlined in Figure 1) will support the ongoing investment and development of the Collin County Regional Airport (“the Airport”), which is operated, maintained, developed and managed by the McKinney Airport Development Corporation (MADC).

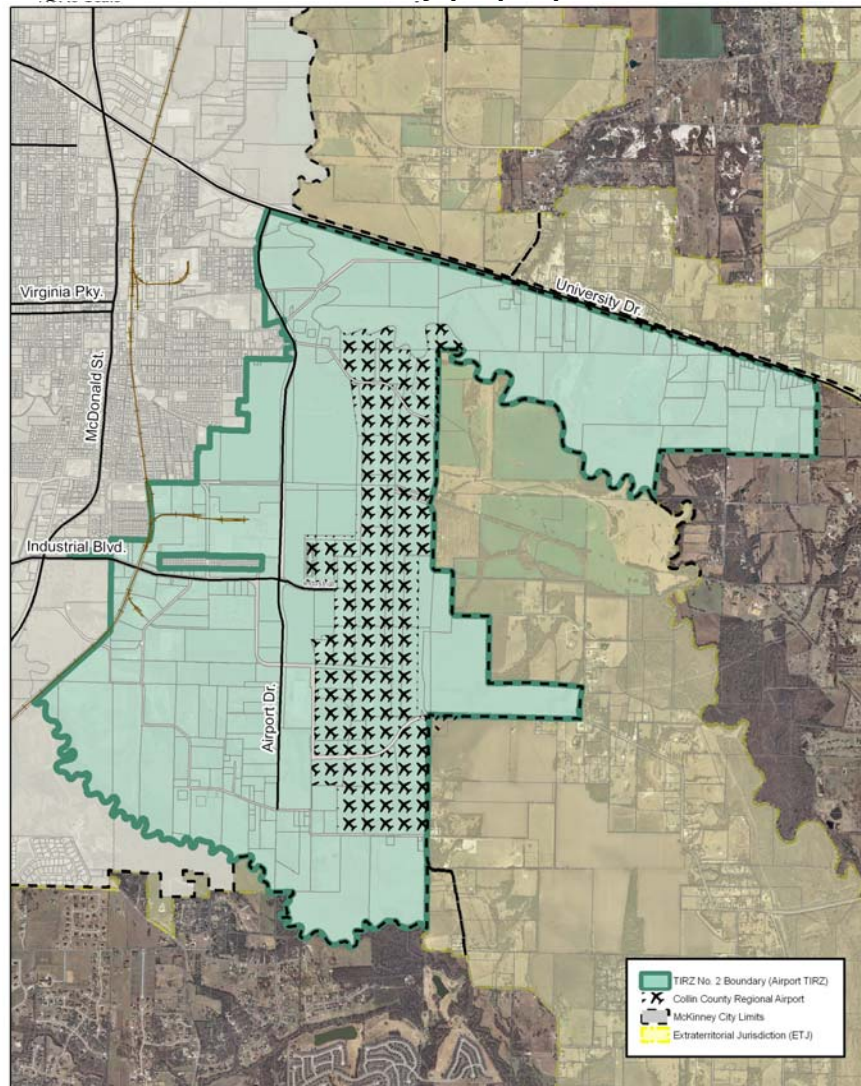
On February 12, 2009, the MADC approved a strategic plan establishing the following mission statement and vision.

Mission Statement: *Develop the premier general aviation reliever airport in the D/FW Metroplex with future commercial service goals.*

Vision: *Collin County Regional Airport is an air transportation center and economic engine for the North Dallas Region, facilitating general aviation, business aviation and related services by an aggressive marketing program and aeronautical service, infrastructure and facility development program.*

TIRZ No. 2, as delineated below, will provide infrastructure support necessary to fulfill this mission and vision.

Figure 1: TIRZ No. 2 Boundary (Airport)



Existing Conditions and Uses

The Airport is located east of the Town Center in a primarily undeveloped area. The Airport itself is designated an airport zone. The area around the Airport is primarily designated with light manufacturing and agricultural zoning districts.

Proposed Improvements and Uses

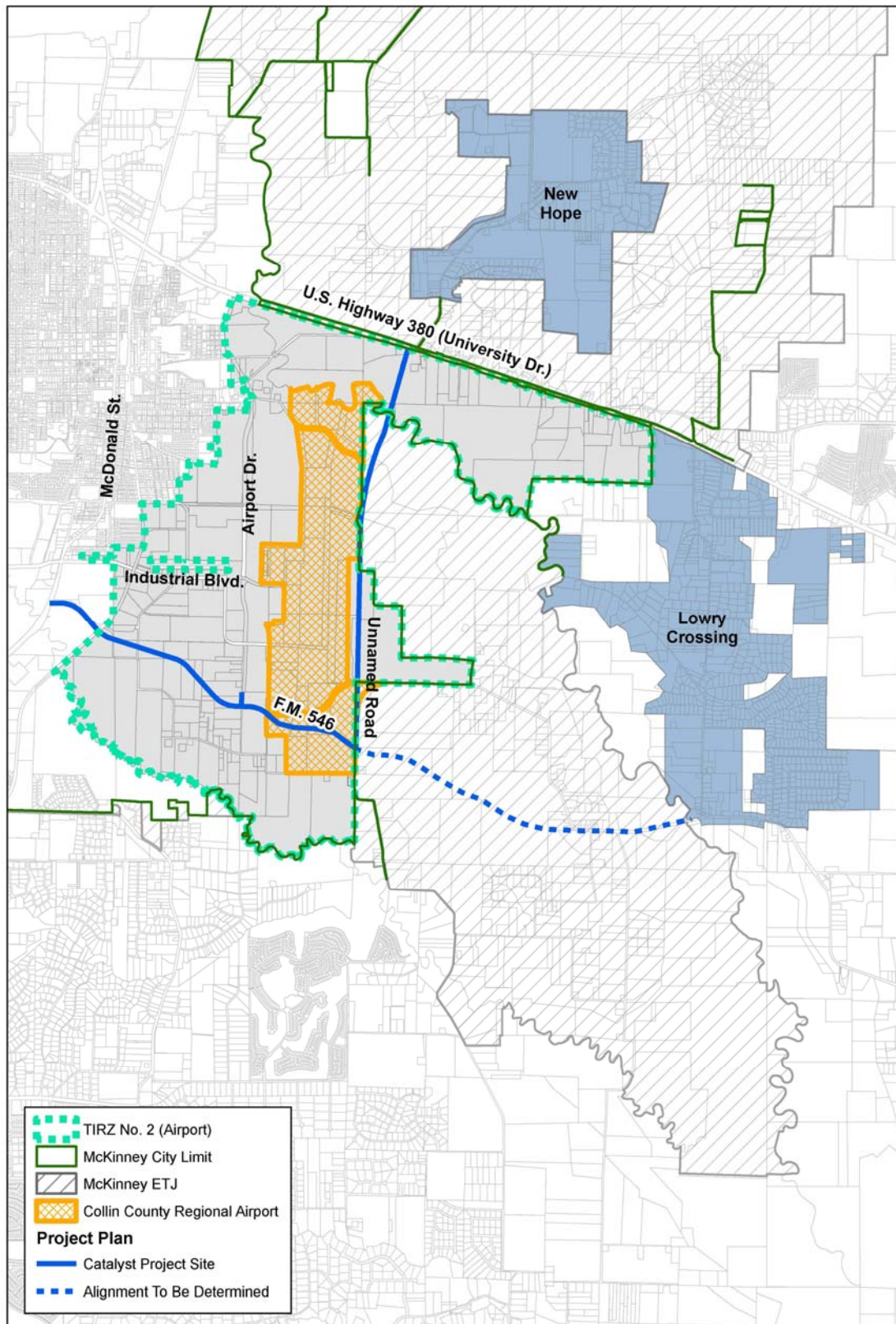
The following initiatives are included in the current plan for the Airport:

1. Focus on Business Aviation Activity
2. Continue to Assess Perimeter Access Control and Airport Security
3. Continue to Prepare for Commercial Passenger Service

The key to these initiatives will be the investment in the roadway infrastructure necessary to access the Airport as delineated below, i.e. the perimeter north/south roadway along the eastern side of the Airport and FM 546. The cost estimated for those roadway projects is \$40,000,000.

The following diagram delineates the projects within and benefiting TIRZ No. 2:

Figure 2: TIRZ No. 2 Preliminary Project Types



Administration and Implementation

Administrative costs, including reasonable charges for the time spent by City of McKinney employees, MADC employees and/or employees associated with any non-profit groups established to assist with implementation within TIRZ No. 2 will be eligible for reimbursement as project costs, upon approval by the TIRZ Board of Directors and in connection with the implementation of TIRZ No. 2 Project Plan and Financing Plan. Other related administrative expenses including legal fees and consulting fees, including planning, engineering and design fees, of the City, management expenses, meeting expenditures and equipment are included in this category.

Non-Project Costs

It is anticipated that the City of McKinney may make economic development loans or grants to TIRZ No. 2 or the MADC in furtherance of implementing this Plan. Should such loans or grants be made, consistent with the financing documents authorizing the issuance of bonds or other obligations of the MADC, tax increments may be transferred to the City or the MADC to reimburse the City for the funds made available by any such Chapter 380 economic development loans or grants in furtherance of the implementation of this Plan, and fulfilling the public purposes of developing and diversifying the economy of TIRZ No. 2, eliminating unemployment or underemployment in TIRZ No. 2, and developing or expanding transportation, business, and commercial activity in TIRZ No. 2. It is not possible to quantify the non-project costs at this time, other than to say that they are anticipated. All bonds issued are subject to City Council approval, and to minimize the exposure to the City's general fund revenues, the MADC shall maintain sufficient debt reserve accounts and coverage ratios.

Summary of Project Costs

The following summarize the projected project costs of the projects delineated above:

Category		Estimated Cost (in 2010 Dollars)
Roadway Projects	"Unnamed" north/south Perimeter Road and FM 546	\$ 40,000,000
Administration and Implementation		\$ 1,000,000
Total Project Cost		\$ 41,000,000

Proposed Changes in Municipal Master Plans, Zoning Ordinances, Building Codes, and Subdivision Regulations

It is anticipated that the Airport Layout Plan may need to be updated to fulfill the mission and vision of the Airport. However, it is not anticipated at this time that any change in zoning will be required to implement the projects delineated herein.

Relocation of Displaced Persons

This plan currently does not call for nor anticipate the displacement and relocation of persons for the proposed projects.