

City of Laredo Tax Increment Reinvestment Zone Number 1

Estimated 20 Year Build out of Residential, Multi-Family, & Commercial

Summary Fact Sheet

October 13, 2015

Site Area	765 +/- Acres	
2015 Base Value	\$35,190.00	
		Taxable Value <i>(Today's Value)</i>
PROPOSED DEVELOPMENT		
Single Family Residential Units	1,767 Homes	\$ 427,614,000.00
Multifamily 10 du/acre	905 Units	\$ 52,490,000.00
Large Anchor Retail	264,000 Sq. Ft.	\$ 19,800,000.00
Junior Anchor Retail	216,000 Sq. Ft.	\$ 19,440,000.00
Small Retail	228,000 Sq. Ft.	\$ 42,180,000.00
Grocery Store	48,000 Sq. Ft.	\$ 7,200,000.00
Hotel	100 Units	\$ 7,494,900.00
Public School	44 Acres	\$ -
Usable Green Space/Park	23 Acres	\$ -
Green Space in Flood Plain	45 Acres	\$ -
Main Collector Roadway	70 Acres	\$ -
Loop 20 Right of Way	43 Acres	\$ -
Total		\$ 576,218,900.00

ASSUMPTIONS			
Total Increment Created at Year 30	\$ 776,656,019.36		
City of Laredo Assessed Rate	\$ 0.637000	per \$100	Maximum Contribution
Tax Rate Contribution to Tax Increment Fund	\$ 0.382200		\$ 53,218,876.26
City of Laredo Participation Rate	60.00%		
Community College Assessed Rate	\$ 0.330244	per \$100	Maximum Contribution
Tax Rate Contribution to Tax Increment Fund	\$ 0.198146		\$ 27,590,603.73
Community College Participation Rate	60.00%		
Webb County Assessed Rate	\$ 0.414700	per \$100	Maximum Contribution
Contribution to Tax Increment Fund	\$ 0.248820		\$ 34,646,574.55
Webb County Participation Rate	60.00%		
Tax Collection Rate	97.00%		
Est. TIF Life	30 Years		

SOURCES & USES	
Est. Total Net TIF Revenues (60%)	\$ 114,301,493.99
Est. Eligible Project Costs	\$ 97,490,314.06
Est. Excess (Shortage) TIF Revenues	\$ 16,811,179.93

BENEFITS TO CITY	
Additional Sales Tax Revenue (100%)	\$ 48,371,904.18
Additional Tax from Increment (40%)	\$ 35,479,250.84
Total	\$ 83,851,155.03
Est. Jobs Created	2,000+
Additional Tax Base	\$ 776,656,019.36

The projections and estimates contained in this Finance and Project Plan are subject to and may be impacted by market and economic conditions both domestic and international. Actual completion and construction of the Project may take more or less time than described herein. However it is understood that the Developer will use its best efforts to complete the project as quickly as economically feasible. A growth rate of 1.0% per year has been used to establish value of future tax base.

**City of Laredo Tax Increment Reinvestment Zone Number 1
Sources & Uses of Funds**

Sources of Funds

Net TIF Revenues City of Laredo	\$	52,686,687.50
Net TIF Revenues Comm. College	\$	27,314,697.69
Net TIF Revenues Webb County	\$	34,300,108.80
	\$	<u>114,301,493.99</u>

Uses of Funds

	Units	Amount	Cost Per Unit	Location	Total Cost/Expense
Affordable Housing Program	1000	Down Payments	\$ 10,000.00	City Wide	\$ 10,000,000.00
City Police & Fire Facility	1	Building	\$ 7,000,000.00	Project Area	\$ 7,000,000.00
City Recreation Center	1	Building	\$ 7,000,000.00	Project Area	\$ 7,000,000.00
PROJECT COSTS					
Major Roadway Costs					
Street Improvements	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 12,443,900.00
Storm Water System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 1,096,880.00
Water Distribution System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 1,255,007.50
Sanitary Sewer System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 2,237,505.00
Storm Water Pollution Prevention	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 194,835.00
Street Lighting	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 458,500.00
Miscellaneous Costs	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 1,572,840.00
Engineering	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 1,925,946.75
Materials Testing	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 577,784.03
Internal Project Costs					
Street/Pavement Improvements	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 9,535,362.92
Storm Sewer System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 5,231,228.84
Storm water Pollution Prevention	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 471,685.52
Water Distribution System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 5,340,217.40
Sanitary Sewer System	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 4,286,212.27
Lot Grading	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 1,281,629.69
Miscellaneous Costs	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 3,730,586.43
Engineering Costs	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 3,456,986.09
Construction Materials Testing	Area 1 thru Area 4	Per Eng. Report	Per Eng. Report	On Site	\$ 909,733.18
Additional/Regulatory Fees					\$ 2,167,886.77
Contingency & Soft Costs					
Project Contingency (10%)	N/A	N/A	N/A	N/A	\$ 5,817,472.74
Start-Up Costs	N/A	N/A	N/A	N/A	\$ 500,000.00
Legal Costs	N/A	N/A	N/A	N/A	\$ 150,000.00
Less UISD Related Costs					
Infrastructure to School Sites					\$ (1,370,007.72)
Subtotals					\$ 87,272,192.42

COST/EXPENSE:

Total Infrastructure	\$	87,272,192.42
Interest Expense / Finance Costs (estimated) @ 4.5%	\$	9,818,121.65
Total	\$	97,090,314.06
Admin. Expenses (City & County)	\$	400,000.00
Grand Total	\$	97,490,314.06

REVENUE:

Total TIF Revenue	\$	114,301,493.99
Project Financing Surplus (Shortage)	\$	<u>16,811,179.93</u>

The above allocation of costs are estimated and may be changed or adjusted by action of the Board of the TIRZ to meet project requirements, however the total maximum contributions of the participating taxing entities and term of the Zone may not be increased without approval by the City Council, Webb County Commissioners Court, and the Board of the UISD.

City of Laredo Tax Increment Finance Zone Number 1

Finance Plan - Overall Summary with Escalators (30 year)

Tax Value added by year with escalator

60% of Tax on Increment Pledged to TIRZ

Development Type/ by acre	Development Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Total Current Value										
Lots/Tracts Platted	50	50	100	100	100	100	100	100	100	9
Lots/Tracts Constructed	N/A	50	50	100	100	100	100	100	100	100
Single Family Homes	0	0	0	50	100	100	100	100	100	100
Apartment	0	0	0	200	0	0	200	0	0	0
Large Anchor Retail	0	0	20000	0	20000	21000	0	15000	18000	18000
Junior Anchor Retail	0	0	23000	0	0	23000	0	18000	0	0
Small Retail	0	0	23000	23000	0	23000	0	18000	0	0
Specialty Retail	0	0	0	0	0	0	24000	0	24000	0
Hotel	0	0	0	0	0	0	0	0	0	0
Added Annual Increment Value=	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cumulative Increment=	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

Tax Collected by Taxing Entity	Tax Rates	Development Year									
		2016	2017	2018	2019	2020	2021	2022	2023	2024	
Proposed Tax Revenue - City of Laredo	0.637000	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
40% Retained by City	0.254800	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
60% Contributed to TIRZ	0.382200	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Proposed Tax Revenue - Webb County	0.414700	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
40% Retained by County	0.165880	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
60% Contributed to TIRZ	0.248820	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Proposed Tax Revenue - Comm. College Districts	0.380244	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
40% Retained by District	0.132098	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
60% Contributed to TIRZ	0.198146	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL TAX AVAILABLE FROM INCREMENT =		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assumed 99.0% Collection Rate		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL CONTRIBUTION TO TIRZ 60%=	0.829166	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL PROJECT COSTS=		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

Growth Rate 1% Per Year

	2031	2032	2033	2034	2035	2036	2037	2038
Development Type/ by acre	16	17	18	19	20	21	22	23
Lots/Tracts Platted	100	100	100	67	0	0	0	0
Lots/Tracts Constructed	100	100	100	100	67	0	0	0
Single Family Homes	100	100	100	100	100	117		
Apartment	105							
Large Anchor Retail	0	0	20000	20000	0	34000	0	23000
Junior Anchor Retail	30000	0	15000	0	23000	0	0	0
Small Retail	30000	0	15000	0	0	0	0	0
Specialty Retail	0	0	0	0	0	0	0	0
Hotel	0	0	0	0	0	0	0	0
Added Annual Increment Value=	\$ 44,743,743.54	\$ 28,376,403.21	\$ 35,321,879.67	\$ 30,740,990.13	\$ 31,737,022.13	\$ 37,659,945.39	\$ -	\$ 2,147,134.86
Cumulative Increment =	\$ 508,080,532.69	\$ 541,537,741.22	\$ 582,274,990.30	\$ 618,838,738.41	\$ 656,766,147.92	\$ 700,991,734.78	\$ 709,001,692.14	\$ 717,228,803.82
Tax Collected by Taxing Entity								
Proposed Tax Revenue - City of Laredo	\$ 3,236,472.99	\$ 3,249,595.41	\$ 3,709,091.74	\$ 3,942,007.76	\$ 4,183,387.82	\$ 4,465,317.35	\$ 4,909,976.52	\$ 5,366,797.46
40% Retained by City	\$ 1,294,589.20	\$ 1,379,838.16	\$ 1,483,636.70	\$ 1,576,801.11	\$ 1,673,435.05	\$ 1,786,126.94	\$ 1,803,988.21	\$ 1,827,493.99
60% Contributed to TIRZ	\$ 1,941,883.80	\$ 2,069,757.25	\$ 2,225,455.04	\$ 2,365,206.65	\$ 2,510,152.77	\$ 2,679,190.41	\$ 2,705,988.31	\$ 2,741,248.49
Proposed Tax Revenue - Webb County	\$ 2,107,009.37	\$ 2,245,757.01	\$ 2,414,694.32	\$ 2,568,324.25	\$ 2,733,600.92	\$ 2,907,012.72	\$ 2,936,092.85	\$ 2,974,347.85
40% Retained by County	\$ 842,803.99	\$ 898,302.81	\$ 965,877.77	\$ 1,026,529.70	\$ 1,089,440.37	\$ 1,162,805.09	\$ 1,174,433.14	\$ 1,189,739.14
60% Contributed to TIRZ	\$ 1,264,205.98	\$ 1,347,454.21	\$ 1,448,816.55	\$ 1,539,794.55	\$ 1,634,160.55	\$ 1,744,207.63	\$ 1,761,649.71	\$ 1,784,608.71
Proposed Tax Revenue - Comm. College District	\$ 1,677,905.47	\$ 1,788,395.90	\$ 1,923,928.45	\$ 2,043,677.80	\$ 2,166,924.19	\$ 2,314,963.14	\$ 2,331,132.93	\$ 2,351,005.09
40% Retained by District	\$ 671,162.19	\$ 715,358.36	\$ 769,171.30	\$ 817,471.12	\$ 867,569.68	\$ 925,983.26	\$ 935,253.19	\$ 947,442.04
60% Contributed to TIRZ	\$ 1,006,743.28	\$ 1,073,037.54	\$ 1,153,756.95	\$ 1,226,206.68	\$ 1,301,354.52	\$ 1,388,989.89	\$ 1,402,879.79	\$ 1,421,163.05
TOTAL TAX AVAILABLE FROM INCREMENT =	\$ 7,021,388.44	\$ 7,483,748.32	\$ 8,046,714.40	\$ 8,552,004.82	\$ 9,076,132.74	\$ 9,687,319.22	\$ 9,784,166.49	\$ 9,911,700.42
Assumed 99.0% Collection Rate	\$ 6,951,174.55	\$ 7,408,910.84	\$ 7,966,247.26	\$ 8,466,484.77	\$ 8,985,351.61	\$ 9,590,440.09	\$ 9,686,344.49	\$ 9,812,583.41
TOTAL CONTRIBUTION TO TIRZ 60%=	\$ 4,170,704.73	\$ 4,445,346.50	\$ 4,779,748.36	\$ 5,079,890.86	\$ 5,391,210.97	\$ 5,754,264.05	\$ 5,811,806.69	\$ 5,887,550.05
TOTAL PROJECT COSTS=	\$ 2,105,550.82	\$ 1,808,510.64	\$ 2,122,851.23	\$ 18,525.00	\$ -	\$ -	\$ -	\$ -

Development Type/ by acre	2039		2040		2041		2042		2043		2044		2045		2046		TOTALS
	24		25		26		27		28		29		30		31		
Lots/Tracts Platted	0		0		0		0		0		0		0		0		1767
Lots/Tracts Constructed	0		0		0		0		0		0		0		0		1767
Single Family Homes																	1767
Apartment																	905
Large Anchor Retail																	264000
Junior Anchor Retail																	216000
Small Retail																	228000
Specialty Retail																	48000
Hotel																	100
Added Annual Increment Value=	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative Increment=	\$ 724,401,091.55		\$ 731,645,102.47		\$ 738,961,553.49		\$ 746,351,169.03		\$ 753,814,680.72		\$ 761,352,827.53		\$ 768,956,355.80		\$ 776,656,019.36		\$ 776,656,019.36
Tax Collected by Taxing Entity																	
Proposed Tax Revenue - City of Laredo	\$ 4,614,234.95		\$ 4,660,579.30		\$ 4,707,185.10		\$ 4,754,256.95		\$ 4,801,799.52		\$ 4,849,817.51		\$ 4,898,315.69		\$ 4,947,298.06		\$ 49,828,137.11
40% Retained by City	\$ 1,845,773.98		\$ 1,864,231.72		\$ 1,882,874.04		\$ 1,901,702.78		\$ 1,920,719.81		\$ 1,939,927.00		\$ 1,959,326.27		\$ 1,978,919.54		\$ 19,529,250.84
60% Contributed to TIRZ	\$ 2,768,660.97		\$ 2,796,347.58		\$ 2,824,311.06		\$ 2,852,554.17		\$ 2,881,079.71		\$ 2,909,890.51		\$ 2,938,989.41		\$ 2,968,379.31		\$ 29,298,879.26
Proposed Tax Revenue - Webb County	\$ 3,604,091.53		\$ 3,654,152.24		\$ 3,664,473.56		\$ 3,695,118.30		\$ 3,726,069.48		\$ 3,757,330.18		\$ 3,788,803.48		\$ 3,820,792.54		\$ 37,716,260.91
40% Retained by County	\$ 1,201,636.53		\$ 1,213,652.90		\$ 1,225,789.42		\$ 1,238,047.32		\$ 1,250,427.79		\$ 1,262,932.07		\$ 1,275,561.39		\$ 1,288,317.00		\$ 12,897,716.37
60% Contributed to TIRZ	\$ 1,802,454.80		\$ 1,820,479.34		\$ 1,838,684.14		\$ 1,857,070.98		\$ 1,875,641.69		\$ 1,894,398.11		\$ 1,913,342.09		\$ 1,932,475.51		\$ 19,818,549.54
Proposed Tax Revenue - Comm. College District	\$ 2,392,291.14		\$ 2,435,234.05		\$ 2,440,376.19		\$ 2,464,778.95		\$ 2,489,427.75		\$ 2,514,322.69		\$ 2,539,455.25		\$ 2,564,838.90		\$ 25,644,334.54
40% Retained by District	\$ 956,916.46		\$ 966,485.62		\$ 976,150.48		\$ 985,911.98		\$ 995,771.10		\$ 1,005,728.81		\$ 1,015,786.10		\$ 1,025,943.96		\$ 10,259,735.82
60% Contributed to TIRZ	\$ 1,435,374.68		\$ 1,449,728.43		\$ 1,464,225.72		\$ 1,478,867.97		\$ 1,493,656.65		\$ 1,508,593.72		\$ 1,523,679.15		\$ 1,538,915.94		\$ 15,389,603.73
TOTAL TAX AVAILABLE FROM INCREMENT =	\$ 10,010,817.42		\$ 10,110,925.59		\$ 10,212,034.85		\$ 10,314,155.70		\$ 10,417,296.75		\$ 10,521,469.72		\$ 10,626,684.42		\$ 10,732,961.26		\$ 107,436,977.96
Assumed 99.0% Collection Rate	\$ 9,910,709.25		\$ 10,009,816.34		\$ 10,109,914.50		\$ 10,211,013.65		\$ 10,313,123.78		\$ 10,416,255.02		\$ 10,520,417.57		\$ 10,625,621.75		\$ 100,502,488.99
TOTAL CONTRIBUTION TO TIRZ 60%=	\$ 5,946,425.55		\$ 6,005,889.80		\$ 6,065,948.70		\$ 6,126,608.19		\$ 6,187,874.27		\$ 6,249,753.01		\$ 6,312,250.54		\$ 6,375,373.05		\$ 63,819,867.83
TOTAL PROJECT COSTS=	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
SURPLUS/(SHORTAGE)=																	\$ 50,481,626.16

City of Laredo - Tax Increment Finance Zone #1

Estimated Construction Schedule of Public Improvements (figures do not include interest, formation or other allowable project costs)

Year												Total
2016	\$ 7,289,366.80											\$ 7,289,366.80
2017		\$ 4,012,409.52										\$ 4,012,409.52
2018			\$ 3,853,342.99									\$ 3,853,342.99
2019				\$ 4,583,141.02								\$ 4,583,141.02
2020					\$ 6,011,743.93							\$ 6,011,743.93
2021						\$ 2,095,809.11						\$ 2,095,809.11
2022							\$ 3,582,145.06					\$ 3,582,145.06
2023								\$ 5,671,488.81				\$ 5,671,488.81
2024									\$ 2,087,295.17			\$ 2,087,295.17
2025										\$ 3,882,320.31		\$ 3,882,320.31
2026											\$ 6,440,237.98	\$ 6,440,237.98
2027												\$ 2,087,295.17
2028												\$ 2,299,168.59
2029												\$ 1,882,165.31
2030												\$ 1,979,541.76
2031												\$ 2,093,284.62
2032												\$ 1,808,510.64
2033												\$ 2,122,861.23
2034												\$ 18,525.00
2035												\$ -
2036												\$ -
2037	\$ 7,289,366	\$ 4,012,409.52	\$ 3,853,342.99	\$ 4,583,141.02	\$ 6,011,743.93	\$ 2,095,809.11	\$ 3,582,145.06	\$ 5,671,488.81	\$ 2,087,295.17	\$ 3,882,320.31	\$ 20,731,570.30	\$ 63,819,867.83

City of Laredo Tax Increment Reinvestment Zone Number 1

Allocated Land Uses and Values (Current Value)

ALL TAXABLE ASSESSED VALUES ONLY

Designation	Description	Category	S.F./ Units	Acreage	Avg Unit Value	Type Unit	Total Value
SFRD	Single Family	Single Family	1,767	371.03	\$242,000.00	Homes	\$427,614,000.00
MFRD	Apartment	Multi-Family	905	50.46	\$58,000.00	Door/Unit	\$52,490,000.00
CBD-Anchor 1	Large Anchor Retail	Highway Commercial	264,000	15.18	\$75.00	Sq. Ft.	\$19,800,000.00
CBD-Anchor 2	Junior Anchor Retail	Comm. Business Dist.	216,000	94.73	\$90.00	Sq. Ft.	\$19,440,000.00
CBD-Retail	Small Retail/Office	Comm. Business Dist.	228,000	-	\$185.00	Sq. Ft.	\$42,180,000.00
CBD-Grocery	Grocery Store	Comm. Business Dist.	48,000	-	\$150.00	Sq. Ft.	\$7,200,000.00
CBD-Hotel	Hotel	Comm. Business Dist.	100	-	\$74,949.00	Door/Unit	\$7,494,900.00
ISD	Public School	Institutional/School		43.55	\$0.00	Acre	\$0.00
GS	Usable Green Space/Park	Public Use/Park		23.42	\$0.00	Acre	\$0.00
GS/FP	Green Space in Flood Plain	Public Use/Open Space		45.35	\$0.00	Acre	\$0.00
PH & KR ROW	Main Collector Roadway	Public Use/ROW		78.56	\$0.00	Acre	\$0.00
Loop 20 ROW	Loop 20 Right of Way	Public Use/ROW		42.72	\$0.00	Acre	\$0.00
Totals				765.00			\$576,218,900.00