

DRAFT



PROGRESS IN MOTION

**REINVESTMENT ZONE NUMBER ONE,
CITY OF FRISCO, TEXAS
(TAX INCREMENT REINVESTMENT ZONE)**

FINANCING PLAN

Adopted:

February 24, 1997

Amended December 19, 2000

Amended – December 16, 2003

Amended – January 4, 2005

Amended – December 5, 2005

Amended – February 19, 2008

Amended - December 1, 2009

Amended - February 7, 2012

Proposed Amendment – August 19, 2014

FRISCO TAX INCREMENT REINVESTMENT ZONE #1

As set forth in Section 311.011 in the Tax Increment Financing Act of the Tax Code, the Financing Plan for Reinvestment Zone Number One, City of Frisco, Texas (Tax Increment Reinvestment Zone) (FTIRZ) must include the following elements:

1. **A detailed list describing the estimated project costs of the FTIRZ, including administrative expenses; and,**
2. **A statement listing the kind, number and location of all proposed public works or public improvements in the FTIRZ.**

- The following is intended to address both of these requirements. -

The proposed public improvements in the FTIRZ fall into four general categories; streets (including storm water drainage), water system, sanitary sewer system, and public facilities. The estimated costs of each item and a brief description of each project follows:

The items described below for Phase I were funded by the issuance of debt obligations of the City as described in section 6 below, the debt service on which is a project cost of the FTIRZ. The annual debt service payments on such debt obligations are set forth in Attachment 1 hereto.

Phase I -

This phase began immediately with the creation of the FTIRZ. Not all project costs for projects being carried out within the FTIRZ will be funded by FTIRZ tax revenues. The City and Gaylord Properties, Inc. ("Gaylord") agreed to enter into an agreement on certain improvements to be made within the FTIRZ which are on property currently owned by Gaylord. The agreement placed a cap on the amount the City agreed would be contributed for the cost of constructing these specific improvements with Gaylord being responsible for any cost above the cap. These projects are listed below, and are marked by an asterisk (*), indicating the amount that will be paid from FTIRZ tax revenues. The costs above what the City agreed would be contributed toward these projects has been included in the Project Plan under item 3, listing estimated non-project costs. Additionally, some of the public projects that occurred in conjunction with Phase I Project Plan projects, which are shown on the maps in the Project Plan, will be wholly funded by the City or by joint venture with Collin County ("County") and Collin County Community College District ("CCCCD").

Street Improvements

Warren Parkway (6 Lane - SH289 to TR)
*Mall Drive (6 Lane - SH289 to TR)
*Parkwood (6 Lane - Southern Portion)
*Traffic Signals

Amount and
Funding Sources
City-County-Gaylord
\$2,160,000\FTIRZ
\$1,848,000\FTIRZ
\$ 488,000\FTIRZ

The proposed street projects are for the construction of public access roads and include the landscaping, irrigation and lighting of these roads.

Water and Sanitary Sewer Improvements

*Water Lines
Sewer Lines
Elevated Water Storage Tank

Amount and
Funding Sources
\$ 714,700\FTIRZ
City
City

The water system plays an integral part in the area's public water system network and will provide service within the zone through a looped system. The looped system is connected to an 18" water transmission line along Preston Road (SH289) and is also tied into a 16" transmission line along Parkwood Drive which is connected to a 2 million gallon elevated storage tank. The interconnection of the looped system and the surrounding transmission network provides an element of safety through redundancy by allowing segments of the transmission lines to be valved off in case of emergencies while continuing to provide adequate service for fire protection and potable uses through the cross connected network. The public sanitary sewer system will service the mall, adjacent parcels and undeveloped land in the area.

Facilities (Recreation\Educational)

CCCCD Improvement(s)

Amount and
Funding Sources
\$2,500,000\FTIRZ

The City and CCCCCD have participated in several joint ventures for the purpose of creating recreational and educational opportunities on property that is now within the FTIRZ. They have constructed a 14 acre sports complex and a recreation center\natatorium. These facilities are being jointly used by both entities for public recreation and formal classes taught by the college. The funds indicated above were used to construct another joint recreation\educational facility within the FTIRZ in the area labeled as Tract L (College Campus) on Map 1 of 6 in Project Plan. The City and CCCCCD may seek funding from private sources to pay a portion of the costs or to enhance the facility.

Total Phase I FTIRZ

Project Construction & Acquisition Cost

\$ 7,710,700\FTIRZ

Phase II -

The projects outlined in this section will be funded as revenues within the FTIRZ are sufficient to pay for such projects. The tentative timetable for these projects is five to ten years. As in Phase I, some of the projects listed will be jointly funded by both FTIRZ and either private or other public funding sources as shown in section 3 of the Project

Plan. Phase II projects are to be funded on an as available basis, and are not intended to take funding priority over any additional projects that may be added in the future.

Street Improvements

Ohio Drive (Warren Pkwy to SH121)	\$1,450,000
Warren Parkway (Ohio to SH289)	\$ 600,000
Tollway (SH 121 to SH380)	\$5,000,000
Parkwood (Northern Portion)	\$2,000,000
Main Street (FM720/Coit Road to TR)	\$5,000,000
Preston Road (SH121 to FM720)	\$5,000,000
SH121 (SH289 to TR)	\$2,980,878

The proposed street projects are for the construction of public access roads and include the landscaping, irrigation and lighting of these roads.

Facilities (Recreation\Educational)

Recreation Center (High School Site)	\$3,500,000
CCCCD Technology Center	\$900,000
CCCCD Technology Center Maintenance & Operations	\$6,400,000

As stated earlier, the City and CCCCC have participated in several joint ventures for the purpose of creating recreational and educational opportunities on the CCCCC campus that is located within the FTIRZ. The City has participated in joint ventures with the Frisco Independent School District (“FISD”) as well.

Under this plan the FTIRZ will participate in the construction of a facility on FISD property within the FTIRZ. This will be a facility designed for educational recreation programming by the FISD and for public recreation use. Additionally, the FTIRZ will participate in the construction, maintenance and operations of a Technology Center for educational purposes on the college campus within the FTIRZ. This center will be designed for educational instruction in various high technology areas. The Technology Center construction, maintenance and operations will be funded upon the Captured Assess Valuation (“CAV”) within the FTIRZ reaching \$350,000,000 subject to the FTIRZ Board of Directors approval. Annual funding of the maintenance and operations of the Technology Center in the amount of two hundred thousand dollars (\$200,000) is subject to the continued participation of the CCCCC in the Zone at a rate which generates revenue from the CCCCC participation payment to the TIF not less than the annual maintenance and operation funding.

The projects added to the Project Plan and Financing Plan by the 2000 Amendment are not intended to be fully funded by the Zone. Zone funding, however may be used as an additional or gap funding mechanism in the case of shortfall upon the approval of the FTIRZ Board of Directors.

Project Construction and Acquisition Costs	\$17,130,878
Maintenance & Operation Costs	\$ 6,400,000
Total Phase II FTIRZ Costs	\$23,530,878

Phase III-

The proposed public improvements in the FTIRZ Phase III fall into three general categories; public infrastructure improvements (including streets, storm water drainage, water system, and sewer system improvements), land purchase, and public recreational facilities. The estimated costs of each item and a brief description of each project follows.

Phase III projects began immediately with the approval of the 2000 Amendment to the FTIRZ. Not all project costs for the Phase III projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

The items described below for Phase III will be funded by the issuance of debt obligations of the City as described in section 6 below, the debt service on which is a project cost of the FTIRZ. The estimated annual debt service payments on such debt obligations are set forth in Attachment 2 hereto.

The City of Frisco, Frisco Economic Development Corporation and Frisco Community Development Corporation are funding partners, along with private developers, for the Phase III projects, as reflected by development agreements with the FTIRZ Board of Directors. The agreements place a cap on the amount the FTIRZ and other public funding partners are to pay for these specific public improvements, with the private developers being responsible for any cost above the cap. The projects and amounts to be funded from the FTIRZ are outlined below:

Infrastructure Improvements

Amount funded by FTIRZ/Total Project Cost

Infrastructure improvements supporting Frisco Sports Complex (Streets, Drainage, and Utilities) \$2,025,000/\$4,500,000

Land Purchase

Amount funded by FTIRZ/Total Project Cost

Land Purchase for Frisco Sports Complex (28 Acres) \$3,825,000/\$8,500,000

Public Recreational Facilities

Amount funded by FTIRZ/Total Project Cost

Double A Minor League Ballpark \$9,900,000/\$22,000,000
Hockey Arena including approximately 3,500 seats, one main ice arena, and one additional NHL size ice arena \$9,000,000/\$20,000,000
Parking for Public Facilities \$4,500,000/\$10,000,000
Gymnastics Facility \$900,000/2,000,000

Total Phase III FTIRZ/Total Project Costs \$30,150,000/\$67,000,000

Phase IV

The proposed public improvements in the FTIRZ Phase IV fall into three general categories; public infrastructure improvements (including streets, storm water drainage, water system, and sewer system improvements), land purchase, and public recreational facilities. The estimated costs of each item and a brief description of each project follows.

Phase IV projects began immediately with the approval of the 2003 Amendment to the FTIRZ. Not all project costs for the Phase IV projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

The items described below for Phase IV will be funded by the issuance of debt obligations of the City as described in section 6 below, the debt service on which is a project cost of the FTIRZ. The estimated annual debt service payments on such debt obligations are set forth in Attachment 2 hereto.

The City of Frisco, Frisco Economic Development Corporation and Frisco Community Development Corporation, are funding partners, along with private developers, for the Phase IV projects, as reflected by development agreements with the FTIRZ Board of Directors. In addition, the proposed Participation Agreement with Collin County will increase the participation amount for the County from the current 50% to a maximum of 80% four years from now, adjusted to pay for an amount equal to the amount necessary to fund the annual debt service payments for \$20,000,000. The agreements place a cap on the amount the FTIRZ and other public funding partners are to pay for these specific public improvements, with the private developers being responsible for any cost above the cap.

The City of Frisco and the Collin County Community College District may partner to develop an administrative office and classroom building within the Zone that will provide existing and prospective businesses within the Zone unique training and partnering opportunities. The Zone may fund up to a total of \$7,000,000 for the purchase of land and/or for development of the building and associated parking. It is not intended that the Zone fund over \$7,000,000 for the entire project. The projects and amounts to be funded from the FTIRZ are outlined below:

Infrastructure Improvements

Amount funded by FTIRZ/Total Project Cost

Infrastructure improvements supporting Frisco Soccer Complex (Streets, Drainage, and Utilities)	\$2,380,000/\$3,400,000
Storm water retention/detention area improvements located at The north east corner of SH 121 and the Dallas North Tollway, Supporting drainage of the FTIRZ #1 area.	\$100,000/\$100,000

Land Purchase

Amount funded by FTIRZ/Total Project Cost

Land Purchase for Frisco Soccer Complex (144 acres)	\$13,020,000/\$18,600,000
Land for storm water retention/detention area located at the North east corner of SH 121 and the Dallas North Tollway and supporting drainage for the FTIRZ #1 area.	\$300,000/\$300,000
Land for Collin County Community College District Admin. Offices, classrooms, and associated parking.	\$7,000,000/\$7,000,000

Public Recreational Facilities

Amount funded by FTIRZ/Total Project Cost

Major League Soccer Stadium with 20,000 seats	\$24,500,000/\$35,000,000
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17 Tournament Soccer Fields with public access	\$3,500,000/\$5,000,000
Parking to support the complex	\$2,100,000/\$3,000,000
Municipal Convention Center and parking garage	\$10,000,000/\$28,000,000
Public entry feature(s) within Zone	\$600,000/\$600,000
Office/classroom building for use by the CCCC and parking	\$7,000,000/\$7,000,000
Total Phase IV FTIRZ/Total Project Costs	\$70,500,000/\$108,000,000

Phase V

The proposed public improvements in the FTIRZ Phase V fall into three general categories; public infrastructure improvements (including streets, storm water drainage, water system, and sewer system improvements), parking structures, and facilities which include a public cultural arts and science center and expansion of a public recreational facility. The estimated costs of each item and a brief description of each project are seen below:

Phase V projects are projected to be done in two stages; first stage began immediately with the approval of the 2008 Amendment to the FTIRZ. Stage one includes the expansion of the Stars Arena and the construction of an additional parking structure. The second parking structure and the Cultural Arts and Science Center will move forward with design and additional debt will be sold at a later date. Not all project costs for the Phase V projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

The items described below for Phase V will be funded by the issuance of debt obligations of the City as described in section 6 below, the debt service on which is a project cost of the FTIRZ. The estimated annual debt service payments on such debt obligations are set forth in Attachment 2 hereto.

The City of Frisco and the Frisco Independent School District are funding partners, along with private developers, for the Phase V projects, as reflected by development agreements with the FTIRZ Board of Directors. The agreements place a cap on the amount the FTIRZ and other public funding partners are to pay for these specific public improvements, with the private developers being responsible for any cost above the cap. The projects and amounts to be funded from the FTIRZ are outlined below:

<u>Public Recreational Facilities</u>	<u>Amount funded by FTIRZ/Total Project Cost</u>
Expansion of arena with 1,500 additional seats	\$ 23,000,000/\$23,000,000
Parking to support the arena and office complex	3,500,000/\$13,000,000
Parking to support the Frisco Junction Complex	6,000,000/\$10,000,000
Cultural Arts and Science Center	7,000,000/\$12,000,000
Total Phase V FTIRZ/Total Project Costs	\$39,500,000/\$58,000,000

Phase VI

The proposed public improvements in the FTIRZ Phase VI fall into three general categories; public infrastructure improvements (including streets, storm water drainage,

water system, and sewer system improvements, site work), land acquisition and facilities which includes additional improvements for the expansion of a public recreational facility.

The estimated costs of each item and a brief description of each project are seen below:

Phase VI projects include land acquisition for the Frisco Junction Complex. This public land is being included in the FTIRZ to energize development and redevelopment in the downtown corridor. The maintenance and operations of the Superdome facility (a FTIRZ project funded in Phase I) will continue to enhance the area surrounding the CCCCD campus. Annual funding of maintenance and operations of the recreation\educational facility in the amount of one hundred thousand dollars (\$100,000) will be funded from FTIRZ revenues. The additional improvements to the Hockey Arena will allow for a broader spectrum of events to be held in the facility. The infrastructure for the site of the Museum of the American Railroad will allow for the relocation of this organizations collection to Frisco and will generate further economic activity in the area.

Phase VI projects are projected to begin immediately with the approval of the 2010 Amendment to the FTIRZ. Not all project costs for the Phase VI projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

The City of Frisco, Frisco Community Development Corporation and the Hotel/Motel Fund are funding partners, along with private developers, for the Phase VI projects, as reflected by development agreements with the City of Frisco. The agreements place a cap on the amount the FTIRZ and other public funding partners are to pay for these specific public improvements, with the private developers being responsible for any cost above the cap.

Facilities (Recreational/Educational)

Additional Cost for the Expansion of arena
 CCCCD Improvements - Maintenance & Operation Costs

**Amount funded by
 FTIRZ/Total Project Cost**
 \$500,000/\$500,000
 \$2,900,000/\$2,900,000

Infrastructure Improvements

Infrastructure improvements supporting MAR
 (Streets, Drainage, and Utilities)

**Amount funded by
 FTIRZ/Total Project Cost**
 \$500,000/\$2,000,000

Land Purchase

Land Purchase for Frisco Junction Complex (2.24 acres)

**Amount funded by
 FTIRZ/Total Project Cost**
 \$430,000/\$430,000

Total Phase VI FTIRZ/Total Project Costs

\$4,330,000/\$5,830,000

Phase VII-

The proposed public improvements in the FTIRZ Phase VII fall into two general categories; educational facilities and public recreational facilities. The estimated costs of each item and a brief description of each project follows:

Phase VII projects are projected to begin immediately with the approval of the 2012 Amendment to the FTIRZ. Not all project costs for the Phase VII projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

<u>Public Recreational Facilities</u>	<u>Amount funded by FTIRZ/Total Project Cost</u>
Fieldhouse USA	\$12,500,000/\$17,600,000
Electronic Signage	\$1,500,000/\$1,500,000
Total Phase VII FTIRZ/Total Project Costs	\$14,000,000/\$19,100,000

Phase VIII-

The proposed public improvements in the FTIRZ Phase VIII fall into two general categories; public recreational facilities and public infrastructure. The estimated costs of each item and a brief description of each project follows:

Phase VIII projects are projected to begin immediately with the approval of the 2014 amendment to the FTIRZ. Not all project costs for the Phase VIII projects being carried out in the FTIRZ will be funded by FTIRZ tax revenues.

<u>Public Recreational Facilities</u>	<u>Amount funded by FTIRZ/Total Project Cost</u>
Multi-use sports and event center; outdoor athletic Facilities and parking facilities	\$90,000,000/\$150,000,000
Dr Pepper Arena Basketball flooring	\$90,000/\$90,000
Improvements to AA minor league baseball facility	\$6,000,000/\$6,000,000

<u>Land Purchase</u>	<u>Amount funded by FTIRZ/Total Project Cost</u>
Land Purchase for multi-use event center (18.147 acres)	\$0/\$5,000,000

<u>Infrastructure Improvements</u>	<u>Amount funded by FTIRZ/Total Project Cost</u>
Infrastructure improvements supporting MUEC (Ancillary improvements for special event center and outdoor athletic fields including roads, water and sewer lines, storm drainage improvements, landscaping, open space improvements lighting, walkways, fountains, plazas and similar infrastructure and parking facility	\$5,000,000/\$5,000,000
Façade and aesthetic improvements to parking facilities	\$275,000/\$825,000
Construction of a 40,000 square foot conference center and adjacent 1,000 space parking facility	\$10,000,000/\$10,000,000

Total Phase VIII FTIRZ/Total Project Costs	\$111,365,000/\$151,915,000
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Educational Facilities – There are no new Educational Facilities for Phase VIII

The projects outlined in this section will be funded as revenues within the Educational Account of the FTIRZ are sufficient to pay for such projects. The tentative

timetable for these projects is five to fifteen years. Below is a list of educational facility projects to be constructed within the FTIRZ.

Phase I Facilities (Educational)

Elementary\Middle School	\$8,000,000
High School Expansion	\$8,000,000

Additional Educational Facilities as approved by 2000 Amendment and as shown on Map A-1

Phase II Amended Facilities (Educational)

Administration Building site (2 nd Phase)	\$3,500,000
High School Site	\$48,000,000
Middle School Site	\$22,000,000
High School Site	\$55,000,000

Additional Educational Facilities as approved by the 2003 Amendment and as shown on Map A-2

Phase III Amended Facilities (Educational)

Elementary School Sites (4)	\$49,000,000
Middle School Sites (3)	\$66,000,000
High School Sites (2)	\$ 107,000,000

Additional Educational Facilities as approved by 2012 Amendment and as shown on Map A-6

Phase VII Amended Facilities (Educational)

Allen Elementary School (15.263 Acres)	\$13,000,000
Corbell Elementary School (9.174 Acres)	\$12,000,000
Phillips Elementary School (12.52 Acres)	\$12,500,000
Purefoy Elementary School (8.754 Acres)	\$12,000,000
Stafford Middle School (21.4 Acres)	\$23,000,000
Liberty High School (66.325 Acres)	\$65,000,000
Roach Middle School (24.799 Acres)	\$23,000,000
Vandeventer Middle School (20 Acres)	\$24,000,000
Elementary School-Independence (30.738)	\$13,000,000
Middle School-Independence (included with elem. school)	\$25,000,000
High School #7-Independence (87.909 Acres)	\$75,000,000

Total Educational Facilities	
Project Construction and Acquisition Costs	\$ 664,000,000

Other Plan Obligations – Chapter 380 Agreements

Grant Agreement-Champion Warren	\$ 1,030,155
Grant Agreement-Conifer Revenue Cycle Solutions	\$ 850,000
Total Other Plan Obligations	\$ 1,880,155

3. An economic feasibility study.

An economic feasibility analysis was completed and is included as Attachment 2. This analysis takes a more aggressive approach to the projected growth in the CAV within the FTIRZ #1 than does item 8 below. This is due to the fact that all indicators point to acceleration in development in the region and specifically within the tax revenue generating portion of the FTIRZ #1. A less aggressive schedule was used in item 8 below in order to be as conservative as possible and project a worst case scenario when evaluating the debt payment requirements for the FTIRZ #1.

A review of the economic feasibility study was performed at the time Amendments #1 and #2 were approved. The original economic feasibility study shows that there is excess capacity within the Educational Account which will support additional projects. In addition, the actual Captured Assessed Value for the FTIRZ #1 is outperforming the assumed Captured Assessed Value used in the Economic Feasibility study. Finally, the original Economic Feasibility study assumed a 25% City tax abatement for the real property owned by General Growth Properties. This agreement was amended and that tax abatement was replaced by a Section 380 Sales Tax Grant, allowing the City to contribute to the Tax Increment Fund at a full 100%. This Section 380 Sales Tax Grant is now paid in full. In addition, several of the proposed Phase II Projects have been funded through City of Frisco General Fund and G.O. bond fund money.

4. The estimated amount of bonded indebtedness to be incurred.

The total principal amount issued for the project construction and acquisition costs in Phase I is \$7,710,700 with an additional estimated \$714,300 in issuance costs and capitalized interest. The total indebtedness for Phase I is \$8,425,000.

The total estimated principal amount to be issued for the project construction and acquisition costs in Phase II is \$19,500,000 with an additional estimated \$1,000,000 in issuance costs, including capitalized interest. The total indebtedness for Phase II is estimated at \$20,500,000. This debt has not been issued.

The total estimated principal amount to be issued for the project construction and acquisition costs in Phase III is \$67,000,000 with an additional estimated \$1,000,000 in issuance costs and capitalized interest. The total indebtedness for Phase III is \$68,000,000.

The total estimated principal amount to be issued for the project construction and acquisition costs in Phase IV is \$73,000,000 with an additional estimated \$1,000,000 in issuance costs and capitalized interest. The total indebtedness for Phase IV is estimated at \$74,000,000.

The total estimated principal amount to be issued for the project construction and acquisition costs in Phase V is \$58,500,000 with an additional estimated \$1,000,000 in issuance costs and capitalized interest. The total indebtedness for Phase V is estimated at \$59,500,000.

There is no debt issuance proposed for Phase VI.

The total estimated principal amount issued for the project construction and acquisition costs in Phase VII is \$12,500,000 which included issuance costs. The signage will be paid from cash reserves. The Educational Facilities are funded with other financing instruments.

The total estimated principal amount to be issued for the Multi-use Event Center project construction and acquisition costs in Phase VIII is \$90,000,000. In addition the cost of the basketball court and the façade on the parking facility will be paid from annual FTIRZ revenue. The Chapter 380 Grant Agreements will be paid from annual FTIRZ revenue and total \$1,880,155. It is anticipated that additional debt will be issued for the improvements to the AA Minor League baseball facility and for the 40,000 sq ft conference center and parking facility. The total estimated amount for these two projects is \$6,000,000 and \$10,000,000 respectively. The total indebtedness for Phase VIII is estimated at \$106,000,000.

5. The time when related costs or monetary obligations are to be incurred.

The City issued in May of 1997 Certificates of Obligations for the Phase I projects in the amount described in Item 4 above. Phase II and Educational Facilities costs requiring monetary obligations will begin as described in sections 2 and 3 above and in Attachment 2 herein.

Phase III Projects were funded from a debt obligation of the City issued in 2001 in the amount described in Item 4 above. Phase IV Projects were funded from a debt obligation of the City issued in 2003 in the amount described in Item 4 above. Phase V Projects were partially funded from a debt obligation of the City issued in February 2008 and an additional sale in November 2009.

Phase VI Projects in the amounts described above will be paid from cash reserves in the FTIRZ and other funding sources.

Phase VII Projects were partially funded from a debt obligation of the City issued in 2008 in the amount described in Item 4 above.

Phase VIII Projects will be funded from certificates of obligation to be issued by the City in July 2014 in the maximum principal amount of \$90,000,000 and the balance to be issued at a later date.

6. A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from property taxes of each taxing unit on real property in the FTIRZ #1.

All project construction and acquisition costs for Phases I, III, IV, V and VII for which the FTIRZ #1 will be responsible for funding will be financed through the issuance of Certificates of Obligation by the City. In order to take advantage of lower borrowing costs, the Certificates of Obligation will be secured by a general ad-valorem pledge of the City, and may be additionally secured by other revenue sources of the City, including FTIRZ #1 revenues. FTIRZ #1 revenues are to be used and are dedicated and pledged to pay the Certificates of Obligation as project costs of the FTIRZ #1.

Phase II and Educational Facilities will be funded with the issuance of tax increment revenue bonds or other debt instruments. If applicable law in effect at the time of such funding permits the costs of such projects may be paid from the FTIRZ #1 fund.

Phase VI projects will be paid with FTIRZ #1 cash reserves and other contributions from the Frisco Community Development Corporation, the Frisco Hotel/Motel Fund and our partners, which include the Museum of the American Railroad and other private developers.

The project costs described above, as well as any debt service on obligations issued to fund said costs, including any debt issued to refund said obligations, shall be project costs of the zone. These costs will be paid by revenues derived from real property taxes captured by the FTIRZ #1. The City of Frisco, the Collin County Community College District and the Frisco independent School District are all participating at 100% in the FTIRZ #1. Collin County's participation in the FTIRZ #1 was at 50% until 2007, when by agreement it was increased to a maximum of 80%, adjusted annually to pay for an amount equal to the amount necessary to fund the annual debt service payments for \$20,000,000.

Phase VII projects, including any debt issued, will be paid with FTIRZ #1 revenues from the City and the FISD.

Phase VIII projects, including any debt issued will be paid partially with FTIRZ #1 revenues from the City and the FISD, as well as contributions from the Frisco Economic Development Corporation and the Frisco Community Development Corporation. In addition the basketball court and the façade on the parking facility will be paid from the fund balance in the FTIRZ #1. The Chapter 380 Grant Agreements will be paid from annual FTIRZ revenue. Additional debt will be issued for the AA Minor League baseball facility improvements and will be supported from FTIRZ #1 revenue and lease revenue. Additional debt may be issued for the 40,000 sq ft of conference space and parking facility and will be supported from FTIRZ #1 revenue and hotel/motel contributions.

7. The current total appraised value of the taxable real property in the FTIRZ #1.

The total appraised value of the taxable property in the FTIRZ #1 in 1997, at the time of its creation was \$16,126,133.

At the time of the 2014 Amendment, the preliminary captured value of real property in the FTIRZ #1 was \$1,153,940,128, which does not include the value of property added to the FTIRZ #1 as a result of the 2014 Amendment. A historical presentation of the captured appraised values for the FTIRZ is shown in section 8 below.

8. The estimated captured appraised value of the FTIRZ #1 during each year of its existence.

A less aggressive schedule was used in this item than in item 3 above in order to be as conservative as possible and project a worst case scenario when evaluating the debt load for the City and the FTIRZ #1. The original assessed value of the FTIRZ #1 assumed an annual growth in the appraised value of 2%. This was less than the historic annual growth of 3% in assessed values for malls in Collin County since 1991 and far

less than the 8.7% this area had seen in added property value in the last few years prior to creation of the FTIRZ #1. Under this scenario the estimated captured appraised value of the improvements in the FTIRZ #1 per year is listed below. The actual captured value far exceeds the original estimates of the total appraised value. The revenue generating portion of the FTIRZ #1 is almost built out. There is on-going construction and a small amount of vacant land remaining.

Year	Original Estimated Appraised Value	Actual Captured Value
1998	50,000,000	8,810,822
1999	100,000,000	59,810,642
2000	137,500,000	205,329,418
2001	150,000,000	352,548,590
2002	150,000,000	479,407,767
2003	152,000,000	529,353,085
2004	155,040,000	579,993,614
2005	158,140,800	634,973,261
2006	161,303,616	718,969,683
2007	164,529,688	830,866,416
2008	167,820,282	939,239,425
2009	171,176,688	968,278,962
2010	174,600,221	900,065,473
2011	178,092,226	907,471,729
2012	181,654,070	948,269,733
2013	185,287,152	1,024,191,586
2014	188,992,895	1,112,704,377
2015	192,772,753	
2016	196,628,208	
2017	200,560,772	
2018	204,571,987	
2019	208,663,427	
2020	212,836,696	
2021	217,093,430	
2022	221,435,298	
2023	225,864,004	
2024	230,381,284	
2025	234,988,910	
2026	239,688,688	
2027	244,482,462	
2028	249,372,111	
2029	254,359,553	
2030	259,446,744	
2031	264,635,679	
2032	269,928,393	
2033	275,326,961	
2034	280,833,500	
2035	286,450,170	
2036	292,179,173	
2037	298,022,757	
2038	303,983,212	

9. The duration of the FTIRZ.

The FTIRZ was created on February 19, 1997. The termination of the FTIRZ is set as either December 31, 2038, or the date when all project costs are paid and all debt is retired, whichever comes first.

EXHIBIT "A"

**City of Frisco
Collin County
Texas**

Tax Increment Reinvestment Zone #1 Property Description and Acreage

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
A	Gaylord Property\General Growth (Mall Site, etc.)	±718.0067
B	High School Area on Parkwood Blvd.	±66.8820
C	City Park on Parkwood Blvd.	Combined w/ Above
D	City Park on Hillcrest Road	±3.7
E	School Site on Hillcrest/Preston Vineyard Drive	±9.542
F	North Dallas Toll Road SH121 North to FM720	±167.79
}		{36.16}
G	North Dallas Toll Road FM720 North to US380	±183.61
H	FM720 (Main Street, etc.)	±22.66
	SH289 West to Toll Road	
I	SH289 (Preston Road)	±77.25
	SH121 North to FM 720	
J	Lebanon Road - 400 feet East of SH289 West to crossing SH289 to Toll Road	±9.047
		{7.123}
K(a)	Combination of 5th and Parkwood to FM720 Northern Portion	±3.31
K(b)	Parkwood Blvd.-Intersect with S. 5th St. to Lebanon Rd.-Center Portion SH121 North to FM720	±17.99
K□	Parkwood Blvd.-From Lebanon Rd. to Opubco Property Line-Southern Portion Outside Opubco {Entire Tract to be added once annexed}	±{12.854}
L	Collin County Community College Area on Wade Blvd.	±111.643
M	Wade Blvd. SH289 East to College Parkway	±9.52
N	Warren Parkway - SH289 to Ohio Drive/ Ohio Drive - Warren Parkway to SH121	±11.70
O	SH121 - North Dallas Toll Road to SH289	±10.15
Total Acreage in TIRZ:		±1,203.03

EXHIBIT "A-2"

City of Frisco
Collin County
Texas

Additional Tax Increment Reinvestment Zone #1 Property Description and Acreage All Tract Numbers Refer to Map A-1

TRACT LABEL	DESCRIPTION OF PROPERTY	
E6	Administrative Building, Phase II, 6942 Maple Road	±72.677
E8	Middle School at King's Ridge Road	±30.606
E9	High School at Coit and Rolater Road	±76.477
E10	High School at EIDorado Parkway	±60.545
F7	County Road from (Administration Bldg.) 6942 Maple Road to FM 720	±2.374
F9	Spur 33 Road from Preston Road to King's Ridge Road	±6.829
F10	Coit Road from School at Rolater Road to FM 720, FM 720 from Coit Road to King's Ridge Road, King's Ridge Road from School at King's Ridge Road to FM 720	±44.811
F11	Coit Road from FM 720 to EIDorado Parkway and EIDorado Parkway from Coit Road to High School at EIDorado Parkway	±11.407
<hr/> Total Acreage in Amendment		±305.699

EXHIBIT "A-3"

City of Frisco Collin County Texas and Denton County Texas

Additional Tax Increment Reinvestment Zone #1 Property Description and Acreage All Tract Numbers Refer to Map A-3

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
P1	Frisco Soccer Complex Site	±123.712
R1	ROW of Teel Road from Lebanon Road to Stewart Creek Road	±8.713
R2	ROW of Stewart Creek Road from Teel Road to Midnight Moon Drive	±3.196
R3	ROW of Trails Parkway from Main Street to Old Orchard Road and the ROW of Old Orchard Road from Trails Parkway to La Mesa Drive	±3.792
R4	ROW of Twin Falls Drive from Main Street to High Shoals Drive and ROW of Idlewild Drive west of Twin Falls Drive	±7.231
R5	ROW of El Dorado Parkway from Dallas Parkway to North Ridge Drive	±29.901
R7	ROW of Main Street from Dallas Parkway to Twin Falls Drive	±34.281
R8	ROW of Lebanon Road from Dallas Parkway to Teel Road	±41.898
R9	ROW of High Shoals Drive to Palisades Drive	±1.860
R10	ROW of Grayhawk Boulevard from Main to Swan Lake Drive; ROW of Swan Lake Drive from Grayhawk Boulevard to East Talon Drive; ROW of Spirit Falls Drive from East Talon Drive to Roadster Drive.	±5.075
E1	Griffin Middle School Site - 3703 El Dorado Parkway	±41.429
E2	Pioneer Heritage Middle School Site - 1649 High Shoals Drive	±23.990
E3	Middle School/High School Site Stewart Creek Road and 4 th Army Memorial Road	±25.378
E4	Fisher Elementary – 2500 Old Orchard Drive	±10.000
E5	Sparks Elementary – 8500 Wade Blvd	±8.000
E6	Elementary School Site – Lone Star Ranch	±8.000
E7	Boals Elementary School Site	±8.801
E8	High School Site – Dallas Parkway and Legacy Drive	±102.989
Total Acreage in Amendment		±488.246

EXHIBIT "A-4"

City of Frisco Collin County Texas

Proposed Additional Tax Increment Reinvestment Zone #1 Property Description and Acreage All Tract Numbers Refer to Map A-4

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
P1	Northwest corner-Main Street and BNSF (Grain silos)	±2.170
P2	6410 Main Street (grain silos)	±0.458
P3	8940 John W Elliot (metal building and white brick building)	±1.5713
P4	Southwest corner of Main Street and the BNSF railway crossing (Greensmith)	±1.5277
P5	Northwest corner-old Main Street and John W Elliot	±0.8116
P7	8760 John W Elliott (red brick building)	±0.124
P8	8721 Railroad Ave. and 8741 Railroad Ave.	±0.45
P9	8554 Railroad Ave.	±1.692
P10	Property along the BNSF railroad	±5.46
P11	Moore Street (Senior Center location)	±3.636
P12	Parcel east of Beal Aerospace building	±12.346
P13	Frisco City Hall/Library site	±5.426
P14	Old Library location	±1.3537
P15	Frisco Square Plaza	±1.6799
R2	ROW – Frisco Square Blvd. (Library to John W Elliott)	±1.2420
R3	ROW – Page Street (Library to John W Elliott)	±0.6480
R4	ROW – Roadways within FSMD (Coleman, Frisco Square Blvd., Page, Church Library, Burnham, Moore, Gordon, Clarkson, Goodhue, Cotton Gin Road, Short	±16.2389
R5	ROW – Main Street/John W Elliot (Mahard Feed Mill)	±0.0735
Total Acreage in Amendment		±56.9086

EXHIBIT "A-5"

City of Frisco
Collin County Texas

**Proposed Additional Tax Increment Reinvestment Zone #1
Property Description and Acreage
All Tract Numbers Refer to Map A-5**

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
P1	O'Neal Tract 1	±0.260
P2	O'Neal Tract 2	±0.177
P3	O'Neal Tract 3	±0.224
P4	O'Neal Tract 4	±0.103
P5	John W Elliott Dr – Block 101	±1.4722
<hr/>		
	Total Acreage in Amendment	±2.2362
Total Acreage After Additional {Annexation}:		±2,056.1198

EXHIBIT "A-6"

City of Frisco Collin County Texas and Denton County Texas

Additional Tax Increment Reinvestment Zone #1 Property Description and Acreage All Tract Numbers Refer to Map A-6

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
P1	Fieldhouse USA Site	±10.554
R1	ROW of Teel Parkway from Stafford Middle School to Main Street and ROW of Panther Creek Parkway from Teel Parkway to Adeline Drive	±40.089
R2	ROW of The Trails Parkway from Teel Parkway to Crockett Drive and ROW of Smotherman Road from The Trails Parkway to Corbell Elementary	±8.231
R3	ROW of Legacy Drive from Main Street to Allen Elementary	±30.527
R4	ROW of John W. Elliott Drive from Main Street to Sports Village Road and ROW of Technology Drive from John W. Elliott Drive to Frisco Street	±6.386
R5	ROW of Independence Parkway from Lebanon Road to Northern City Limit and ROW of Eldorado Parkway from Independence Parkway to Heritage High School	±42.404
R6	ROW of Rolater Road from Independence Parkway to Liberty High School	±2.843
E1	Stafford Middle School Site – 2288 Little River Drive	±21.400
E2	Phillips Elementary School Site – 2285 Little River Drive	±12.520
E3	Purefoy Elementary School Site – 11880 Teel Parkway	±8.754
E4	Corbell Elementary School Site – 11095 Monarch Drive	±9.174
E5	Allen Elementary School Site – 5800 Legacy Drive	±15.263
E6	Roach Middle School Site – 12499 Independence Parkway	±24.799
E7	High School #7 Site – Independence Parkway, North of Main Street	±87.909
E8	Elementary School/Middle School Site - Independence Pkwy, North of Main Street	±30.738
E9	Liberty High School Site – 15250 Rolater Road	±66.325
E10	Vandeventer Middle School Site – 6075 Independence Pkwy	±20.000
Total Acreage in Amendment		±437.916
Total Acreage in TIRZ#1 after amendment		±2,494.04

EXHIBIT "A-7"

**City of Frisco
Collin County Texas and Denton County Texas**

**Additional Tax Increment Reinvestment Zone #1
Property Description and Acreage
All Tract Numbers Refer to Map A-7**

TRACT LABEL	DESCRIPTION OF PROPERTY	AREA (ACRES)
P1	Multi-use event center; outdoor athletic playing fields And parking facilities	±18.147
Total Acreage in Amendment		±18.147
Total Acreage in TIRZ#1 after amendment		±2,512.187

Attachment I

Frisco Tax Increment Refinancing Zone #1
Detail of Debt Obligations Outstanding

Phase I

1997	City of Frisco Certificates of Obligations (Tax exempt)	Refunded
1997	City of Frisco Certificates of Obligations (Taxable)	\$ 960,000

Phase III

2001A	City of Frisco Certificates of Obligations (Tax exempt)	Refunded
2001B	City of Frisco Certificates of Obligations (Taxable)	\$16,354,964

Phase IV

2003A	City of Frisco Certificates of Obligations (Tax exempt)	\$ 4,035,000
2003B	City of Frisco Certificates of Obligations (Taxable)	\$ 9,925,000
2005	City of Frisco General Obligation Refunding Bonds (Tax exempt)	\$ 3,344,905
2007	City of Frisco General Obligation Refunding Bonds (Tax exempt)	\$21,500,000

Phase V

2008A	City of Frisco Certificates of Obligations (Tax exempt)	\$27,475,000
2008B	City of Frisco Certificates of Obligations (Taxable)	\$20,235,000
Phase 2009	City of Frisco Certificates of Obligations (Tax exempt)	\$ 3,810,000
2009	City of Frisco General Obligation Refunding Bonds (Tax exempt)	\$ 1,230,000
2011	City of Frisco General Obligation Refunding Bonds (Tax exempt)	\$29,425,000

Phase VIII

2014	City of Frisco Certificates of Obligation (Taxable)	\$90,000,000
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Note: Debt obligations will continue through 2038. These obligations are paid through a combination of FTIRZ revenues and lease payments.