

A REPORT OF THE ECONOMIC IMPACT OF ABC CORPORATION IN AUSTIN, TEXAS

Prepared for:

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123 Oak Street
Austin, TX 78701

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Total Impact™ by Impact DataSource

www.impactdatasource.com

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PROJECT SUMMARY

INTRODUCTION

This report presents the results of an economic impact analysis performed using Total Impact™, a model developed by Impact DataSource. The report estimates the impact that a potential project in Anytown, Texas will have on the economy of the city of Anytown and other local taxing districts. The report calculates the costs and benefits for specified local taxing districts over the first ten years.

DESCRIPTION OF THE FACILITY

ABC Manufacturing is a large processor of ready-to-eat processed ham and other meat products. The company plans to construct a new 50,000 sf processing plant in the Brazoria Business Park. The firm will initially employ 100 workers. The average annual salary of these workers is \$25,000. Another 50 employees will be hired in Year 5 and 40 in Year 7. The firm is expected to initially invest \$10 million in land, buildings, and equipment. In addition, a 10,000 sf, \$2.4 million expansion is planned for Year 5 and another \$12 million, 50,000 sf expansion is planned in Year 7. Taxable inventories are estimated to be \$1 million.

SUMMARY OF THE ECONOMIC IMPACT OF THE FACILITY

The facility will have the following economic impact on the Austin area over the first ten years:

Economic Impact over the First Ten Years	
Total number of permanent direct and indirect jobs to be created	179
Number of direct and indirect workers who will move to the City	11
Number of new residents in the City	33
Number of new residential properties to be built in the City	2
Number of new students expected to attend local school district	7
Salaries to be paid to direct and indirect workers	\$81,373,742
Taxable sales and purchases expected in the City	\$19,336,816
The value of new residential property to be built for direct and	\$460,111
The facility's assets added to local tax rolls	\$904,000

How this economic activity translates into additional costs and benefits for local taxing districts is discussed next.



ANALYSIS OF ECONOMIC IMPACT

COST-BENEFIT ANALYSIS FOR LOCAL TAXING DISTRICTS

Benefits:

Local taxing districts can expect to receive additional revenues as a result of the facility locating in the community. The estimated additional revenue to be received over the first ten years is scheduled below.

Additional Revenues for Local Taxing Districts over the First Ten Years					
	Sales Taxes	Property Taxes	Utilities	Utility Franchise Fees	Building Permits and Fees
Austin	\$193,368	\$36,577	\$198,256	\$31,583	\$0
Travis County	\$0	\$45,492			
Austin ISD		\$135,075			
None	\$0	\$0			
None	\$0	\$0			
None	\$0	\$0			
Total	\$193,368	\$217,144	\$198,256	\$31,583	\$0

Additional Revenues for Local Taxing Districts over the First Ten Years (Continued)				
	Hotel Occupancy Taxes	Other Taxes and User Fees	Additional State and Federal School Funding	Total Additional Revenues
Austin	\$14,188	\$7,797		\$481,770
Travis County	\$0	\$3,639		\$49,130
Austin ISD			\$266,585	\$401,660
None				\$0
None				\$0
None				\$0
Total	\$14,188	\$11,436	\$266,585	\$932,560



ANALYSIS OF ECONOMIC IMPACT

COST-BENEFIT ANALYSIS FOR LOCAL TAXING DISTRICTS

Costs:

While local taxing districts will receive additional revenues from the facility, the districts will incur additional costs as well. The estimated additional costs to be incurred over the first ten years as a result of the facility is scheduled below.

Additional Costs Over the First Ten Years					
	Costs of Services to New Residents	Costs of Providing Monthly Utility Services	Costs of Educating New Students	Reduction in State School Funding*	Total Additional Costs
Austin	\$36,386	\$188,344			\$224,730
Travis County	\$12,475				\$12,475
Austin ISD			\$266,585	\$121,325	\$387,910
None					\$0
None					\$0
None					\$0
Total	\$48,861	\$188,344	\$266,585	\$121,325	\$625,115

* Reduction in state school funding as a result of property being added to local tax rolls.

Net Benefits:

The difference between the additional revenues and additional costs to local taxing districts is the net benefits resulting from the facility locating in the community. Net benefits over the first ten years are listed below as well as the discounted cash flow or present value of net benefits.

Net Benefits over the First Ten Years				
	Additional Benefits	Additional Costs	Net Benefits	Present Value of Net Benefits*
Austin	\$481,770	\$224,730	\$257,040	\$188,148
Travis County	\$49,130	\$12,475	\$36,655	\$27,524
Austin ISD	\$401,660	\$387,910	\$13,750	\$12,884
None	\$0	\$0	\$0	\$0
None	\$0	\$0	\$0	\$0
None	\$0	\$0	\$0	\$0
Total	\$932,560	\$625,115	\$307,445	\$228,556

*The Present Value of Net Benefits is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 6% to make the dollars comparable.



ANALYSIS OF ECONOMIC IMPACT

NET BENEFITS TO THE CITY FROM THE FACILITY AND NEW WORKERS

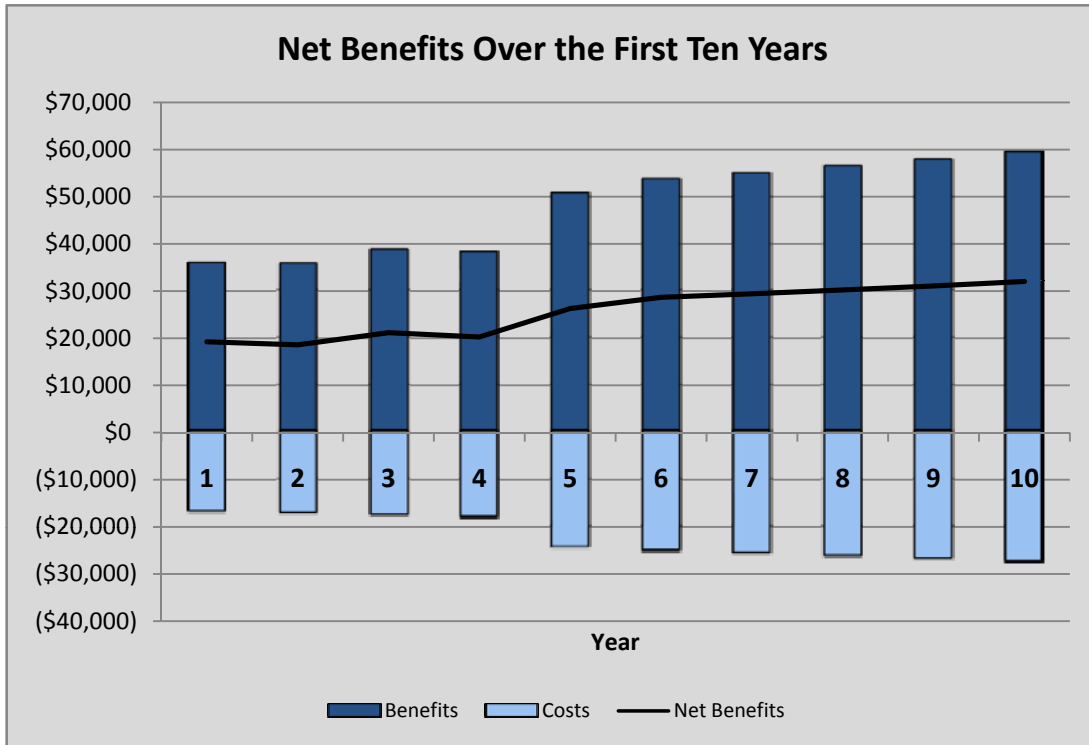
The City will receive benefits from spending and investments by the facility and from spending by new workers. These benefits, associated costs and net benefits for the first ten years are shown below for these two categories.

Net Benefits to the City from the Facility and New Workers			
	<i>Benefits/Costs from:</i>		
	<i>The Facility</i>	<i>New Workers</i>	<i>Total</i>
<i>Additional revenues:</i>			
Sales taxes	\$50,964	\$142,404	\$193,368
Property taxes	\$21,979	\$14,598	\$36,577
Utility revenues	\$85,979	\$112,277	\$198,256
Utility franchise fees	\$18,741	\$12,842	\$31,583
Hotel occupancy taxes	\$14,188		\$14,188
Other taxes and user fees		\$7,797	\$7,797
Building permits and fees	\$0		\$0
Total additional revenues	\$191,851	\$289,919	\$481,770
<i>Additional costs:</i>			
Costs of providing utilities	\$81,680	\$106,663	\$188,344
Costs of providing municipal services for		\$36,386	\$36,386
Total additional costs	\$81,680	\$143,050	\$224,730
Net Benefits	\$110,171	\$146,869	\$257,040
<i>Percent of total net benefits for City</i>	<i>43%</i>	<i>57%</i>	

ANALYSIS OF ECONOMIC IMPACT

NET BENEFITS TO THE CITY OVER THE FIRST TEN YEARS

The graph below depicts the costs, benefits and net benefits to the city over the first ten years.





ANALYSIS OF INCENTIVES

TAX ABATEMENT

The City is considering abating taxes on the firm's real and personal property at the following percentages:

Tax Abatement	
Year 1	50%
Year 2	50%
Year 3	50%
Year 4	50%
Year 5	50%
Year 6	0%
Year 7	0%
Year 8	0%
Year 9	0%
Year 10	0%

If taxes are abated as proposed, the following property taxes will be abated for the facility:

Property Taxes to be Abated for the Facility						
	City	County	College	Road District	Water District	Total
Year 1	\$1,312	\$0	\$0	\$0	\$0	\$1,312
Year 2	\$1,290	\$0	\$0	\$0	\$0	\$1,290
Year 3	\$1,770	\$0	\$0	\$0	\$0	\$1,770
Year 4	\$1,699	\$0	\$0	\$0	\$0	\$1,699
Year 5	\$1,629	\$0	\$0	\$0	\$0	\$1,629
Year 6	\$0	\$0	\$0	\$0	\$0	\$0
Year 7	\$0	\$0	\$0	\$0	\$0	\$0
Year 8	\$0	\$0	\$0	\$0	\$0	\$0
Year 9	\$0	\$0	\$0	\$0	\$0	\$0
Year 10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$7,701	\$0	\$0	\$0	\$0	\$7,701

An analysis of possible incentives that the City may consider for the facility is next.



ANALYSIS OF INCENTIVES

ANALYSIS OF POSSIBLE INCENTIVES FOR THE FACILITY

The city is considering the following range of incentives for the facility:

Incentives Under Consideration	
Job creation incentives	\$100,000
Land	\$150,000
Total incentives	\$250,000

Financial incentives offered to the firm may be considered as an investment that the City makes in the facility. Four calculations analyzing possible investments were made:

1. Net Benefits - *detailed above*
2. Present Value of Net Benefits - *detailed above*
3. Rate of Return on Investment - *discussed and detailed below*
4. Payback Period - *discussed and detailed below*

The rate of return on investment calculates the average annual rate of return to the City, treating the incentives as the initial investment and the net benefits to the City as the return. The payback period is the number of years that it will take the City to recover the cost of incentives from the additional revenues that it will receive as a result of the facility.

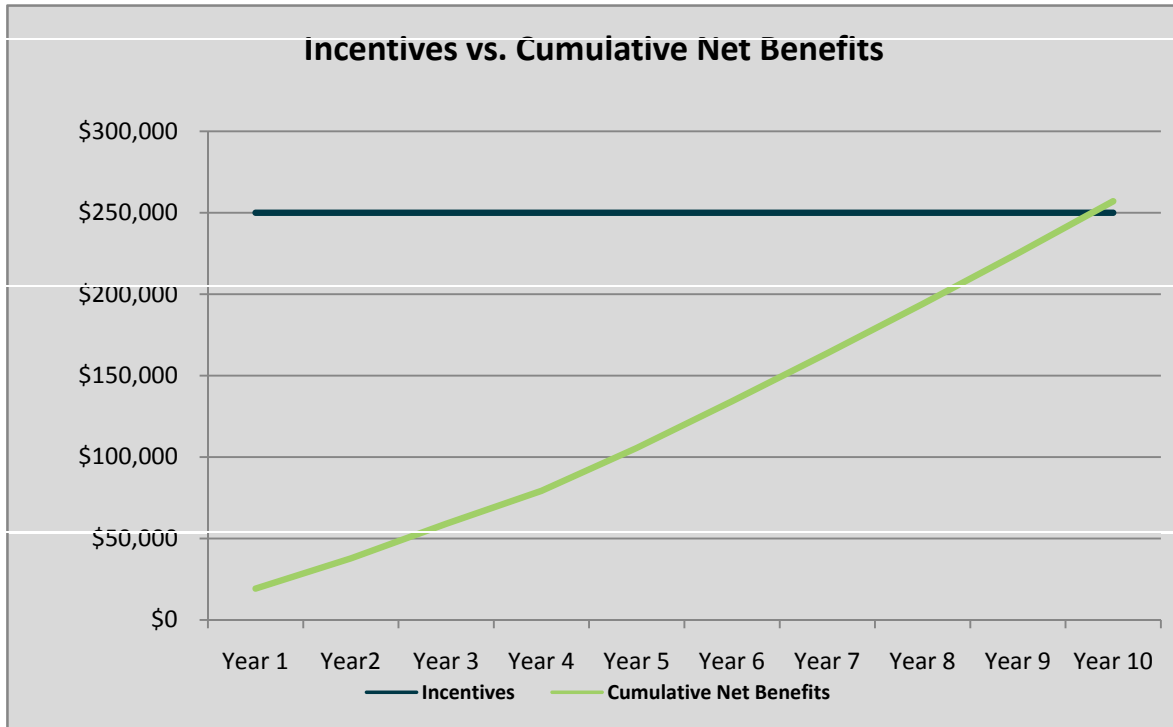
Rate of return and payback period for different level of incentives are calculated below.

Rate of Return and Payback Period		
Incentives	Annual Rate of Return	Payback Period (in years)
\$83,333	31%	4.2
\$125,000	21%	5.7
\$166,667	15%	7.1
\$208,333	12%	8.5
\$250,000	10%	9.8
\$291,667	9%	11.0
\$333,333	8%	12.3
\$375,000	7%	13.4
\$416,667	6%	14.6
\$458,333	6%	15.7

ANALYSIS OF INCENTIVES

ANALYSIS OF POSSIBLE INCENTIVES AND CUMULATIVE BENEFITS

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits. The intersection indicates the length of time until the incentives are paid back.





METHODOLOGY

CONDUCT OF THE ANALYSIS

This analysis was conducted using Total Impact, a model by Impact DataSource. The analysis was performed using firm data, rates and information gathered by Anytown Economic Development Corporation. In addition, Impact DataSource used certain estimates and assumptions.

Using this data, the economic impact from the facility and the costs and benefits for the city, county, school district and other taxing districts were calculated for a ten year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are defined as those that result directly from the facility locating in the area. These impacts are the direct expenditures by the facility. Second, this economic impact analysis calculates the indirect and induced impacts that result from the facility. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services to the facility. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families

To estimate the indirect and induced economic impact of the facility and its employees on the Austin area, regional economic multipliers were used. Regional economic multipliers for Texas and areas of the state are included in the US Department of Commerce’s Regional Input-Output Modeling System (RIMS II).

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the Austin area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The multipliers show the estimated number of indirect and induced jobs created for every one direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The multipliers used in this analysis are listed below:

Employment multiplier	0.1937
Earnings multiplier	\$1.1014

DISCUSSION OF STATE AID FOR THE SCHOOL DISTRICT

According to the Texas Education Agency, any property added to local tax rolls reduces funding from the state – dollar for dollar. However, it takes a year for this to affect. Therefore, the analysis shows that the school district keeps or benefits from the first year’s property taxes but state funding in subsequent years is reduced by the amount of local property taxes collected from the new facility. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

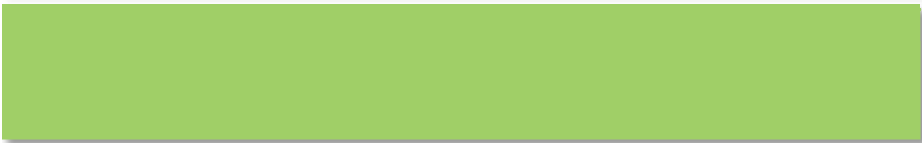


METHODOLOGY

ABOUT IMPACT DATASOURCE

Impact DataSource is a fifteen-year-old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 25 other states. This report presents the results of an economic impact analysis performed using Total Impact™, an economic impact model created by Impact DataSource.

Data used in the analysis, along with schedules of the results of calculations, are on the following pages.



APPENDIX



APPENDIX: DATA & RATES

Local Tax Rates:

Austin sales tax rate	1.0%
Travis County sales tax rate	0.0%

Austin hotel occupancy tax rate	7%
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Property tax rates, per \$100 of valuation:

Austin	\$0.4012
Travis County	\$0.4122
Austin ISD	\$1.2020

Relevant City Rates:

Annual marginal cost of providing municipal services, excluding utilities, to each new household	\$350
Estimated annual other taxes and user fees to be collected by the city from each new household -- those revenues that are in addition to sales and property taxes, utilities and utility franchise fees	\$75
Annual increase expected in the city's other revenues and marginal costs	2%
The city's estimated annual water, wastewater and garbage collection billings per household	\$1,080

Utility Service	Estimated	
	Monthly Billing	Estimated Annual Billing (<i>Monthly billing x 12</i>)
Water	\$35	\$420
Wastewater	\$30	\$360
Solid waste	\$25	\$300

The city's cost of providing water, wastewater and solid waste services, as a percent of utility billings	95%
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Annual increase expected in city-owned utility billings	2%
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APPENDIX: DATA & RATES

The city's utility franchise fee percentages:

Electricity	5%
Natural gas	4%
Cable	5%
Telephone monthly line access charge:	
Residential	\$1.24
Non-residential	\$2.79

Annual utility franchise fees collected from utility providers for each household in the city as detailed below \$117.42

Utility Service	Estimated Monthly Billing	Utility Franchise Fee Percentage	Monthly Utility Franchise Fee Collections	Estimated Annual Utility Franchise Fee Collections <i>(Monthly collections x 12)</i>
Electricity	\$85	5%	\$4.25	\$51.00
Natural gas	\$40	4%	\$1.60	\$19.20
Cable	\$40	5%	\$2.00	\$24.00
Telephone	1.25 lines	\$1.24	\$1.55	\$18.60

Relevant County Rates:

Annual marginal cost of providing county services to each new household	\$120
Annual miscellaneous taxes and user fees to be collected from each new household, those county revenues other than property and sales taxes	\$35
Annual increase expected in other county revenues and marginal costs	2%
County hotel occupancy tax rate	

Relevant School District Rates:

Estimated annual state, federal and other funding received by the district for for each child enrolled	\$3,750
Average annual cost of providing services to each child in the district	\$7,500
Average annual cost for each new child, as a percent of average annual cost	50%
Annual marginal cost of providing services to each new child	\$3,750

 **APPENDIX: DATA & RATES****Relevant Community Rates:**

Expected inflation rate over the first ten years	3.0%
Discount rate used in analysis to compute discounted cash flows	6%
Percent of a typical worker's salary that will be spent on taxable goods and services	35%
Average taxable value of a new single family residence in the community that will be built for some individuals moving to the city	\$175,000
Percent annual increase in the taxable value of residential property and commercial real property on local tax rolls over the first ten years	2%

Depreciation rates:

To estimate the annual taxable or depreciable value of furniture, fixtures and equipment at the facility being analyzed in this analysis, this analysis uses straight line depreciation, an ten year life and a 20% residual value. Therefore, property taxes on the facility's furniture, fixtures and equipment are calculated on the following percentages of the costs of such equipment purchased each year:

Year 1	100%
Year 2	90%
Year 3	80%
Year 4	70%
Year 5	60%
Year 6	50%
Year 7	40%
Year 8	30%
Year 9	20%
Year 10	20%



APPENDIX: DATA & RATES

The Facility's Investments, Assets and Construction:

The investments at the facility each year at the facility:

	Land Improvements	Buildings and Other Real Property	Furniture, Fixtures, and Equipment	Total
Year 1	\$0	\$450,000	\$200,000	\$650,000
Year 2	\$0	\$0	\$0	\$0
Year 3	\$0	\$0	\$250,000	\$250,000
Year 4	\$0	\$0	\$0	\$0
Year 5	\$0	\$0	\$0	\$0
Year 6	\$0	\$0	\$0	\$0
Year 7	\$0	\$0	\$0	\$0
Year 8	\$0	\$0	\$0	\$0
Year 9	\$0	\$0	\$0	\$0
Year 10	\$0	\$0	\$0	\$0
Total	\$0	\$450,000	\$450,000	\$900,000

The facility's taxable inventories:

	Total Inventories	Inventories Subject to Freeport	Taxable Inventories After Freeport
Year 1	\$20,000	\$16,000	\$4,000
Year 2	\$21,000	\$16,800	\$4,200
Year 3	\$22,050	\$17,640	\$4,410
Year 4	\$23,153	\$18,522	\$4,631
Year 5	\$24,310	\$19,448	\$4,862
Year 6	\$25,526	\$20,421	\$5,105
Year 7	\$26,802	\$21,442	\$5,360
Year 8	\$28,142	\$22,514	\$5,628
Year 9	\$29,549	\$23,639	\$5,910
Year 10	\$31,027	\$24,821	\$6,205

Estimated annual increase in the volume and value of inventories 5%

Percent of inventories subject to freeport, if any 80%



APPENDIX: DATA & RATES

Spending During Construction:

Estimated spending for construction:

Year 1	\$0
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0

Percent of construction costs for:

Materials	50%
Labor	50%

Estimated percent of construction materials that will be purchased in the city and be subject to sales tax 40%

Percent of taxable spending by construction workers that will be in the city 40%

Estimated percent of furniture, fixtures and equipment that will be purchased in the city and be subject to sales tax 60%

Building permits and fees to be paid to the city:

Year 1	\$0
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0



APPENDIX: DATA & RATES

Activities During the Facility's Operations:

The facility's taxable sales subject to sales tax in the city:

Year 1	\$250,000
Year 2	\$257,500
Year 3	\$265,225
Year 4	\$273,182
Year 5	\$281,377
Year 6	\$289,819
Year 7	\$298,513
Year 8	\$307,468
Year 9	\$316,693
Year 10	\$326,193

Expected annual increase in taxable sales after the first year 3%

Estimated annual utilities at the facility:

	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
Year 1	\$2,500	\$2,500	\$2,500	\$10,000	\$20,000	\$0	\$0
Year 2	\$2,575	\$2,575	\$2,575	\$10,300	\$20,600	\$0	\$0
Year 3	\$2,652	\$2,652	\$2,652	\$10,609	\$21,218	\$0	\$0
Year 4	\$2,732	\$2,732	\$2,732	\$10,927	\$21,855	\$0	\$0
Year 5	\$2,814	\$2,814	\$2,814	\$11,255	\$22,510	\$0	\$0
Year 6	\$2,898	\$2,898	\$2,898	\$11,593	\$23,185	\$0	\$0
Year 7	\$2,985	\$2,985	\$2,985	\$11,941	\$23,881	\$0	\$0
Year 8	\$3,075	\$3,075	\$3,075	\$12,299	\$24,597	\$0	\$0
Year 9	\$3,167	\$3,167	\$3,167	\$12,668	\$25,335	\$0	\$0
Year 10	\$3,262	\$3,262	\$3,262	\$13,048	\$26,095	\$0	\$0
Annual increase	3%	3%	3%	3%	3%	3%	3%

Estimated number of telephone lines at the facility 10

Percent of utility usage for manufacturing and processing activities and not subject to sales tax 80%



APPENDIX: DATA & RATES

The facility's estimated local taxable purchases of materials, supplies and services for its operations:

Year 1	\$150,000
Year 2	\$154,500
Year 3	\$159,135
Year 4	\$163,909
Year 5	\$168,826
Year 6	\$173,891
Year 7	\$179,108
Year 8	\$184,481
Year 9	\$190,016
Year 10	\$195,716

Expected annual increase in taxable purchases after the first year 3%

The facility's total taxable purchases and taxable utilities:

	Taxable Purchases of Supplies, Materials and Services	Utilities Subject to Sales Tax			Total
		Utilities Subject to Sales Tax	Percent Taxable	Taxable Utilities	
Year 1	\$150,000	\$30,000	20%	\$6,000	\$156,000
Year 2	\$154,500	\$30,900	20%	\$6,180	\$160,680
Year 3	\$159,135	\$31,827	20%	\$6,365	\$165,500
Year 4	\$163,909	\$32,782	20%	\$6,556	\$170,465
Year 5	\$168,826	\$33,765	20%	\$6,753	\$175,579
Year 6	\$173,891	\$34,778	20%	\$6,956	\$180,847
Year 7	\$179,108	\$35,822	20%	\$7,164	\$186,272
Year 8	\$184,481	\$36,896	20%	\$7,379	\$191,860
Year 9	\$190,016	\$38,003	20%	\$7,601	\$197,616
Year 10	\$195,716	\$39,143	20%	\$7,829	\$203,545



APPENDIX: DATA & RATES

Number of existing and new workers hired at the facility each year:

Year 1	100
Year 2	0
Year 3	0
Year 4	0
Year 5	50
Year 6	0
Year 7	0
Year 8	0
Year 9	0
Year 10	0
Total	150

Number of new workers who will move to the city to take job at the facility:

Estimated percent of total new workers moving to the city	5%
Year 1	5
Year 2	0
Year 3	0
Year 4	0
Year 5	3
Year 6	0
Year 7	0
Year 8	0
Year 9	0
Year 10	0
Total	8

Average annual salaries of workers at the facility \$25,000

Percent of expected increase in employee salaries after year 1 3.5%



APPENDIX: DATA & RATES

Multipliers for calculating the number of indirect and induced jobs and earnings in the area:

Earnings	\$1.1014
Employment	0.1937

This cost-benefit analysis uses the above multipliers to project the indirect and induced benefits in the community as a result of the direct economic activity. The employment multiplier shows the number of spin-off jobs what will be created from each direct job. Similarly, the earnings multiplier estimates the salaries and wages to be paid to workers in these spin-off jobs for each \$1 paid to direct workers.

Percent employees to be hired in spin-off jobs created at the facility who will move to the city to take a job	10%
Percent of workers who move to the community that will buy a new home or require that new residential property be built for them	20%
The number of people in a typical worker's household	3
The number of school children in a typical worker's household	0.65
Percent of retail shopping by a typical worker in the city	50%

Visitors to the Facility from Out-of-Town:

Estimated number of annual out-of-town visitors to the facility	100
Average annual increase in the number of out-of-town visitors to the facility	3%
Average number of days that each of these visitors will stay in the city	2
Average number of nights that some of these visitors will stay in a motel in the city	1
Estimated average daily retail spending by each visitor in the city	\$50
Estimated daily motel room rate in the city	\$125



APPENDIX: DATA & RATES

Out-of-Town Truckers Loading and Unloading at the Facility:

Estimated number of out-of-town truckers loading and unloading at the facility	150
Average annual increase in the number of out-of-town truckers	3%
Average taxable spending in the City by each out-of-town trucker	\$20.00
Estimated percent of out-of-town truckers who may stay overnight at a local motel	15%



APPENDIX: DETAILED CALCULATIONS

Number of local jobs added each year and worker salaries to be paid:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	100	19	119	\$2,500,000	\$2,753,438	\$5,253,438
2	0	0	0	\$2,587,500	\$2,849,808	\$5,437,308
3	0	0	0	\$2,678,063	\$2,949,551	\$5,627,614
4	0	0	0	\$2,771,795	\$3,052,785	\$5,824,580
5	50	10	60	\$4,303,211	\$4,739,449	\$9,042,661
6	0	0	0	\$4,453,824	\$4,905,330	\$9,359,154
7	0	0	0	\$4,609,707	\$5,077,017	\$9,686,724
8	0	0	0	\$4,771,047	\$5,254,712	\$10,025,759
9	0	0	0	\$4,938,034	\$5,438,627	\$10,376,661
10	0	0	0	\$5,110,865	\$5,628,979	\$10,739,844
Total	150	29	179	\$38,724,046	\$42,649,696	\$81,373,742

Number of direct and indirect workers and their families who will move to the area and their children who will attend local public schools:

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	7	21	5
2	0	0	0
3	0	0	0
4	0	0	0
5	4	12	3
6	0	0	0
7	0	0	0
8	0	0	0
9	0	0	0
10	0	0	0
Total	11	33	7



APPENDIX: DETAILED CALCULATIONS

Number of new residential properties that may be built in the city for direct and indirect workers who will move to the community:

Year	New Residential Properties
1	1
2	0
3	0
4	0
5	1
6	0
7	0
8	0
9	0
10	0
Total	2

Local taxable spending on which sales taxes will be collected:

Year	Local Construction Workers' Spending and Furniture, Fixtures and Equipment	Direct and Indirect Workers' Spending	Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$120,000	\$919,352	\$13,000	\$250,000	\$156,000	\$1,458,352
2	\$0	\$951,529	\$13,792	\$257,500	\$160,680	\$1,383,501
3	\$150,000	\$984,832	\$14,632	\$265,225	\$165,500	\$1,580,189
4	\$0	\$1,019,302	\$15,523	\$273,182	\$170,465	\$1,478,471
5	\$0	\$1,582,466	\$16,468	\$281,377	\$175,579	\$2,055,890
6	\$0	\$1,637,852	\$17,471	\$289,819	\$180,847	\$2,125,988
7	\$0	\$1,695,177	\$18,535	\$298,513	\$186,272	\$2,198,497
8	\$0	\$1,754,508	\$19,664	\$307,468	\$191,860	\$2,273,500
9	\$0	\$1,815,916	\$20,861	\$316,693	\$197,616	\$2,351,086
10	\$0	\$1,879,473	\$22,132	\$326,193	\$203,545	\$2,431,342
Total	\$270,000	\$14,240,405	\$172,076	\$2,865,970	\$1,788,365	\$19,336,816



APPENDIX: DETAILED CALCULATIONS

Local spending by visitors on lodging by out-of-town visitors and out-of-town truckers:

Year	Spending on Lodging
1	\$15,313
2	\$16,245
3	\$17,234
4	\$18,284
5	\$19,397
6	\$20,579
7	\$21,832
8	\$23,162
9	\$24,572
10	\$26,069
Total	\$202,686

Taxable value of new residential property built for direct and indirect workers who move to the community and the value of the facility's property on local tax rolls:

Year	New Residential Property	Value of Property at the Facility on Local Tax Rolls	Total Taxable Property
1	\$245,000	\$654,000	\$899,000
2	\$249,900	\$643,200	\$893,100
3	\$254,898	\$882,590	\$1,137,488
4	\$259,996	\$847,174	\$1,107,170
5	\$416,736	\$811,956	\$1,228,693
6	\$425,071	\$776,941	\$1,202,013
7	\$433,573	\$742,133	\$1,175,706
8	\$442,244	\$707,537	\$1,149,781
9	\$451,089	\$673,157	\$1,124,245
10	\$460,111	\$658,997	\$1,119,108



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Austin

Benefits:

Sales tax collections:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$1,200	\$9,194	\$130	\$2,500	\$1,560	\$14,584
2	\$0	\$9,515	\$138	\$2,575	\$1,607	\$13,835
3	\$1,500	\$9,848	\$146	\$2,652	\$1,655	\$15,802
4	\$0	\$10,193	\$155	\$2,732	\$1,705	\$14,785
5	\$0	\$15,825	\$165	\$2,814	\$1,756	\$20,559
6	\$0	\$16,379	\$175	\$2,898	\$1,808	\$21,260
7	\$0	\$16,952	\$185	\$2,985	\$1,863	\$21,985
8	\$0	\$17,545	\$197	\$3,075	\$1,919	\$22,735
9	\$0	\$18,159	\$209	\$3,167	\$1,976	\$23,511
10	\$0	\$18,795	\$221	\$3,262	\$2,035	\$24,313
Total	\$2,700	\$142,404	\$1,721	\$28,660	\$17,884	\$193,368

Property tax collections on:

Year	Property at the Facility			Total Taxes After Abatement	Total
	New Residential Property	Taxes Collected	Taxes Abated		
1	\$983	\$2,624	\$1,312	\$1,312	\$2,295
2	\$1,003	\$2,581	\$1,290	\$1,290	\$2,293
3	\$1,023	\$3,541	\$1,770	\$1,770	\$2,793
4	\$1,043	\$3,399	\$1,699	\$1,699	\$2,743
5	\$1,672	\$3,258	\$1,629	\$1,629	\$3,301
6	\$1,705	\$3,117	\$0	\$3,117	\$4,822
7	\$1,739	\$2,977	\$0	\$2,977	\$4,717
8	\$1,774	\$2,839	\$0	\$2,839	\$4,613
9	\$1,810	\$2,701	\$0	\$2,701	\$4,510
10	\$1,846	\$2,644	\$0	\$2,644	\$4,490
Total	\$14,598	\$29,680	\$7,701	\$21,979	\$36,577



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Austin - Continued

Utilities and utility franchise fees collected by the city from new residents and from the facility:

Year	Utilities	Utility Franchise Fees	Total
1	\$15,060	\$2,457	\$17,517
2	\$15,436	\$2,530	\$17,967
3	\$15,822	\$2,606	\$18,429
4	\$16,218	\$2,685	\$18,903
5	\$21,301	\$3,294	\$24,594
6	\$21,811	\$3,393	\$25,204
7	\$22,334	\$3,494	\$25,829
8	\$22,870	\$3,599	\$26,470
9	\$23,420	\$3,707	\$27,127
10	\$23,983	\$3,818	\$27,802
Total	\$198,256	\$31,583	\$229,840

Other city revenues, including hotel occupancy taxes, other taxes and user fees collected from new residents and building permits on construction at the facility:

Year	Hotel Occupancy Taxes	Other Taxes and User Fees	Building Permits and Fees	Total Other Revenues
1	\$1,072	\$525	\$0	\$1,597
2	\$1,137	\$536	\$0	\$1,673
3	\$1,206	\$546	\$0	\$1,753
4	\$1,280	\$557	\$0	\$1,837
5	\$1,358	\$893	\$0	\$2,251
6	\$1,441	\$911	\$0	\$2,351
7	\$1,528	\$929	\$0	\$2,457
8	\$1,621	\$948	\$0	\$2,569
9	\$1,720	\$967	\$0	\$2,687
10	\$1,825	\$986	\$0	\$2,811
Total	\$14,188	\$7,797	\$0	\$21,985



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Austin - Continued

Costs:

The costs of providing municipal services and utility services to new residents:

Year	Cost of Services to New Residents	Costs of Utilities	Total Costs
1	\$2,450	\$14,307	\$16,757
2	\$2,499	\$14,664	\$17,163
3	\$2,549	\$15,031	\$17,580
4	\$2,600	\$15,407	\$18,007
5	\$4,167	\$20,236	\$24,403
6	\$4,251	\$20,720	\$24,971
7	\$4,336	\$21,217	\$25,553
8	\$4,422	\$21,727	\$26,149
9	\$4,511	\$22,249	\$26,760
10	\$4,601	\$22,784	\$27,385
Total	\$36,386	\$188,344	\$224,730

Net Benefits for the City:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$35,992	\$16,757	\$19,235	\$19,235
2	\$35,767	\$17,163	\$18,604	\$37,839
3	\$38,776	\$17,580	\$21,196	\$59,035
4	\$38,267	\$18,007	\$20,260	\$79,295
5	\$50,705	\$24,403	\$26,302	\$105,596
6	\$53,637	\$24,971	\$28,666	\$134,263
7	\$54,988	\$25,553	\$29,435	\$163,697
8	\$56,386	\$26,149	\$30,237	\$193,934
9	\$57,835	\$26,760	\$31,075	\$225,009
10	\$59,416	\$27,385	\$32,030	\$257,040
Total	\$481,770	\$224,730	\$257,040	



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Travis County

Sales tax collections on spending:

Year	During Construction and Purchases of Furniture, Fixtures and Equipment	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Other county revenues, including hotel occupancy taxes and miscellaneous taxes and user fees collected from new residents:

Year	Hotel Occupancy Taxes	Misc. Taxes and User Fees	Total
1	\$0	\$245	\$245
2	\$0	\$250	\$250
3	\$0	\$255	\$255
4	\$0	\$260	\$260
5	\$0	\$417	\$417
6	\$0	\$425	\$425
7	\$0	\$434	\$434
8	\$0	\$442	\$442
9	\$0	\$451	\$451
10	\$0	\$460	\$460
Total	\$0	\$3,639	\$3,639



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Travis County - Continued

Property tax collections on:

Year	Property at the Facility			Total Taxes After Abatement	Total
	New Residential Property	Taxes Collected	Taxes Abated		
1	\$1,010	\$2,696	\$0	\$2,696	\$3,706
2	\$1,030	\$2,651	\$0	\$2,651	\$3,681
3	\$1,051	\$3,638	\$0	\$3,638	\$4,689
4	\$1,072	\$3,492	\$0	\$3,492	\$4,564
5	\$1,718	\$3,347	\$0	\$3,347	\$5,065
6	\$1,752	\$3,203	\$0	\$3,203	\$4,955
7	\$1,787	\$3,059	\$0	\$3,059	\$4,846
8	\$1,823	\$2,916	\$0	\$2,916	\$4,739
9	\$1,859	\$2,775	\$0	\$2,775	\$4,634
10	\$1,897	\$2,716	\$0	\$2,716	\$4,613
Total	\$14,998	\$30,493	\$0	\$30,493	\$45,492

Costs of providing county services to new residents:

Year	Costs of County Services
1	\$840
2	\$857
3	\$874
4	\$891
5	\$1,429
6	\$1,457
7	\$1,487
8	\$1,516
9	\$1,547
10	\$1,578
Total	\$12,475



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Travis County - Continued

Total Benefits for the County:

Year	Benefits	Costs	Cumulative	
			Net Benefits	Net Benefits
1	\$3,951	\$840	\$3,111	\$3,111
2	\$3,931	\$857	\$3,074	\$6,185
3	\$4,944	\$874	\$4,070	\$10,255
4	\$4,824	\$891	\$3,932	\$14,187
5	\$5,481	\$1,429	\$4,053	\$18,240
6	\$5,380	\$1,457	\$3,922	\$22,162
7	\$5,280	\$1,487	\$3,793	\$25,955
8	\$5,182	\$1,516	\$3,665	\$29,621
9	\$5,085	\$1,547	\$3,539	\$33,159
10	\$5,073	\$1,578	\$3,496	\$36,655
Total	\$49,130	\$12,475	\$36,655	



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Austin ISD

Benefits, including property taxes and additional state and federal school funding:

Year	Property Tax Collections on:			Additional State School Funding	Total
	New Residential Property	The Facility's Property	Total Collections		
1	\$2,945	\$8,053	\$10,998	\$17,063	\$28,061
2	\$3,004	\$7,933	\$10,937	\$17,574	\$28,511
3	\$3,064	\$10,821	\$13,885	\$18,102	\$31,986
4	\$3,125	\$10,406	\$13,531	\$18,645	\$32,175
5	\$5,009	\$9,993	\$15,003	\$30,178	\$45,180
6	\$5,109	\$9,584	\$14,694	\$31,083	\$45,777
7	\$5,212	\$9,178	\$14,390	\$32,016	\$46,405
8	\$5,316	\$8,775	\$14,091	\$32,976	\$47,067
9	\$5,422	\$8,375	\$13,798	\$33,965	\$47,763
10	\$5,531	\$8,219	\$13,750	\$34,984	\$48,734
Total	\$43,736	\$91,339	\$135,075	\$266,585	\$401,660

Costs of educating children of new workers who move to the district:

Year	Cost of Educating New Students
1	\$17,063
2	\$17,574
3	\$18,102
4	\$18,645
5	\$30,178
6	\$31,083
7	\$32,016
8	\$32,976
9	\$33,965
10	\$34,984
Total	\$266,585



APPENDIX: DETAILED CALCULATIONS

Costs and Benefits for Austin ISD - Continued

Reduction in State aid to the school district as a result of new residential property for the facility's employees and the facility's property being added to the school district's tax rolls:

Year	Reduction in State Aid for the School District
1	\$0
2	\$10,998
3	\$10,937
4	\$13,885
5	\$13,531
6	\$15,003
7	\$14,694
8	\$14,390
9	\$14,091
10	\$13,798
Total	\$121,325

Net Benefits for the School District:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$28,061	\$17,063	\$10,998	\$10,998
2	\$28,511	\$28,573	(\$61)	\$10,937
3	\$31,986	\$29,039	\$2,948	\$13,885
4	\$32,175	\$32,529	(\$354)	\$13,531
5	\$45,180	\$43,709	\$1,472	\$15,003
6	\$45,777	\$46,086	(\$309)	\$14,694
7	\$46,405	\$46,709	(\$304)	\$14,390
8	\$47,067	\$47,366	(\$299)	\$14,091
9	\$47,763	\$48,056	(\$293)	\$13,798
10	\$48,734	\$48,782	(\$48)	\$13,750
Total	\$401,660	\$387,910	\$13,750	



APPENDIX: DETAILED CALCULATIONS

UNUSED TAXING DISTRICT

Property tax collections:

Year	Property at the Facility				Sales Tax Collections	Total
	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement		
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

UNUSED TAXING DISTRICT

Property tax collections:

Year	Property at the Facility				Sales Tax Collections	Total
	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement		
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0



APPENDIX: DETAILED CALCULATIONS

UNUSED TAXING DISTRICT

Property tax collections:

Year	Property at the Facility				Sales Tax Collections	Total
	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement		
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0