







East Gateway Tax Increment Reinvestment Zone Final Project and Financing Plan Amarillo, Texas

September 2017

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Overview of the TIRZ and Project Objectives

The Interstate 40/Loop 335 intersection will one day represent a major gateway into the City of Amarillo. The area is currently blessed with major attractions and economic generators including the world-famous Big Texan Steakhouse and several truck service facilities. The area also however, is the site of numerous vacant tracts of land, closed businesses, blighted conditions, poor drainage, and undersized infrastructure. With the assistance of strategic public investments the area is poised for substantial private investment and economic growth. Opportunities include the relocation and expansion of the Big Texan Steakhouse, development of several limited service hotels, development of a full-service hotel and related recreation facilities, redevelopment of truck service facilities, redevelopment of a recreation vehicle park and introduction of a public competitive indoor athletic facility.

The East Gateway TIRZ as envisioned celebrates Amarillo's heritage as a place where travelers are introduced to the hospitality and opportunities of the Panhandle, where they are able to rest from their journey, enjoy a meal unlike any they have ever experienced and participate in unique recreation and entertainment opportunities. Through these activities and the economic growth associated with them, area residents will realize increased tax revenues, an attractive eastern gateway into Potter County and the City of Amarillo and new economic, recreation, and entertainment opportunities.

The objectives of the East Gateway TIRZ include:

Redevelopment of key economic generators –

Opportunities exist within the TIRZ to redevelop; the Big Texan Steakhouse, underperforming fueling stations into contemporary auto and truck service facilities, and an underperforming RV park into a modern high-quality RV park.

Introduction of new economic opportunities -

Opportunities exist within the TIRZ to introduce new retail outlets, hotels, and restaurants where currently either vacant land or underperforming or closed businesses exist.

Introduction of new entertainment and recreation opportunities –

Opportunities exist within the TIRZ to introduce new public athletic facilities to accommodate competitive tournament play, new aquatic facilities, and new entertainment facilities geared toward family entertainment.

Address Infrastructure challenges -

Opportunities exist with the TIRZ to address several long-standing infrastructure challenges including reconstruction of the I40/Loop 335 intersection to enhance capacity, drainage of and through the area, wastewater collection capacity, increased water service, and completion of a collector and arterial street network.

Key Performance Measures for the TIRZ include:

Restaurant, Retail and Entertainment

It is projected that within the timeframe of the TIRZ there will be several new hotels, a number of new retail outlets, and new entertainment venues representing a projected \$100 Million in new construction value

Timing/Phasing:

It is projected development will occur as infrastructure (both public and private) is developed. The first phases of development will likely be those readily served by existing infrastructure or infrastructure that is readily expanded or constructed. These first phases are likely to include the construction of hotels fronting on the I40 access roads, the Big Texan Steakhouse relocation, and the relocation and redevelopment of the existing RV park. This first phase of development is likely to be followed by the construction of additional hotels (including a planned full-service hotel), retail outlets, entertainment venues, auto and truck fueling facilities, etc. This phase of development is dependent upon the completion of extensive public and private infrastructure and the development of the public recreation facility.

The public recreation facility is anticipated to be constructed between the first phase of development and the second phase as described earlier. The facility will not be constructed until the cash flow from the tax increment is sufficient to support debt service needed to construct the facility. The facility is critical to the success of the area by both meeting a local demand for additional recreation opportunities but also hosting regional tournaments thereby creating additional demand in the area for lodging, dining, and entertainment.

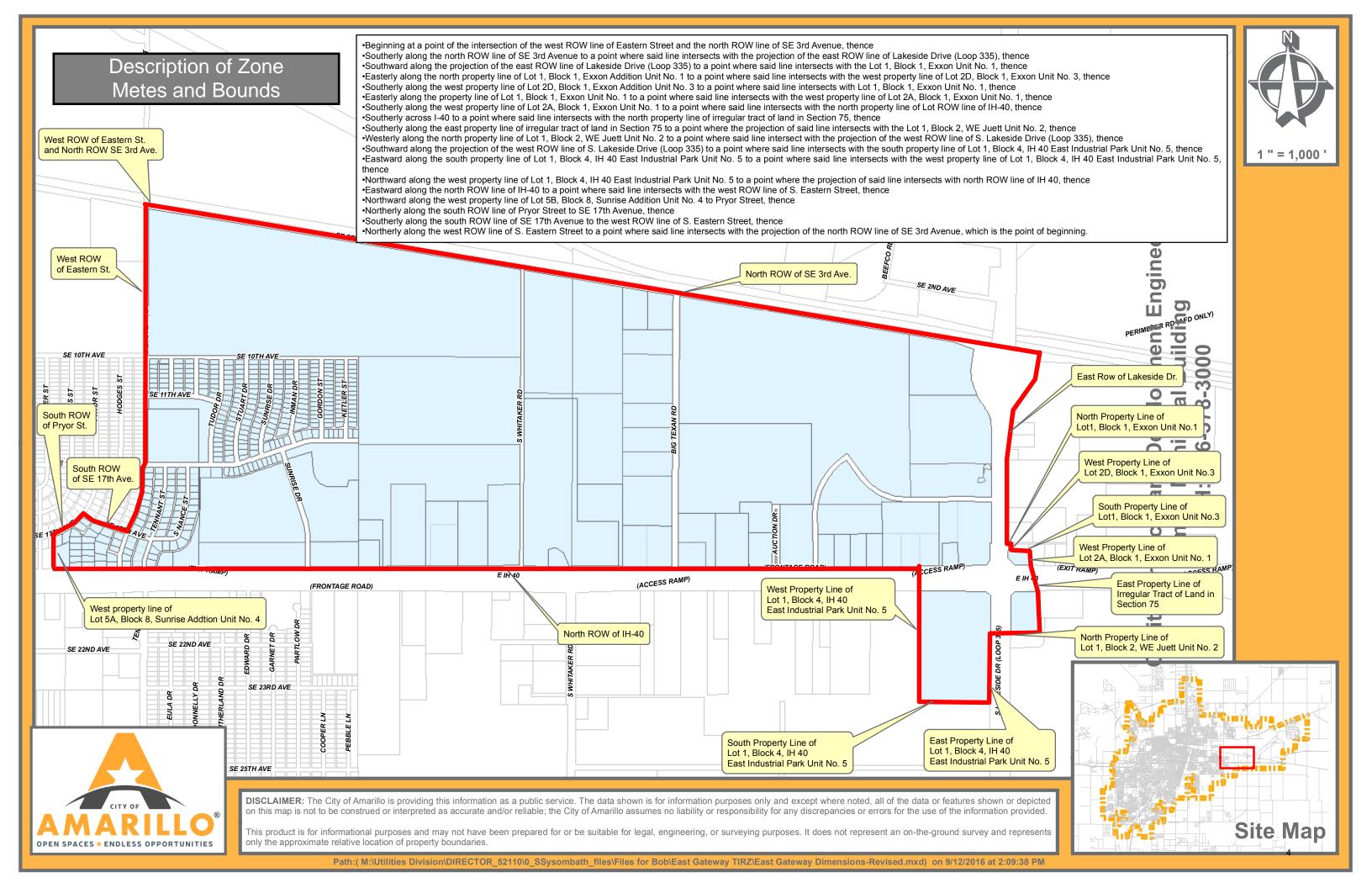
Implementation

To realize the potential of the TIRZ area implementation of key public improvements are necessary and are noted in the following:

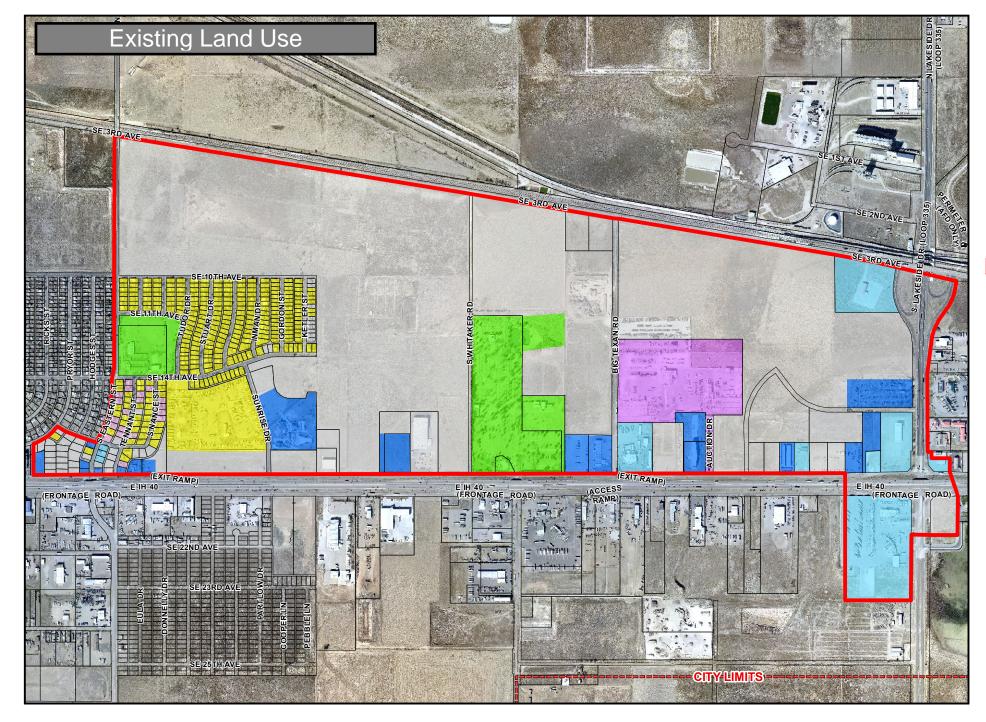
- Participation in 380 economic development agreements
- TxDOT I40/Loop 335 intersection construction
- City lift station and force main replacement and upgrade
- City water main extensions
- City participation in arterial and collector street construction
- City participation in street drainage construction
- Construction of an indoor athletic facility
- Aesthetic enhancements and landscaping of the primary gateway
- TIRZ related project costs per Section 311 of the Texas Tax Code

Total estimated costs of the above public initiatives to be financed by the proposed TIRZ:

- Projected TIRZ Revenue Available for Infrastructure Reimbursement \$10 Million
- Projected TIRZ Revenue Available for Athletic Facility Construction Debt Service \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures



Land Use



Legend

TIRZ - East Gateway

AGRICULTURAL / VACANT

DUPLEX

INDUSTRIAL

MULTIPLE FAMILY

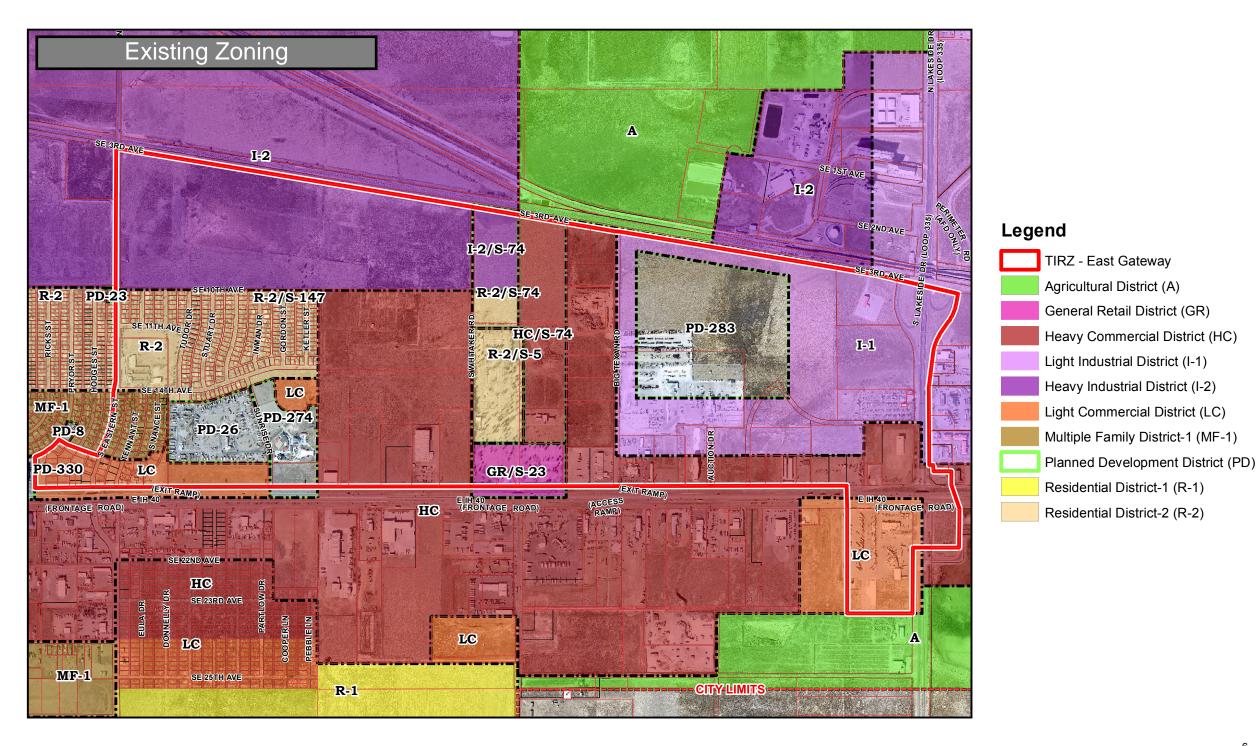
NEIGHBORHOOD SERVICES / RETAIL / RESTAURANT

OFFICE / COMMERCIAL

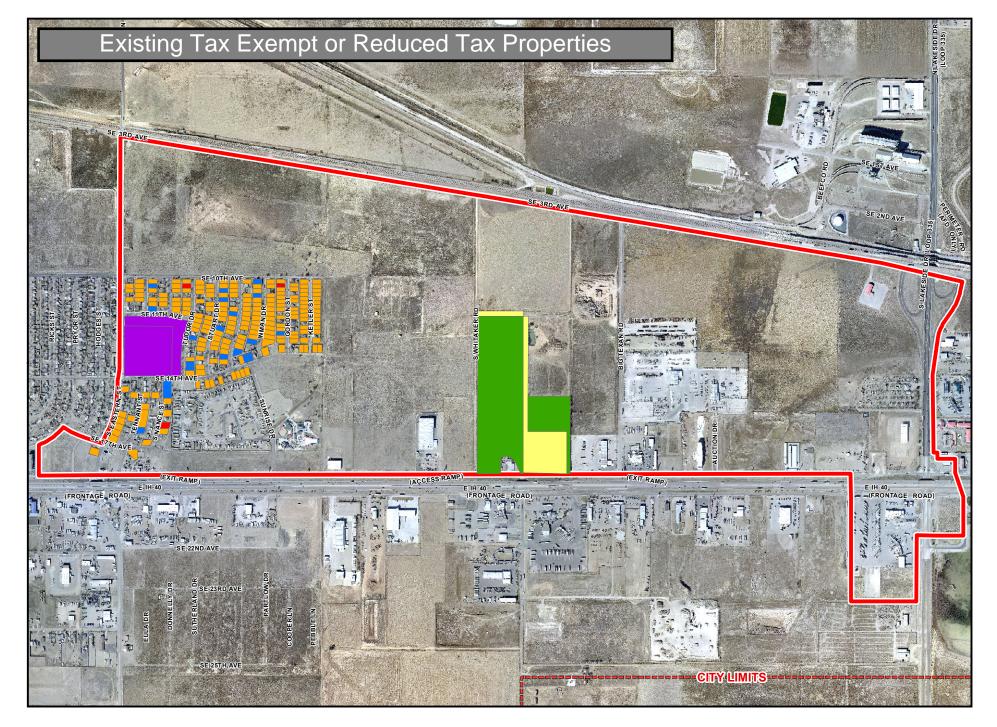
PUBLIC / PARK / SCHOOL

SINGLE FAMILY

Zoning



Tax Exemptions



Legend

TIRZ - East Gateway

Exemptions

Age

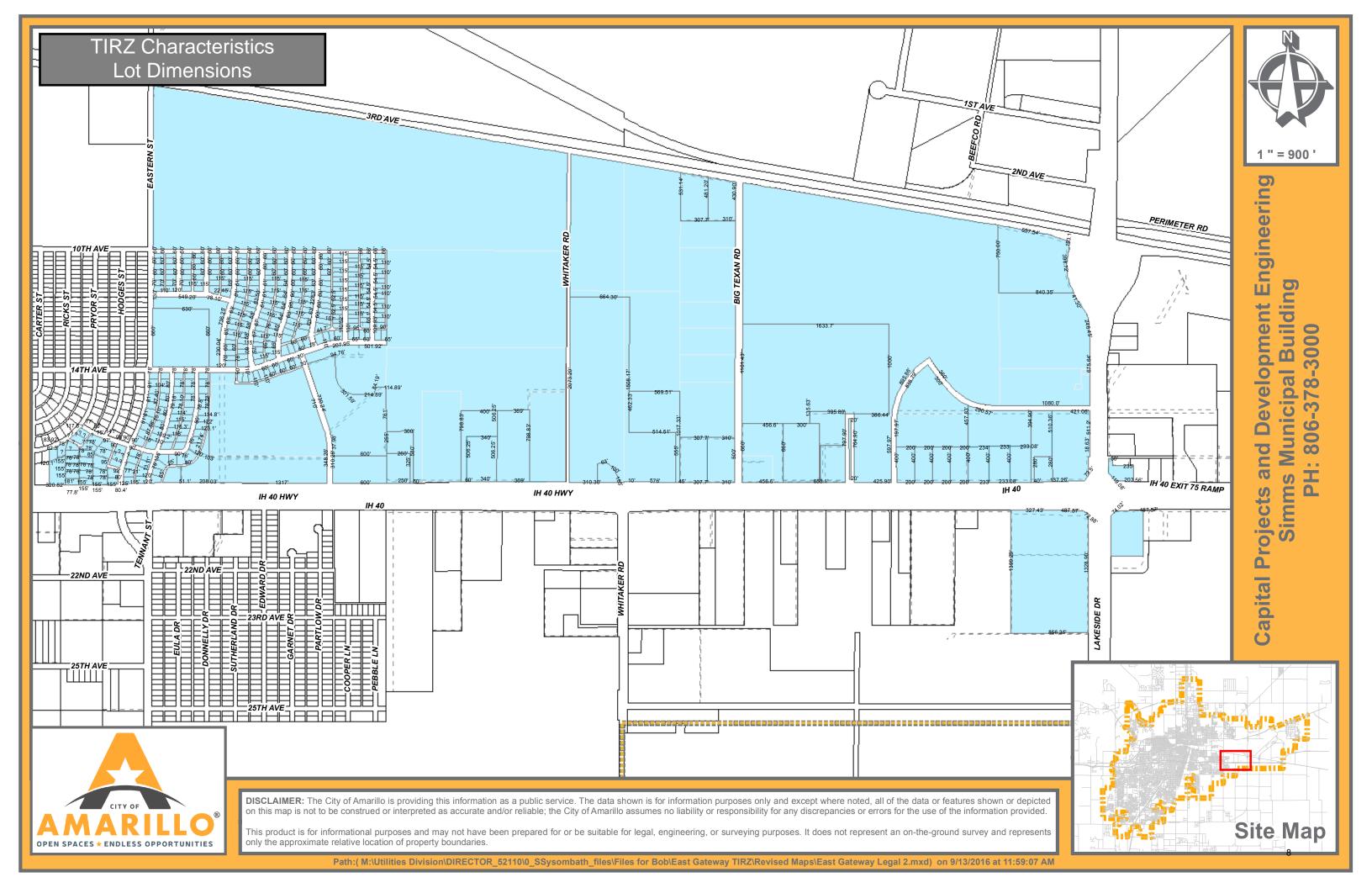
Disability

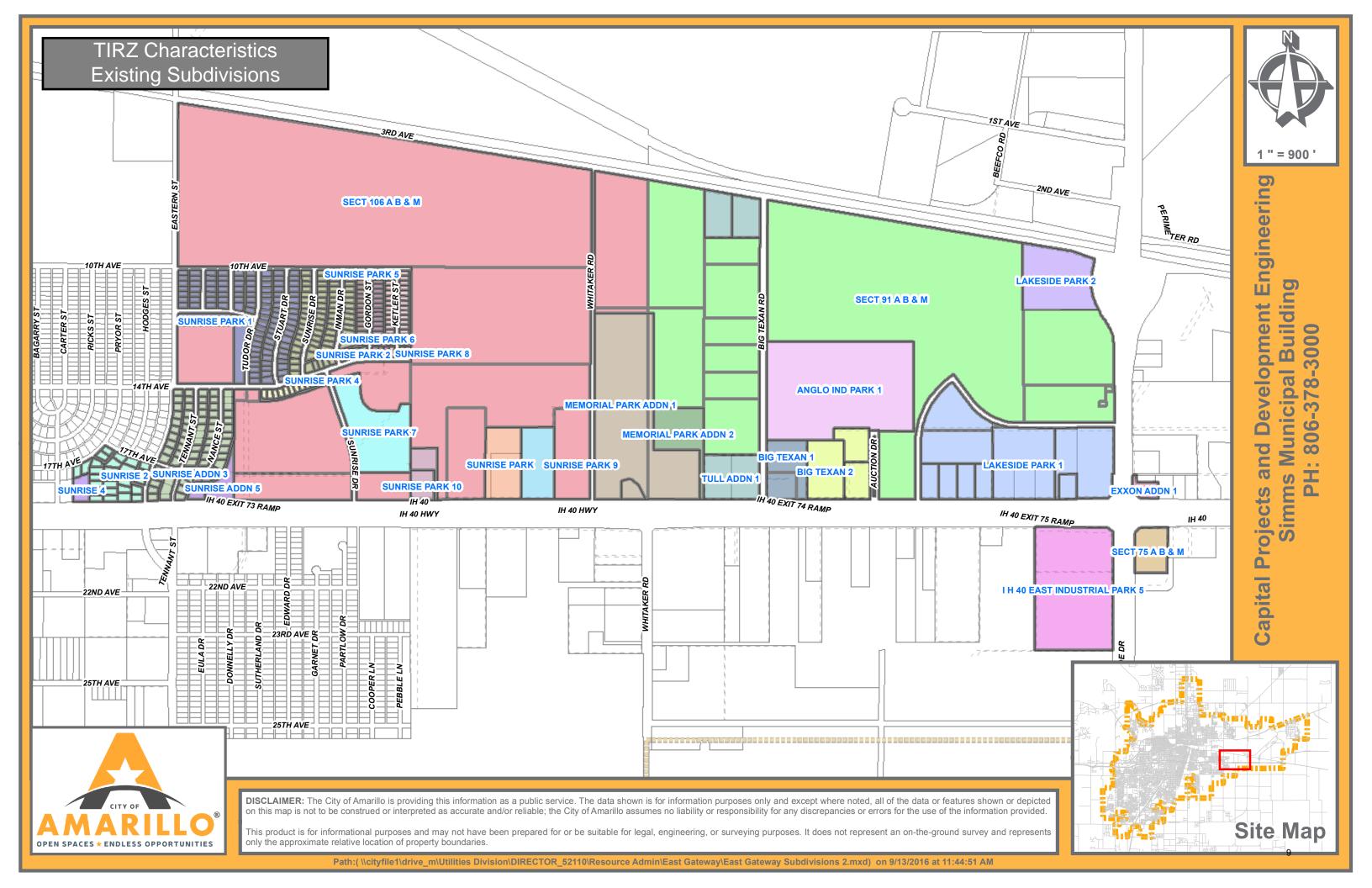
Government

Homestead

Institute

Prorate





Current Development Characteristics

The TIRZ area currently is a mix of vacant undeveloped land, retail and restaurant uses and limited residential development. The TIRZ area encompasses approximately 940 acres in total and includes approximately 300 single family homes on approximately 52 acres of land, two RV parks, approximately a dozen businesses, a private cemetery, and approximately 575 acres of vacant undeveloped land.









Key Objectives and Goals of the East Gateway TIRZ

The objectives of the East Gateway Tax Increment Reinvestment Zone (TIRZ #2) are as follow:

- Establish a dedicated revenue stream used to:
 - o facilitate the development of needed public infrastructure in the area
 - o facilitate the development of needed public athletic facilities in the area

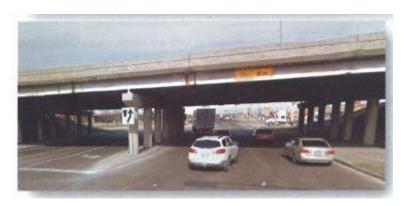
All in an effort to:

• stimulate and facilitate new private investment resulting in the redevelopment of an area suffering from underdevelopment and blighted conditions

Key Goals:

- Development of new retail and entertainment venues contributing additional property and sales tax revenue
- Relocation and expansion of the Big Texan Steakhouse resulting in increased customer attraction contributing additional property and sales tax revenue
- Redevelopment of the existing Big Texan Steakhouse resulting in the retention of customers and continuing to contribute property and sales tax revenues
- RV Park contributing additional property and sales tax revenue
- Retail outlets contributing additional property and sales tax revenue
- Entertainment venues contributing additional property and sales tax revenue
- Auto and truck service outlets contributing additional property and sales tax revenue
- Full-service hotel contributing additional property and HOT tax revenue
- Limited-service hotels contributing additional property and HOT tax revenue
- Development of new recreation and athletic facilities





Partnerships and Development Strategies

The eastern portion of the city of Amarillo, in the vicinity of I40 and Loop 335 has significant potential for development and economic growth but for the limitations and constraints associated with public infrastructure an facilities. Proximity to I40 and its tens of thousands of vehicle trips each day, the presence of the Big Texan Steakhouse and the intersection of Amarillo's Loop are all positive attributes. The potential for a large mixed use development area catering to the traveling public and serving as a recreation, entertainment, and hospitality destination is significant if these limitations and constraints can be overcome.

To achieve the success of this area a number of <u>partnerships</u> need to be forged along with a series of strategic actions taken:

- Partnerships between the private property owners/developers/businesses and the City of Amarillo is critical for the success of this area. Partnerships include timely extensions of public infrastructure by the City, land dedications by the property owners for the development of infrastructure and an athletic facility, and significant private development.
- Partnership between the local taxing entities is critical for the success of this area. The willingness of the City of Amarillo, Potter County, Amarillo College and the Panhandle Groundwater District to consent that the incremental increase in property tax revenues be placed within the TIRZ fund and reinvested within the TIRZ in the manner noted in the adopted Project and Financing Plan is critical for the success of this area. Through this mutual investment all taxing entities (including those not directly participating in the TIRZ) will benefit from new growth and development of this area through increased investments, increased property tax revenue, increased sales tax revenue, increased employment, etc.

The <u>strategic actions</u> necessary to realize the objectives of the East Gateway TIRZ are straightforward yet critical.

- Once the TIRZ is established the City will begin to immediately address deficient infrastructure in the area by extending streets and utilities as necessary. Concurrent with these public investments private parties in the area will initiate new development first with the construction and operation of new limited service hotels, the relocation and redevelopment of the existing RV park, and the relocation and development of the Big Texan Steakhouse. As incremental tax revenue is generated it will be used to reimburse the City for the costs associated with the extension of necessary streets and utilities.
- The next strategic actions include the donation of land by private parties to the City to enable the construction of an athletic facility which will be built and operated by the City and used to meet local recreation demands and host tournaments. In addition to meeting local recreation need this facility is anticipated to generate additional economic opportunities for the properties in close proximity and throughout the area through attracting visitors participating and attending athletic tournaments. The activities in the athletic facility are expected to generate additional retail, restaurant, entertainment, and hotel demand which in turn will generate additional property tax revenue, sales tax revenue, hotel occupancy tax revenue and employment. This action is dependent on there being enough annual incremental tax revenue generated to sustain debt service on any debts issued by the City to finance the construction of the athletic facility.
- The final strategic actions include continued extension (and reimbursement) of needed streets and infrastructure, private hotel, retail, and entertainment development. Specific notable projected private development associated with this action includes a full service hotel, a large truck service facility, and various retail and entertainment outlets closely associated with the relocated Big Texan Steakhouse. Further public improvements that may be undertaken with this action if funds exist may include aesthetic enhancements at the primary entrance to this gateway including landscaping, decorative signage, etc.

It is anticipated that the majority of infrastructure investment and private development will occur within the first ten years of the TIRZ, with the proposed athletic facility occurring within the first five years of the TIRZ and the aesthetic improvements occurring in the latter years of the TIRZ.

Historic Tax Values

City of Amarillo Taxable Value Analysis

Year	2010	2011	2012	2013	2014	2015	2016
Total	\$ 10,055,707,732	\$ 10,257,946,329	\$ 10,456,402,589	\$ 10,760,454,171	\$ 11,100,054,718	\$ 11,542,059,264	\$ 12,065,465,099
Increment		\$ 202,238,597	\$ 198,456,260	\$ 304,051,582	\$ 339,600,547	\$ 442,004,546	\$ 523,405,835
% Change		2.01%	1.93%	2.91%	3.16%	3.98%	4.53%

TIRZ Area Taxable Value Analysis

Year	2010	2011	2012	2013	2014	4	2015	2016
Total	\$ 38,651,958	\$ 39,475,611	\$ 40,525,858	\$ 40,812,525	\$ 41,256,940) :	\$ 41,441,870	\$ 39,981,487
Increment		\$ 823,653						
% Change		2.13%	2.66%	0.71%	1.09%	%	0.45%	-3.52%

Comparative Taxable Values

	2010-2015 % Growth	2015-2016 % Growth
City of Amarillo	13.99%	4.53%
TIRZ Area	7.04%	-3.52

This information helps illustrate how the TIRZ area taxable value and increases in that value compare to the same for the City of Amarillo as a whole. This information helps yield an understanding in the growth trends for both the City and the TIRZ area and helps to serve as a baseline for future comparisons to determine the effectiveness of the TIRZ and associated public investments.

Tax Increment Projections

The Project and Financing Plan details investments projected to occur over the thirty year term of the TIRZ. These investments and related public improvements would not occur without strategic public/private partnerships facilitated by the TIRZ and the related implementation steps. The TIRZ will be a key part of attracting new restaurants, retail outlets, entertainment venues, hotels, and other uses. These investments result in \$34.6 Million of tax increment financing revenue (\$17.7 Million NPV).

TIRZ Participation

Four taxing entities have agreed to participate in the East Gateway TIRZ contributing 100% of the new incremental ad valorem revenue for the full term of the TIRZ.

- City of Amarillo
- Potter County
- Amarillo College
- Panhandle Groundwater District

All participating jurisdictions will continue to receive business personal property tax revenues

No sales taxes will be contributed to the TIRZ

No school districts will participate in the TIRZ

For the purposes of preparing a financial model it was assumed that development will occur in phases with revenues increasing year over year. It is anticipated that the majority of development will be complete and fully contributing to the TIRZ revenue by Year 5 when a projected \$100 Million in new construction value is projected to be complete.

A financial model was built with the assumption that 2016 represents the Base Year, the TIRZ remains in effect for 30 years, that all participating entities participate at a level of 100% of the available increment and that \$100 Million of new construction value was added during the TIRZ period – see details regarding the assumption on the next page. Using these assumptions a financial model was built which projects total TIRZ revenue of approximately \$34.6 Million (NPV of \$17.7 Million) with annual revenues ranging from approximately \$21,500 in Year 1 to \$1.6 Million by Year 30. It is anticipated the annual revenues will be dedicated to reimburse the City for expenditures on the construction of infrastructure up until the point where the annual cash flow generates revenue sufficient to support annual debt service associated with the costs to construct the public athletic facility (estimated at \$15 Million requiring an annual debt service of approximately \$1 Million). Annual revenues above that necessary to support the annual debt service will be used to continue to reimburse the City for infrastructure expenditures and for aesthetic and landscaping improvements at the primary entrance to the gateway – see details regarding the financial model on the following pages.

- Projected TIRZ Revenue Available for Infrastructure Reimbursement \$10 Million
- Projected TIRZ Revenue Available for Athletic Facility Construction Debt Service \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures

Assumptions

Revenue A

TIF Created: FY 2016/2017
TIF Base: 39,981,487
Taxable Base Year: 2016

Taxing Entities: All Except School TIF Expiration: 12/31/2046

Real Property Tax		Participation	
City of Amarillo	0.35072	100%	0.35072
Potter County	0.66402	100%	0.66402
Panhandle Groundwater District	0.00790	100%	0.00790
Amarillo College	0.20750	100%	0.20750
Amarillo ISD	1.18000	0%	0.00000
	2.41014		1.23014

39,981,487

Source Name	Description	SF	New Taxable Value
TIRZ Area			
Revenue #1 Revenue #2 Revenue #3	Hotels and RV Park Retail Restaurants		69,500,000 28,500,000 2,000,000
Total			100,000,000
Source Name	Description	SF	Base Taxable Value

1.5% Base Growth in TIRZ

Core Area

Development Assumptions and Summary

A financial model was created in order to determine potential revenue streams for purposes of capturing tax increment.

Base value assumptions includes a 2016 taxable value of \$39,981,487.

The 30-year term assumes accruing tax increment through five years from the following:

Real Property Increment (100%) All tax jurisdictions except the school district

New Development- Hotels and RV Park development in the TIRZ

New Investment: \$69.5 million

New Development - Retail

New Investment: \$28.5 million

New Development - Restaurants

New Investment: \$2 million

Annual growth on base property values (\$39 million)

15

TIRZ Revenue Model	1																														1	
Taxable Base Year growth Discount Rate	1.5% 4.0%																															
Real Property Tax		1004	0.05070	A	ssumptions IF Created: F																											
City of Amarillo Potter County Panhandle Groundwater District	0.35072 0.66402 0.00790	100% 100% 100%	0.35072 0.66402 0.00790	Т		9,981,487																										
Amarillo College Amarillo ISD	0.20750 1.18000 2.41014	100% 0%	0.20750 - 1.23014		axing Entities: A IF Expiration: 1																											
	Base Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
Fiscal Year Ending September 30th Base Year City of Amarillo	2016 39,981,487	2017 39,981,487	2018 39,981,487	2019 39,981,487	2020 39,981,487	2021 39,981,487	2022 39,981,487	2023 39,981,487	2024 39,981,487	2025 39,981,487	2026 39,981,487	2027 39,981,487	2028 39,981,487	2029 39,981,487	2030 39,981,487	2031 39,981,487	2032 39,981,487	2033 39,981,487	2034 39,981,487	2035 39,981,487	2036 39,981,487	2037 39,981,487	2038 39,981,487	2039 39,981,487	2040 39,981,487	2041 39,981,487	2042 39,981,487	2043 39,981,487	2044 39,981,487	2045 39,981,487	2046 39,981,487	TOTALS
Potter County Panhandle Groundwater District Amarillo College	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	39,981,487 39,981,487 39,981,487	
Amarillo ISD	39,981,487	39,981,487		39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	39,981,487	
Taxable Value City of Amarillo Potter County	39,981,487 39,981,487	41,754,263 41,754,263	54,560,577 54,560,577	69,462,111 69,462,111	89,535,292 89,535,292	112,859,415 112,859,415	117,502,150 117,502,150	122,214,526 122,214,526	126,997,588 126,997,588	128,902,552 128,902,552	130,836,090 130,836,090	132,798,631 132,798,631	134,790,611 134,790,611	136,812,470 136,812,470	138,864,657 138,864,657	140,947,627 140,947,627	143,061,841 143,061,841	145,207,769 145,207,769	147,385,886 147,385,886	149,596,674 149,596,674	151,840,624 151,840,624	154,118,233 154,118,233	156,430,007 156,430,007	158,776,457 158,776,457	161,158,104 161,158,104	163,575,475 163,575,475	166,029,107 166,029,107	168,519,544 168,519,544	171,047,337 171,047,337	173,613,047 173,613,047	176,217,243 176,217,243	
Panhandle Groundwater District Amarillo College	39,981,487 39,981,487	41,754,263 41,754,263	54,560,577 54,560,577	69,462,111 69,462,111	89,535,292 89,535,292	112,859,415 112,859,415	117,502,150 117,502,150	122,214,526 122,214,526	126,997,588 126,997,588	128,902,552 128,902,552	130,836,090 130,836,090	132,798,631 132,798,631	134,790,611 134,790,611	136,812,470 136,812,470	138,864,657 138,864,657	140,947,627 140,947,627	143,061,841 143,061,841	145,207,769 145,207,769	147,385,886 147,385,886	149,596,674 149,596,674	151,840,624 151,840,624	154,118,233 154,118,233	156,430,007 156,430,007	158,776,457 158,776,457	161,158,104 161,158,104	163,575,475 163,575,475	166,029,107 166,029,107	168,519,544 168,519,544	171,047,337 171,047,337	173,613,047 173,613,047	176,217,243 176,217,243	
Amarillo ISD Taxable Value Increment	39,981,487	41,754,263	54,560,577	69,462,111	89,535,292	112,859,415	117,502,150	122,214,526	126,997,588	128,902,552	130,836,090	132,798,631	134,790,611	136,812,470	138,864,657	140,947,627	143,061,841	145,207,769	147,385,886	149,596,674	151,840,624	154,118,233	156,430,007	158,776,457	161,158,104	163,575,475	166,029,107	168,519,544	171,047,337	173,613,047	176,217,243	
City of Amarillo Potter County Panhandle Groundwater District		1,772,776 1,772,776 1,772,776	14,579,090 14,579,090 14,579,090	29,480,624 29,480,624 29,480,624	49,553,805 49,553,805 49,553,805	72,877,928 72,877,928 72.877,928	77,520,663 77,520,663 77.520.663	82,233,039 82,233,039 82,233,039	87,016,101 87,016,101 87,016,101	88,921,065 88,921,065 88,921,065	90,854,603 90,854,603 90,854,603	92,817,144 92,817,144 92,817,144	94,809,124 94,809,124 94,809,124	96,830,983 96,830,983 96,830,983	98,883,170 98,883,170 98,883,170	100,966,140 100,966,140 100,966,140	103,080,354 103,080,354 103,080,354	105,226,282 105,226,282 105,226,282	107,404,399 107,404,399 107,404,399	109,615,187 109,615,187 109,615,187	111,859,137 111,859,137 111,859,137	114,136,746 114,136,746 114,136,746	116,448,520 116,448,520 116,448,520	118,794,970 118,794,970 118,794,970	121,176,617 121,176,617 121,176,617	123,593,988 123,593,988 123,593,988	126,047,620 126,047,620 126,047,620	128,538,057 128,538,057 128,538,057	131,065,850 131,065,850 131,065,850	133,631,560 133,631,560 133,631,560	136,235,756 136,235,756 136,235,756	
Amarillo College Amarillo ISD		1,772,776 1,772,776	14,579,090	29,480,624 29,480,624	49,553,805 49,553,805	72,877,928 72,877,928	77,520,663 77,520,663	82,233,039 82,233,039	87,016,101 87,016,101	88,921,065 88,921,065	90,854,603 90,854,603	92,817,144 92,817,144 92,817,144	94,809,124 94,809,124	96,830,983 96,830,983	98,883,170 98,883,170 98,883,170	100,966,140 100,966,140	103,080,354 103,080,354	105,226,282 105,226,282	107,404,399 107,404,399	109,615,187 109,615,187	111,859,137 111,859,137	114,136,746 114,136,746 114,136,746	116,448,520 116,448,520 116,448,520	118,794,970 118,794,970	121,176,617 121,176,617 121,176,617	123,593,988 123,593,988	126,047,620 126,047,620	128,538,057 128,538,057 128,538,057	131,065,850 131,065,850	133,631,560 133,631,560	136,235,756 136,235,756	
Revenue A Taxable Value Growth	98.59%	Collection rate																														
City of Amarillo Potter County Panhandle Groundwater District	0.35072 0.66402 0.00790	6,130 11,606 138	8,295 15,706 187	10,494 19,868 236	12,725 24,092 287	14,989 28,379 338	17,288 32,731 389	19,621 37,148 442	21,989 41,631 495	24,392 46,182 549	26,832 50,801 604	29,308 55,489 660	31,821 60,247 717	34,372 65,077 774	36,962 69,980 833	39,590 74,955 892	42,257 80,006 952	44,965 85,132 1,013	47,713 90,335 1,075	50,502 95,616 1,138	53,334 100,977 1,201	56,207 106,418 1,266	59,124 111,940 1,332	62,085 117,545 1,398	65,090 123,234 1,466	68,140 129,009 1,535	71,235 134,870 1,605	74,378 140,820 1,675	77,567 146,858 1,747	80,804 152,987 1,820	84,090 159,208 1,894	1,272,297 City of Amarillo 2,408,847 Potter County 28,659 Panhandle Groundwater District
Amarillo College Amarillo ISD	0.20750	3,627	4,908	6,208	7,528	8,868	10,228	11,608	13,009	14,431	15,875	17,340	18,827	20,336	21,868	23,423	25,001	26,603	28,229	29,879	31,554	33,254	34,980	36,732	38,510	40,314	42,146	44,005	45,892	47,807	49,751	752,742 Amarillo College
Subtotal A Revenue #1	Used 75% of New Tax	21,500	29,096	36,806	44,631	52,574	60,636	68,819	77,125	85,555	94,112	102,797	111,612	120,560	129,642	138,860	148,216	157,713	167,352	177,135	187,066	197,145	207,376	217,760	228,300	238,998	249,856	260,877	272,064	283,418	294,943	4,462,544
Hotels and RV Park City of Amarillo	BJCG 7570 OF NEW YOR	-	42,115	91,443	132,298	186,927	189,730	192,576	195,465	198,397	201,373	204,394	207,459	210,571	213,730	216,936	220,190	223,493	226,845	230,248	233,702	237,207	240,765	244,377	248,042	251,763	255,539	259,372	263,263	267,212	271,220	6,156,652 City of Amarillo
Potter County Panhandle Groundwater District Amarillo College		-	79,737 949 24,917	173,130 2,060 54,101	250,480 2,980 78,273	353,909 4,211 110,593	359,218 4,274 112,252	364,606 4,338 113,936	370,075 4,403 115,645	375,626 4,469 117,380	381,260 4,536 119,140	386,979 4,604 120,927	392,784 4,673 122,741	398,676 4,743 124,582	404,656 4,814 126,451	410,726 4,886 128,348	416,887 4,960 130,273	423,140 5,034 132,227	429,487 5,110 134,211	435,929 5,186 136,224	442,468 5,264 138,267	449,105 5,343 140,341	455,842 5,423 142,446	462,680 5,505 144,583	469,620 5,587 146,752	476,664 5,671 148,953	483,814 5,756 151,187	491,071 5,842 153,455	498,437 5,930 155,757	505,914 6,019 158,093	513,503 6,109 160,465	11,656,422 Potter County 138,679 Panhandle Groundwater District 3,642,522 Amarillo College
Amarillo ISD Subtotal #1		-	147,718	320,734	464,031	655,639	665,474	675,456	685,588	695,872	706,310	716,904	727,658	738,573	749,651	760,896	772,309	783,894	795,653	807,587	819,701	831,997	844,477	857,144	870,001	883,051	896,297	909,741	923,387	937,238	951,297	21,594,276
Revenue #2 Retail	Used 75% of New Tax	able Value for incren	ment purposes																													_
City of Amarillo Potter County Panhandle Groundwater District		-	-	÷ ÷	26,322 49,836 593	48,762 92,321 1.098	58,377 110,525 1.315	68,136 129,003 1,535	78,042 147,757 1,758	79,213 149,974 1.784	80,401 152,223 1.811	81,607 154,507 1.838	82,831 156,824 1.866	84,073 159,177 1.894	85,334 161,564 1,922	86,614 163,988 1,951	87,914 166,447 1,980	89,232 168,944 2,010	90,571 171,478 2,040	91,929 174,051 2,071	93,308 176,661 2,102	94,708 179,311 2.133	96,129 182,001 2.165	97,571 184,731 2,198	99,034 187,502 2,231	100,520 190,314 2,264	102,027 193,169 2,298	103,558 196,067 2.333	105,111 199,008 2,368	106,688 201,993 2,403	108,288 205,023 2,439	2,326,301 City of Amarillo 4,404,397 Potter County 52,400 Panhandle Groundwater District
Amarillo College Amarillo ISD		-	-	-	15,573 92.324	28,849	34,538	40,312 238,986	46,173 273,730	46,865 277.836	47,568 282.003	48,282	49,006 290.527	49,741	50,487 299,308	51,245 303,798	52,013 308,355	52,793	53,585 317.675	54,389 322,440	55,205	56,033	56,874 337.168	57,727 342,226	58,593 347,359	59,471	60,364 357,858	61,269	62,188 368.674	63,121	64,068 379.818	1,376,333 Amarillo College 8.159,431
Subtotal #2 Revenue #3	Used 75% of New Tax	able Value for incren	nent purposes	-	92,324	171,030	204,755	230,900	2/3,/30	277,836	282,003	286,233	290,527	294,885	299,308	303,796	306,333	312,980	317,075	322,440	327,276	332,186	337,106	342,226	347,339	352,570	337,636	363,226	300,074	374,205	3/9,616	6,139,431
Restaurants City of Amarillo Potter County	·	-	-	-	-	1,316 2,492	2,652 5,021	4,008 7,588	5,384 10,194	5,465 10.347	5,547 10,502	5,630 10,659	5,714 10,819	5,800 10,981	5,887 11,146	5,975 11,313	6,065 11,483	6,156 11,655	6,248 11,830	6,342 12,008	6,437 12,188	6,534 12,371	6,632 12,556	6,731 12,744	6,832 12,936	6,935 13,130	7,039 13,327	7,144 13,526	7,252 13,729	7,360 13,935	7,471 14,144	154,558 City of Amarillo 292.625 Potter County
Panhandle Groundwater District Amarillo College		-	-	-		30 779	60 1,569	90 2,371	121 3,185	123 3,233	125 3,282	127 3,331	129 3,381	131 3,432	133 3,483	135 3,535	137 3,588	139 3,642	141 3,697	143 3,752	145 3,809	147 3,866	149 3,924	152 3,983	154 4,042	156 4,103	159 4,164	161 4,227	163 4,290	166 4,355	168 4,420	3,481 Panhandle Groundwater District 91,443 Amarillo College
Amarillo ISD Subtotal #3		-	-	-	-	4,616	9,302	14,057	18,884	19,168	19,455	19,747	20,043	20,344	20,649	20,959	21,273	21,592	21,916	22,245	22,579	22,917	23,261	23,610	23,964	24,324	24,688	25,059	25,435	25,816	26,203	542,107
Revenue A, 1, 2, 3		21,500	176,814	357,540	600,986	883,860	940,167	997,318	1,055,327	1,078,430	1,101,880	1,125,682	1,149,840	1,174,361	1,199,250	1,224,512	1,250,153	1,276,179	1,302,595	1,329,408	1,356,622	1,384,245	1,412,282	1,440,739	1,469,624	1,498,942	1,528,699	1,558,903	1,589,560	1,620,677	1,652,260	34,758,357
Total Expenses Net		21,500	176,814	357,540	600,986	883,860	940,167	997,318	1,055,327	1,078,430	1,101,880	1,125,682	1,149,840	1,174,361	1,199,250	1,224,512	1,250,153	1,276,179	1,302,595	1,329,408	1,356,622	1,384,245	1,412,282	1,440,739	1,469,624	1,498,942	1,528,699	1,558,903	1,589,560	1,620,677	1,652,260	34,758,357
Beginning Balance	_	21,500	21,500 198,315	198,315	555,854 1,156,840	1,156,840 2,040,700	2,040,700	2,980,867 3,978,185	3,978,185 5,033,512	5,033,512 6,111,942	6,111,942 7,213,822	7,213,822 8,339,504	9,489,344	9,489,344	10,663,706	11,862,956	13,087,468	14,337,622 15,613,801	15,613,801	16,916,396	18,245,804	19,602,426	20,986,670	22,398,952	23,839,692 25,309,316	25,309,316 26,808,257	26,808,257 28,336,957	28,336,957 29,895,860	29,895,860 31,485,420	31,485,420 33,106,097	33,106,097 34,758,357	
Ending Cash Balance TIF Year	-	21,500	198,315		1,150,640	2,040,700	2,980,867	3,978,183		6,111,942		8,339,304	9,469,344	10,003,700	11,862,956	15,087,468	14,337,022	15,615,601	18	19	19,602,426	20,986,670	22,396,952	23	25,309,316	25	26	29,895,860	28	29	30	
NET PRESENT VALUE GROSS	17,833,968 34,758,357																															
DISTRICT BREAKDOWN	34,130,557	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	
City of Amarillo Potter County Panhandle Groundwater District		6,130 11,606 138	50,411 95,443 1,136	101,937 192,997 2,296	171,345 324,408 3,860	251,994 477,101 5,676	268,047 507,495 6,038	284,341 538,345 6,405	300,880 569,657 6,777	307,467 582,128 6,926	314,152 594,786 7,076	320,938 607,634 7,229	327,826 620,675 7,384	334,817 633,911 7,542	341,913 647,346 7,702	349,116 660,982 7,864	356,426 674,823 8,029	363,846 688,872 8,196	371,377 703,131 8,365	379,022 717,604 8,537	386,781 732,294 8,712	394,656 747,205 8,890	402,650 762,339 9,070	410,763 777,700 9,252	418,998 793,292 9,438	427,357 809,117 9,626	435,841 825,180 9,817	444,452 841,484 10,011	453,193 858,032 10,208	462,064 874,829 10,408	471,069 891,877 10,611	9,909,808 City of Amarillo 18,762,291 Potter County 223,219 Panhandle Groundwater District
Amarillo College Amarillo ISD	TOTALS	3,627	29,825	60,310	101,374	149,089	158,587	168,228	178,013	181,910	185,865	189,880	193,955	198,091	202,290	206,551	210,876	215,266	219,722	224,244	228,835	233,494	238,224	243,024	247,896	252,841	257,861	262,956	268,127	273,376	278,703	5,863,039 Amarillo College
NET PRESENT VALUE	17,833,968	21,500	176,814	357,540	600,986	883,860	940,167	997,318	1,055,327	1,078,430	1,101,880	1,125,682	1,149,840	1,174,361	1,199,250	1,224,512	1,250,153	1,276,179	1,302,595	1,329,408	1,356,622	1,384,245	1,412,282	1,440,739	1,469,624	1,498,942	1,528,699	1,558,903	1,589,560	1,620,677	1,652,260	34,758,357
				City of Amarillo Potter County Panhandle Ground	water District	581,815 1,101,554 13,105					1,474,887 2,792,411 33,222					1,674,610 3,170,548 37,721					1,857,452 3,516,723 41,839					2,054,424 3,889,652 46,276					2,266,619 4,291,402 51,056	
				rannandie Ground Amarillo College Amarillo ISD	water pistfict	344,225				_	872,602				,	990,767				_	1,098,943				-	1,215,480				,	1,341,023	
					L	2,040,700				L	5,173,122				L	5,873,646				L	6,514,957				L	7,205,832				L	7,950,100	

Project Plan and Estimated Costs

To attract the projects and investments outlined in the previous section of this Plan it will be necessary to carry out the following public improvements and initiatives:

- Participation in 380 economic development agreements
- TxDOT I40/Loop 335 intersection construction
- City lift station and force main replacement and upgrade
- City water main extensions
- City participation in arterial and collector street construction
- City participation in street drainage construction
- Construction of an indoor athletic facility
- Aesthetic Enhancements and Landscaping of the primary gateway
- TIRZ related project costs per Section 311 of the Texas Tax Code (see below)

Total estimated costs of the above public initiatives to be financed by the proposed TIRZ:

- Projected TIRZ Revenue Available for Infrastructure Reimbursement \$10 Million
- Projected TIRZ Revenue Available for Athletic Facility Construction Debt Service \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures



- (1) "Project costs" means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations. "Project costs" include:
- (A) capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;
- (B) financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;
- (C) real property assembly costs;
- (D) professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;
- (E) imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;
- (F) relocation costs;
- (G) organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;
- (H) interest before and during construction and for one year after completion of construction, whether or not capitalized;
- (I) the cost of operating the reinvestment zone and project facilities;
- (J) the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;
- (K) the costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; and
- (L) payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.
- (2) "Project plan" means the project plan for the development or redevelopment of a reinvestment zone approved under this chapter, including all amendments of the plan approved as provided by this chapter.
- (3) "Reinvestment zone financing plan" means the financing plan for a reinvestment zone described by this chapter.
- (4) "Taxing unit" has the meaning assigned by Section 1.04.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987.

Amended by:

Acts 2005, 79th Leg., Ch. 1094 (H.B. 2120), Sec. 35, eff. September 1, 2005.

Acts 2011, 82nd Leg., R.S., Ch. 1032 (H.B. 2853), Sec. 1, eff. June 17, 2011.

Sec. 311.010. POWERS AND DUTIES OF BOARD OF DIRECTORS. (a) The board of directors of a reinvestment zone shall make recommendations to the governing body of the municipality or county that created the zone concerning the administration of this chapter in the zone. The governing body of the municipality by ordinance or resolution or the county by order or resolution may authorize the board to exercise any of the municipality's or county's powers with respect to the administration, management, or operation of the zone or the implementation of the project plan for the zone, except that the governing body may not authorize the board to:

- (1) issue bonds;
- (2) impose taxes or fees;
- (3) exercise the power of eminent domain; or
- (4) give final approval to the project plan.
- (b) The board of directors of a reinvestment zone and the governing body of the municipality or county that creates a reinvestment zone may each enter into agreements as the board or the governing body considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes. An agreement may provide for the regulation or restriction of the use of land by imposing conditions, restrictions, or covenants that run with the land. An agreement may during the term of the agreement dedicate, pledge, or otherwise provide for the use of revenue in the tax increment fund to pay any project costs that benefit the reinvestment zone, including project costs relating to the cost of buildings, schools, or other educational facilities owned by or on behalf of a school district, community college district, or other political subdivision of this state, railroad or transit facilities, affordable housing, the remediation of conditions that contaminate public or private land or buildings, the preservation of the facade of a private or public building, the demolition of public or private buildings, or the construction of a road, sidewalk, or other public infrastructure. An agreement may dedicate revenue from the tax increment fund to pay the costs of providing affordable housing or areas of public assembly in or out of the zone.
- (c) Subject to the approval of the governing body of the municipality that created the zone, the board of a zone designated by the governing body of a municipality under Section 311.005(a)(4) may exercise the power granted by Chapter 211, Local Government Code, to the governing body of the municipality that created the zone to restrict the use or uses of property in the zone. The board may provide that a restriction adopted by the board continues in effect after the termination of the zone. In that event, after termination of the zone the restriction is treated as if it had been adopted by the governing body of the municipality.
- (d) The board of directors of a reinvestment zone may exercise any power granted to a municipality or county by Section 311.008, except that:
 - (1) the municipality or county that created the reinvestment zone by ordinance, resolution, or order may restrict any power granted to the board by this chapter; and
 - (2) the board may exercise a power granted to a municipality or county under Section 311.008(b)(2) only with the consent of the governing body of the municipality or county.
- (e) After the governing body of a municipality by ordinance or the governing body of a county by order creates a reinvestment zone under this chapter, the board of directors of the zone may exercise any power granted to a board under this chapter.
- (f) The board of directors of a reinvestment zone and the governing body of the municipality or county that created the zone may enter into a contract with a local government corporation or a political subdivision to manage the reinvestment zone or implement the project plan and reinvestment zone financing plan for the term of the agreement. In this subsection, "local government corporation" means a local government corporation created by the municipality or county under Chapter 431, Transportation Code.
- (g) Chapter 252, Local Government Code, does not apply to a dedication, pledge, or other use of revenue in the tax increment fund for a reinvestment zone under Subsection (b).
- (h) Subject to the approval of the governing body of the municipality or county that designated the zone, the board of directors of a reinvestment zone, as necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes, may establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the zone, eliminating unemployment and underemployment in the zone, and developing or expanding transportation, business, and commercial activity in the zone, including programs to make grants and loans from the tax increment fund of the zone in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and stimulate business and commercial activity in the zone. For purposes of this subsection, on approval of the municipality or county, the board of directors of the zone has all the powers of a municipality under Chapter 380, Local Government Code. The approval required by this subsection may be granted in an ordinance, in the case of a zone designated by a municipality, or in an order, in the case of a zone designated by a county, approving a project plan or reinvestment zone financing plan or approving an amendment to a project plan or reinvestment zone financing plan.
- (i) The board of directors of a reinvestment zone or a local government corporation administering a reinvestment zone may contract with the municipality that created the zone to allocate from the tax increment fund for the zone an amount equal to the tax increment produced by the municipality and paid into the tax increment fund for the zone to pay the incremental costs of providing municipal services incurred as a result of the creation of the zone or the development or redevelopment of the land in the zone, regardless of whether the costs of those services are identified in the project plan or reinvestment zone financing plan for the zone.

Terms & Conditions of East Gateway TIRZ #2

Consideration of Additional Projects:

Additional projects will require approval from the City of Amarillo, Potter County, Amarillo College Board of Regents, and the Panhandle Groundwater District.

Length of TIRZ in Years:

The TIRZ has a 30 year term and is thus scheduled to end on November 8, 2046

Powers and Duties of Board of Directors:

The Board shall have the powers granted to it by Chapter 311 of the Texas Tax Code, including powers of a municipality under Chapter 380, Local Government Code. The Board shall not be authorized to:

- Issue Bonds;
- Impose taxes or fees;
- Exercise the power of eminent domain; or
- Give final approval to the Zone's Project and Financing Plan

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