



## ABOUT THE FRISCO EDC

- Established 1991 and funded by ½ cent City sales tax for economic development ... approval via Frisco voters
- Mission is to improve the economic opportunities and quality of life for all residents of Frisco
- Focus on job creation, business retention and expansion, and expansion of the City property tax base

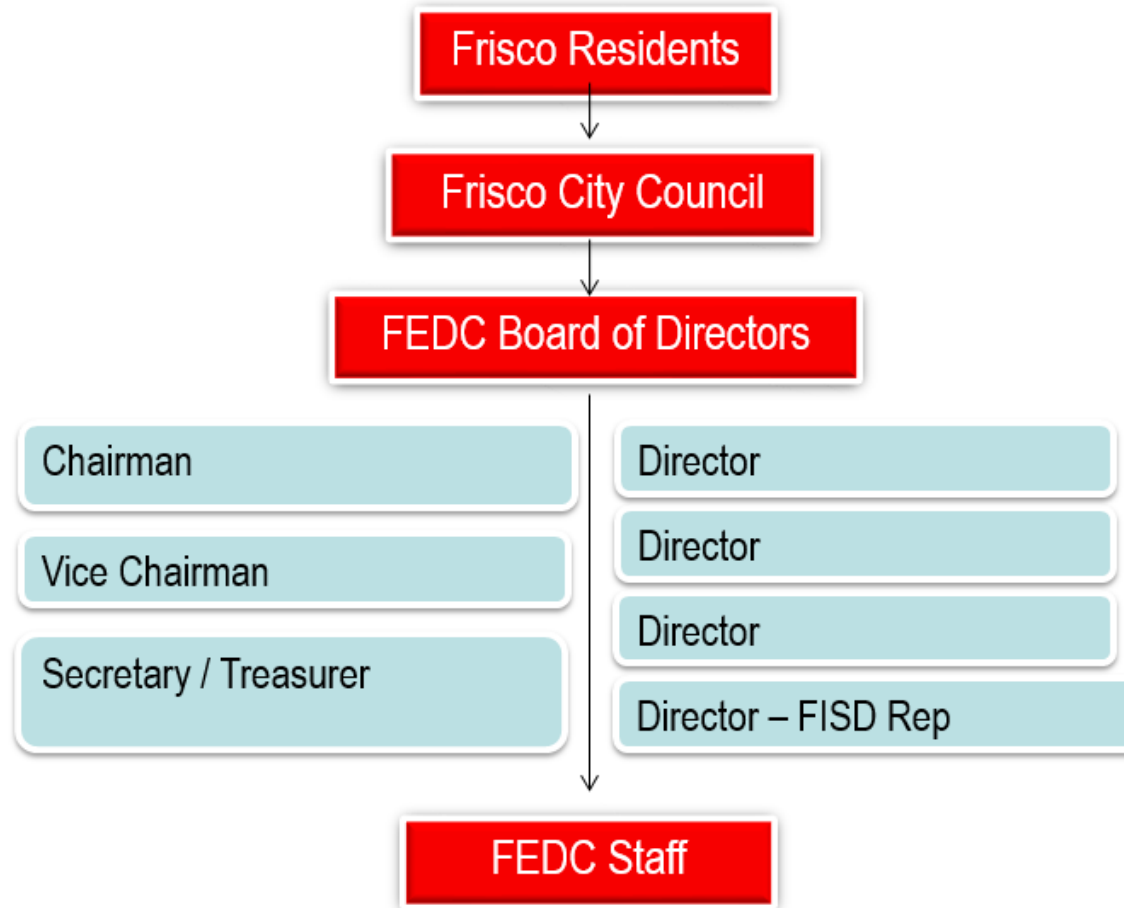
# PRIMARY USES OF ECONOMIC DEVELOPMENT FUNDS

To promote business attraction, retention and formation by providing:

- Infrastructure upgrade and placement
- Land, building purchase, lease and upgrade
- Training/education for businesses
- Economic incentives to businesses
- Marketing and promotional activities
- Administration and operation
- Financial obligations such as bonds



# FRISCO EDC ORGANIZATIONAL CHART



# FRISCO EDC INCENTIVE PROCEDURES

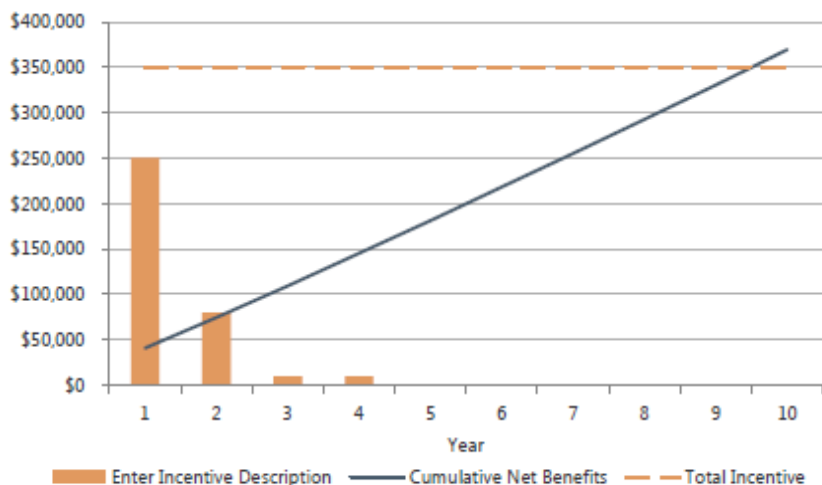
- Qualified projects submit Project Data Sheet
- Staff conducts an Economic Impact Analysis
- Staff drafts Incentive Proposal based on FEDC Board guidelines & Economic Impact Analysis
- Staff presents Incentive Proposal to FEDC Board
- Staff presents Incentive Proposal to Company
- FEDC Attorney drafts a Performance Agreement
- Company accepts Performance Agreement
- Board approves Performance Agreement

# What-if Analysis: Corporate Headquarters

September 23, 2016

Desired incentives per new job	\$2,000
Incentive Per Existing Job	\$8,675

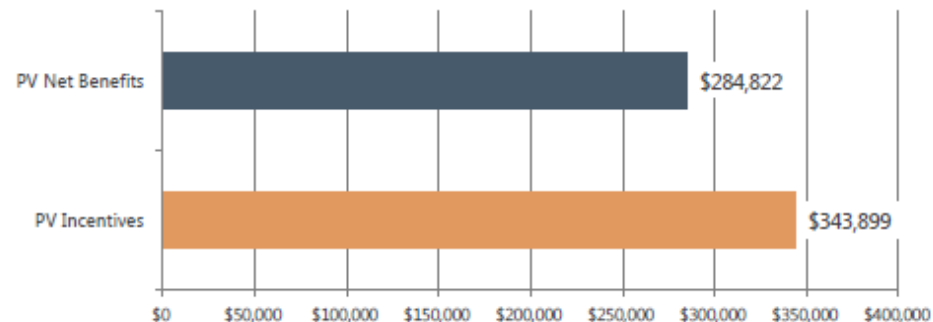
Incentives vs. Net Benefits



Year	Enter Incentive Description	Direct Jobs Added	Existing Jobs
1	\$250,000	42	15
2	\$80,000	58	0
3	\$10,000	5	0
4	\$10,000	5	0
5	\$0	0	0
6	\$0	0	0
7	\$0	0	0
8	\$0	0	0
9	\$0	0	0
10	\$0	0	0
Total	\$350,000	110	15

RESULTS	
Total Incentive	\$350,000
Incentive Per New Job	\$2,800
Incentive Per Existing Job	\$2,800
Rate of Return	10.6%
Payback period	9.5 years = 114.0 months

PROJECT NOTES	
Total direct jobs added	125.0
Average Salary	\$100,000
Current Sq Ft	0
New Sq Ft in Frisco	20,000
Lease Length (months)	120.0



## ECONOMIC IMPACT OVER 10 YEARS

	Direct	Indirect & Induced	Total
Permanent jobs created	125.0	32.7	157.7
Salaries or wages paid to workers	\$134,938,042	\$73,419,789	\$208,357,831
Taxable sales and purchases expected in Frisco	\$8,907,258	\$2,202,594	\$11,109,852
Workers who will move to Frisco	6.4	1.6	8.0
New residents in Frisco	16.6	4.2	20.8
New residential properties constructed in Frisco	1.0	0.2	1.2
New students to attend local school district	3.2	0.8	4.0

## TAXABLE PROPERTY SNAPSHOT

	Year 1	Year 2	Year 3	Year 4	Year 5
Land	\$0	\$0	\$0	\$0	\$0
Building	\$1,300,000	\$1,326,000	\$1,352,520	\$1,379,570	\$1,407,162
FF&E	\$900,000	\$810,000	\$720,000	\$630,000	\$540,000
Inventories	\$0	\$0	\$0	\$0	\$0
Project Subtotal	\$2,200,000	\$2,136,000	\$2,072,520	\$2,009,570	\$1,947,162
New Residential	\$168,271	\$343,273	\$385,152	\$428,569	\$437,141

## FISCAL IMPACT OVER 10 YEARS

NET BENEFITS	
Total	\$369,455

BENEFITS	Amount	COSTS	Amount
Sales Taxes - City Share	\$111,099	Cost of Municipal Services	(\$263,755)
Sales Taxes - FEDC Share	\$55,549	Cost of Utility Services	(\$159,593)
Sales Taxes - FCDC Share	\$55,549	<b>Total</b>	<b>(\$423,349)</b>
Real Property Taxes	\$65,479		
FF&E Property Taxes	\$23,184		
Inventory Property Taxes	\$0		
New Residential Property Taxes	\$18,781		
Utility Revenue	\$161,205		
Utility Franchise Fees	\$104,761		
Building Permits and Fees	\$3,932		
Hotel Occupancy Taxes	\$0		
Mixed Beverage Taxes	\$0		
Miscellaneous Taxes & Fees	\$193,264		
<b>Total</b>	<b>\$792,804</b>		

\* After reimbursements

## SPECIAL IMPACTS

Separated Contract Benefit	
City Share	\$4,875
FEDC Share	\$2,438
FCDC Share	\$2,438

Sales Taxes Reimbursed	
City Share	\$0
FEDC Share	\$0
FCDC Share	\$0

Property Taxes Directed to TIRZ	
City Share	\$0



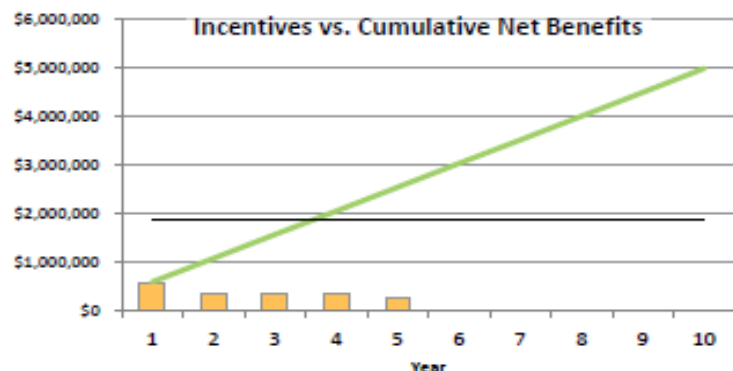
# Incentives What-If Analysis: Aisan (Focused) Grocer Anchored Retail Development

September 23, 2016

Choose the incentive criteria to specify: Incentive Amount

Enter desired total incentive amount:

To enter specific incentives by year, choose "Incentive Amount" in the drop-down and then enter an "=" and the desired amounts in the incentive table below.

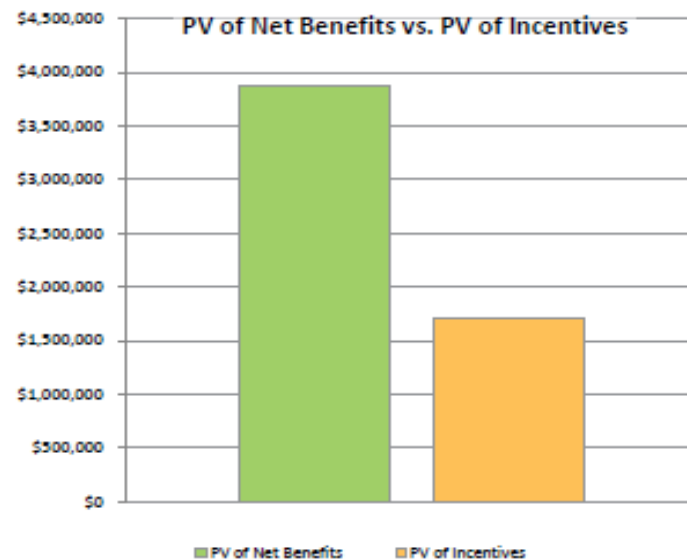


Year	Incentives
1	\$550,000
2	\$350,000
3	\$350,000
4	\$350,000
5	\$250,000
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0

Results	
Total Incentives	\$1,850,000
Rate of Return	27.0%
Payback period in months	43

Note: Payback represents the length of time before the City, EDC, and CDC will collect enough additional tax revenue to equal the total incentive amount.

Square Feet	100,000
Acreage	9
Qualified Investment	\$3,664,702
PV of Incentives	\$1,708,812
PV of Net Benefits	\$3,875,187



## Economic Impact Over the First 10 Years

Taxable sales and purchases expected in the City	\$232,171,881
The market value the firm's property on local tax rolls in Year 1	\$6,765,000
Land purchase price	\$3,911,310
Buildings & other real property improvements	\$6,765,000
Furniture, Fixtures, & Equipment (if BTS)	\$0
Infrastructure Improvements	\$3,664,702
<b>Total</b>	<b>\$14,341,012</b>

Note: \$270,000 of additional 'allowed' infrastructure costs. FEDC to reimburse approximately 74%, or \$200,000 added to payment 1.

## Costs and Benefits for the City of Frisco Over the First 10 Years

	Benefits	Costs	Net Benefits
Sales taxes (City Share)	\$2,321,719		\$2,321,719
Sales taxes (FEDC Share)	\$1,160,859		\$1,160,859
Sales taxes (CDC Share)	\$1,160,859		\$1,160,859
Property taxes	\$340,744		\$340,744
Utility revenues	\$0		\$0
Utility franchise fees	\$0		\$0
Hotel occupancy taxes	\$0		\$0
Mixed beverage taxes	\$0		\$0
Other taxes and user fees	\$0		\$0
Building permits and fees	\$14,261		\$14,261
Costs of providing utilities		\$0	\$0
Costs of providing municipal services for new residents		\$0	\$0
<b>Total</b>	<b>\$4,998,443</b>	<b>\$0</b>	<b>\$4,998,443</b>

Separated Contract Benefit (City Share): \$39,111

Separated Contract Benefit (FEDC Share): \$19,556

Separated Contract Benefit (CDC Share): \$19,556

Sales Taxes Reimbursed by the City: \$0

Property Tax Reimbursed by the City: \$0