

## Ellis Glen LCRA Redevelopment Plan

### Real Property Tax Abatement Calculation

Construction costs:	\$6,800,000
Valuation Discount	90%
County Market Valuation:	\$6,120,000
Tax Rate	32%
County Assessed Value:	\$1,958,400
Mill Rate/\$100	8.2396
Tax bill:	\$161,364.33
City portion at 17%	\$27,432
Escalation	2%

**Total Project Budget**  
\$ 8,000,000

Current County Valuations and Taxes by Parcel						
Parcel	1	2	3	4	5	Totals
<b>Market</b>	\$ 83,000	\$ 29,000	\$ 27,000	\$ 91,000	\$ 93,000	\$ 323,000
<b>Assessed</b>	\$ 15,770	\$ 5,510	\$ 5,130	\$ 17,290	\$ 17,670	\$ 61,370
<b>Taxable</b>	\$ 15,770	\$ 5,510	\$ 5,130	\$ 17,290	\$ 17,670	\$ 61,370
<b>Taxes</b>	\$ 1,273	\$ 444	\$ 414	\$ 1,395	\$ 1,426	\$ 4,952

### Property Tax Abatement Modeling

Year	1	2	3	4	5	6	7	8	9	10	11	12	13
Current Annual Taxes	\$4,952	\$5,051	\$5,051	\$5,152	\$5,152	\$5,255	\$5,255	\$5,360	\$5,360	\$5,467	\$5,467	\$5,577	\$5,577
Construction costs:	\$6,800,000												
County Market Valuation:	\$6,120,000	\$6,120,000	\$6,120,000	\$6,242,400	\$6,242,400	\$6,367,248	\$6,367,248	\$6,494,593	\$6,494,593	\$6,624,485	\$6,624,485	\$6,756,975	\$6,892,114
County Assessed Value:	\$1,958,400	\$1,958,400	\$1,958,400	\$1,997,568	\$1,997,568	\$2,037,519	\$2,037,519	\$2,078,270	\$2,078,270	\$2,119,835	\$2,119,835	\$2,162,232	\$2,205,476
Tax bill:	\$161,364	\$161,364	\$161,364	\$164,592	\$164,592	\$167,883	\$167,883	\$171,241	\$171,241	\$174,666	\$174,666	\$178,159	\$181,722
<b>75% Abatement</b>	<b>\$121,023</b>	<b>\$121,023</b>	<b>\$121,023</b>	<b>\$123,444</b>	<b>\$123,444</b>	<b>\$125,913</b>	<b>\$125,913</b>	<b>\$128,431</b>	<b>\$128,431</b>	<b>\$130,999</b>	<b>\$130,999</b>	<b>\$133,619</b>	<b>\$136,292</b>
City portion at 17%	\$20,574	\$20,574	\$20,574	\$20,985	\$20,985	\$21,405	\$21,405	\$21,833	\$21,833	\$22,270	\$22,270	\$22,715	\$23,170
<b>25% PILOTs</b>	<b>\$40,341</b>	<b>\$40,341</b>	<b>\$40,341</b>	<b>\$41,148</b>	<b>\$41,148</b>	<b>\$41,971</b>	<b>\$41,971</b>	<b>\$42,810</b>	<b>\$42,810</b>	<b>\$43,666</b>	<b>\$43,666</b>	<b>\$44,540</b>	<b>\$45,431</b>
City portion at 17%	\$6,858	\$6,858	\$6,858	\$6,995	\$6,995	\$7,135	\$7,135	\$7,278	\$7,278	\$7,423	\$7,423	\$7,572	\$7,723
	14	15	16	17	18	19	20	21	22	23	24	25	<b>Totals</b>
Current Annual Taxes	\$5,688.29	\$5,688	\$5,802	\$5,802	\$5,918	\$5,918	\$6,036	\$6,036	\$6,157	\$6,157	\$6,280	\$6,280	\$140,442
Construction costs:													
County Market Valuation:	\$7,029,956.29	\$7,170,555	\$7,313,967	\$7,460,246	\$7,609,451	\$7,761,640	\$7,916,873	\$8,075,210	\$8,236,714	\$8,401,449	\$8,569,477	\$8,740,867	\$177,752,945
County Assessed Value:	\$2,249,586	\$2,294,578	\$2,340,469	\$2,387,279	\$2,435,024	\$2,483,725	\$2,533,399	\$2,584,067	\$2,635,749	\$2,688,464	\$2,742,233	\$2,797,077	\$56,880,942
Tax bill:	\$185,357	\$189,064	\$192,845	\$196,702	\$200,636	\$204,649	\$208,742	\$212,917	\$217,175	\$221,519	\$225,949	\$230,468	\$4,686,762
<b>75% Abatement</b>	<b>\$139,018</b>	<b>\$141,798</b>	<b>\$144,634</b>	<b>\$147,527</b>	<b>\$150,477</b>	<b>\$153,487</b>	<b>\$156,556</b>	<b>\$159,688</b>	<b>\$162,881</b>	<b>\$166,139</b>	<b>\$169,462</b>	<b>\$172,851</b>	<b>\$3,515,072</b>
City portion at 17%	\$23,633	\$24,106	\$24,588	\$25,080	\$25,581	\$26,093	\$26,615	\$27,147	\$27,690	\$28,244	\$28,808	\$29,385	\$597,562
<b>25% PILOTs</b>	<b>\$46,339</b>	<b>\$47,266</b>	<b>\$48,211</b>	<b>\$49,176</b>	<b>\$50,159</b>	<b>\$51,162</b>	<b>\$52,185</b>	<b>\$53,229</b>	<b>\$54,294</b>	<b>\$55,380</b>	<b>\$56,487</b>	<b>\$57,617</b>	<b>\$1,171,691</b>
City portion at 17%	\$7,878	\$8,035	\$8,196	\$8,360	\$8,527	\$8,698	\$8,872	\$9,049	\$9,230	\$9,415	\$9,603	\$9,795	\$199,187

### Real Property Tax Benefit Summary

**Total City PILOTs Benefit (25 Years) \$199,187**

NPV Discount Rate	6.0%	% of Construction
NPV 25-Year Abatement at 75%	\$1,717,516	21.47%
NPV of PILOTs - All Taxing Districts	\$572,505	
NPV of PILOTs - City	\$97,326	

Benefit to Taxing Districts	
<u>Taxes without Project</u>	
All Districts	\$140,442
City Portion	\$23,875
<u>PILOTs with Project</u>	
All Districts	\$1,171,691
City Portion	\$199,187
<u>Net Increase in Taxes</u>	
All Districts	\$1,031,249
City Portion	\$175,312

Real Property Tax Abatement Benefit to Developer	
Taxes Paid with Project and No Abatement	\$4,686,762
PILOTs paid at 25% for 25 Years	\$1,171,691
<b>Value of Abatement at 75% for 25 Years</b>	<b>\$3,515,072</b>

**Sales & Use Tax Exemption Calculation**

<b>Construction Material Costs</b>	\$6,800,000	
Labor	\$3,400,000	50%
Construction Materials	\$3,400,000	50%

<b>Purchase Location</b>		<b>Phase 1</b>
In City	10%	\$340,000
In County		
In State	10%	\$340,000
Out of State	80%	\$2,720,000
		\$3,400,000

<b>Sales Tax Rates</b>	
City Rate	2.750%
County Rate	1.250%
State Rate	4.225%
Stadium Rate	0.125%
	<u>8.350%</u>

<b>Sales &amp; Use Tax Savings Calculations</b>	
LS Sales Tax Savings	\$ 9,350
LS Use Tax Savings	\$ 74,800
LS Total Savings	\$ 84,150
County Sales Tax Savings	\$ 4,250
State Sales & Use Tax Savings	\$ 143,650
<b>Total Sales &amp; Use Tax Savings</b>	<b>\$ 232,050</b>

**Summary of Benefits to Developer and City**

<b>Total Benefit to Developer and Impact to City</b>		
<b>Developer Benefit</b>		<b>% of Budget</b>
Property Tax Exemption (NPV)	\$ 1,717,516	21.47%
Sales & Use Tax Savings	\$ 232,050	2.90%
Total Developer Benefit	\$ 1,949,566	24.37%
<b>City Impact and Benefit</b>	<b>Abated Taxes</b>	<b>Net Benefit</b>
City Property Tax Abatement (25 Years)	\$ 597,562	\$175,312
Sales & Use Tax Exemption	\$ 84,150	
Total City Impact	\$ 681,712	\$175,312