A Report of the Economic Impact of Dent Tennis Academy in Keller, Texas

10 year, 1st Phase

July 14, 2017

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A Report of the Projected Economic Impact from
Dent Tennis Academy

Introduction

This report presents the results of an economic impact analysis performed by Impact DataSource, Austin, Texas. The analysis was to determine the impact that Dent Tennis Academy in Keller, Texas, will have on the economy of the Keller area and the costs and benefits for local taxing districts over the first ten years.

Description of the Facility

Dent Tennis Academy is a planned private tennis club in Keller. An estimated $4.1 million will be invested in the facility in phase 1 in 2018.

The facility plans to create 13 jobs over the first three years with initial average annual salaries of $72,625.

How the facility will impact the economy of the area is discussed next.

The Estimated Economic Impact of the Facility over the First Ten Years

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

Economic Impact over the First Ten Years	
Total number of permanent direct and indirect jobs to be created	17
Number of direct and indirect workers who will move to the City	7
Number of new residents in the City	21
Number of new residential properties to be built in the City	3
Number of new students expected in Keller ISD	5
Salaries to be paid to direct and indirect workers	$15,933,507
Taxable sales and purchases expected in the City	$35,232,324
The value of new residential property to be built for direct and indirect workers who move to the City by Year 10	$896,319
The facility's assets added to local tax rolls	$7,523,750

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

Costs and Benefits for Local Taxing Districts over the First Ten Years

Local taxing districts can expect costs and benefits over the first ten years from the facility, as scheduled below, beginning with the additional revenues to be received.

Additional Revenues for Local Taxing Districts

Local taxing districts can expect to receive the following revenues over the first ten years from the facility, its employees and workers in indirect jobs created in the community.

Additional Revenues For Local Taxing Districts Over the First Ten Years of the Facility's Operation

	Sales Taxes	Property Taxes	Utilities	Utility Franchise Fees	Building Permits and Fees
City of Keller:					
General fund and other	$352,323	$336,767	$406,930	$37,087	$194,750
Keller Development Corporation	$176,162				
Street maintenance	$88,081				
Keller Crime Control District	$88,081				
Total city	$704,646				
Tarrant County		$226,137			
Keller ISD		$1,353,261			
Tarrant County College District		$128,854			
Tarrant County Hospital District		$202,897			
Total	$704,646	$2,247,916	$406,930	$37,087	$194,750

	Hotel Occupancy Taxes	Other Taxes and User Fees	Additional State and Federal School Funding		Total Additional Revenues
City of Keller:					
General fund and other	$78,335	$14,526			$1,420,717
Keller Development Corporation					$176,162
Street maintenance					$88,081
Keller Crime Control District					$88,081
Total city					$1,773,041
Tarrant County		$10,894			$237,031
Keller ISD			$222,935		$1,576,196
Tarrant County College District					$128,854
Tarrant County Hospital District					$202,897
Total	$78,335	$25,420	$222,935	$0	$3,918,019

Additional Costs for Local Taxing Districts

Local taxing districts will incur the following costs over the first ten years, as a result of the facility and direct and indirect employees.

Costs for Local Taxing Districts Over the First Ten Years of the Facility's Operation					
	Costs of Services to New Residents	Costs of Providing Monthly Utility Services	Costs of Educating New Students	Reduction in State School Funding as a Result of Property being Added to Local Tax Rolls	**Total**
City of Keller	$32,683	$386,583			$419,266
Tarrant County	$21,788				$21,788
Keller ISD			$218,476	$925,915	$1,144,392
Tarrant County College District					$0
Tarrant County Hospital District					$0
Total	$54,471	$386,583	$218,476	$925,915	$1,585,446

Additional Net Benefits

The additional public benefits less additional public costs will result in the following net benefits for the City, County and other local taxing districts over the first ten years of the facility's operation:

Net Benefits for Local Taxing Districts Over the First Ten Years of the Facility's Operation			
	Benefits	Costs	Net Benefits
City of Keller:			
General fund and other	$1,420,717	$419,266	$1,001,451
Keller Development Corporation	$176,162		$176,162
Street maintenance	$88,081		$88,081
Keller Crime Control District	$88,081		$88,081
Total city	$1,773,041	$419,266	$1,353,775
Tarrant County	$237,031	$21,788	$215,243
Keller ISD	$1,576,196	$1,144,392	$431,804
Tarrant County College District	$128,854	$0	$128,854
Tarrant County Hospital District	$202,897	$0	$202,897
Total	$3,918,019	$1,585,446	$2,332,573

Discounted Cash Flow for Local Taxing Districts

The discounted cash flow over the first ten years for each local taxing district from the new facility is as follows:

Discounted Cash Flow Over the First Ten Years	
City of Keller, all	$1,037,500
Tarrant County	$160,972
Keller ISD	$322,639
Tarrant County College District	$96,296
Tarrant County Hospital District	$151,631
Keller Crime Control District	$65,624
Total	$1,834,661

The above discounted cash flow or 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 -- by expressing them in today's dollars or in present value.

Net Benefits to be Received by the City from (1) the Facility and (2) New Workers

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

Schedule of Benefits for the City from the Facility and From New Workers

	Benefits from:		
	The Facility	New Workers	Total Benefits
Additional revenues:			
Sales taxes*	$683,933	$20,714	$704,646
Property taxes	$302,529	$34,238	$336,767
Utility revenues	$328,492	$78,438	$406,930
Utility franchise fees	$30,781	$6,306	$37,087
Hotel occupancy taxes	$78,335		$78,335
Other taxes and user fees		$14,526	$14,526
Building permits and fees	$194,750		$194,750
Total additional revenues	$1,618,819	$154,222	$1,773,041
Additional costs:			
Costs of providing utilities	$312,067	$74,516	$386,583
Costs of providing municipal services for new residents		$32,683	$32,683
Total additional costs	$312,067	$107,199	$419,266
Net benefits	$1,306,752	$47,023	$1,353,775
Percent of total net benefits for the City	97%	3%	

*City sales tax collections shown are for the general fund, Keller Development Corp., street maintenance and crime control

Property Taxes to be Abated

The City of Keller is considering rebating property taxes on the firm's real property improvements at the following percentages:

Percentage of Taxes to be Rebated	
Year 1	100%
Year 2	90%
Year 3	80%
Year 4	0%
Year 5	0%
Year 6	0%
Year 7	0%
Year 8	0%
Year 9	0%
Year 10	0%

Therefore, the following property taxes will be abated:

City Property Taxes to be Rebated	
Year 1	$16,749
Year 2	$15,375
Year 3	$13,940
Year 4	$0
Year 5	$0
Year 6	$0
Year 7	$0
Year 8	$0
Year 9	$0
Year 10	$0
Total	$46,064

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

Analysis of Possible Incentives for the Facility

The City is considering the following incentives for the facility:

Incentives Being Considered for the Facility	
Wastewater infrastructure, not to exceed	$153,000
Drainage infrastructure, not to exceed	$121,000
Development fees grant (exclusive of third party)	$60,900
Property tax rebates	$46,064
Total	$380,964

Financial incentives that may be offered the facility may be considered as investments that the City is making in the facility.

Four calculations analyzing possible investments were made -- net benefits, discounted cash flow, rate of return on investment and payback period. Net benefits and discounted cash flow for the City are scheduled above. Rate of return on investment and payback period are discussed and scheduled below.

Rate of return on investment is the City's average annual rate of return from additional revenues that the City will receive on the investment of incentives that the City may make in the facility. Payback period is the number of years that it will take the City to recover the costs of incentives from the additional revenues that it will receive from the facility.

Average annual rates of return on investment each year over the first ten years and payback periods for the possible levels of incentives are shown below.

Rates of Return and Payback Periods Possible City Incentives		
Incentives	Annual Rate of Return	Payback Period (In years)
$380,964	33.2%	2.1

Discussion of State Aid for the School District

This analysis seeks to calculate the impact on the school district's finances from the facility by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls and local taxes that this generates reduces state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and corresponding state funding is not reduced.

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.

Conduct of the Analysis

This analysis was conducted by Impact DataSource using data, rates and information supplied by the firm and the City of Keller. 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 of Keller, Tarrant County, Keller ISD, Tarrant County College District, Tarrant County Hospital District and Keller Crime Control District were calculated for a ten year period.

In addition to the direct economic impact of the facility and its employees, spin-off or indirect and induced benefits were also calculated. 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 Keller 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 Keller 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 below:

Employment multiplier	0.2664
Earnings multiplier	0.5830

About Impact DataSource

Impact DataSource is a twenty-three year old Austin economic consulting, research and analysis firm. The firm has conducted economic impact analyses of numerous projects in Texas and 39 other states. In addition, the firm has developed economic impact analysis computer programs for several clients, including the New Mexico Economic Development Department.

The firm's principal, Jerry Walker, performed this economic impact analysis. He is an economist and has Bachelor of Science and Master of Business Administration degrees in accounting and economics from Nicholls State University, Thibodaux, Louisiana.

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

Data and Rates Used in this Analysis

Local Tax Rates:

City of Keller sales tax rate:	
General Fund	1.00%
Keller Development Corporation	0.50%
Street Maintenance	0.25%
Subtotal	1.75%
Keller Crime Control District	0.25%
Total City	2.00%
Tarrant County sales tax rate	0.00%
City of Keller hotel occupancy tax rate	7%

Property tax rates, per $100 of valuation:

City of Keller	$0.4300
Tarrant County	$0.2540
Keller ISD:	
M&O	$1.0400
I&S	$0.4800
Total	$1.5200
Tarrant County College District	$0.1447
Tarrant County Hospital District	$0.2279

Some City Rates:

Annual marginal cost of providing municipal services, excluding utilities, to each new household	$450
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	$200
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 *(Monthly billing x 12)*
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%
Annual increase expected in city-owned utility billings	2%

The city's utility franchise fee percentages:

Electricity	4%
Natural gas	4%
Solid waste	4%
Cable	4%
Telephone monthly line access charge:	
Residential	$0.59
Non-residential	$2.27

Annual utility franchise fees collected from utility providers for each household in the city as detailed below	$82.74

Utility Service	Estimated Monthly Billing	Utility Franchise Fee Percentage	Monthly Utility Franchise Fee Collections	Estimated Annual Utility Franchise Fee Collections *(Monthly collections x 12)*
Electricity	$85	4%	$3.40	$40.80
Natural gas	$40	4%	$1.60	$19.20
Cable	$40	4%	$1.60	$19.20
Telephone	0.5 lines	$0.59	$0.30	$3.54

Some County Rates:

Annual marginal cost of providing county services to each new household	$300
Annual miscellaneous taxes and user fees to be collected from each new household, those county revenues other than property and sales taxes	$150
Annual increase expected in other county revenues and marginal costs	2%

Some School District Rates:

Estimated annual state, federal and other funding received by the district for for each child enrolled	$4,500

Average annual cost of providing services to each child in the district	$10,500
Average annual cost for each new child, as a percent of average annual cost	42%
Annual marginal cost of providing services to each new child	$4,410

Other 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	26%
Average taxable value of a new single family residence in the community that will are built for some individuals moving to the city	$250,000
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	90%
Year 2	80%
Year 3	70%
Year 4	60%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	20%
Year 10	20%

The Facility's Investments, Assets and Construction:

The investments at the facility each year at the facility:

	Land	Buildings and Other Real Property mprovements	Furniture, Fixtures, and Equipment	Total
Year 1	$3,373,750	$3,895,000	$205,000	$7,473,750
Year 2	$0	$0	$0	$0
Year 3	$0	$0	$0	$0
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	$3,373,750	$3,895,000	$205,000	$7,473,750

The facility's taxable inventories:

Year 1	$50,000
Year 2	$51,500
Year 3	$53,045
Year 4	$54,636
Year 5	$56,275
Year 6	$57,964
Year 7	$59,703
Year 8	$61,494
Year 9	$63,339
Year 10	$65,239

Estimated annual increase in the volume and value of inventories 3%

Spending During Construction:

Estimated spending for construction:

Year 1	$3,895,000
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	60%
Labor	40%

Estimated percent of construction materials that will be purchased in the city and be subject to sales tax	20%
Percent of taxable spending by construction workers that will be in the city	20%
Estimated percent of furniture, fixtures and equipment that will be purchased in the city and be subject to sales tax	20%

Building permits and impact fees to be paid to the city:

Year 1	$194,750
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

Activities During the Facility's Operations:

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

	Taxable Sales at the Facility from Normal Operations	Additional Taxable Sales at the Facility During Tournaments	Total
Year 1	$2,696,500	$18,450	$2,714,950
Year 2	$2,777,395	$19,004	$2,796,399
Year 3	$2,860,717	$29,360	$2,890,077
Year 4	$2,946,538	$30,241	$2,976,780
Year 5	$3,034,935	$41,531	$3,076,466
Year 6	$3,125,983	$85,554	$3,211,537
Year 7	$3,219,762	$88,121	$3,307,883
Year 8	$3,316,355	$90,765	$3,407,120
Year 9	$3,415,846	$93,488	$3,509,333
Year 10	$3,518,321	$96,292	$3,614,613

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

Estimated annual utilities at the facility:

	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable	Telephone
Year 1	$6,000	$6,000	$18,000	$60,000	$2,400	$3,600	$30,000
Year 2	$6,120	$6,120	$18,360	$61,200	$2,448	$3,672	$30,600
Year 3	$6,242	$6,242	$18,727	$62,424	$2,497	$3,745	$31,212
Year 4	$6,367	$6,367	$19,102	$63,672	$2,547	$3,820	$31,836
Year 5	$6,495	$6,495	$19,484	$64,946	$2,598	$3,897	$32,473
Year 6	$6,624	$6,624	$19,873	$66,245	$2,650	$3,975	$33,122
Year 7	$6,757	$6,757	$20,271	$67,570	$2,703	$4,054	$33,785
Year 8	$6,892	$6,892	$20,676	$68,921	$2,757	$4,135	$34,461
Year 9	$7,030	$7,030	$21,090	$70,300	$2,812	$4,218	$35,150
Year 10	$7,171	$7,171	$21,512	$71,706	$2,868	$4,302	$35,853
Annual increase	2%	2%	2%	2%	2%	2%	2%

Estimated number of telephone lines at the facility 6

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

Year 1	$5,000
Year 2	$5,250
Year 3	$5,513
Year 4	$5,788
Year 5	$6,078
Year 6	$6,381
Year 7	$6,700
Year 8	$7,036
Year 9	$7,387
Year 10	$7,757

Expected annual increase in taxable purchases after the first year 5%

The facility's total taxable purchases and taxable utilities:

	Taxable Purchases of Supplies, Materials and Services	Utilities Subject to Sales Tax			
		Utilities Subject to Sales Tax	Percent Taxable	Taxable Utilities	Total
Year 1	$5,000	$96,000	100%	$96,000	$101,000
Year 2	$5,250	$97,920	100%	$97,920	$103,170
Year 3	$5,513	$99,878	100%	$99,878	$105,391
Year 4	$5,788	$101,876	100%	$101,876	$107,664
Year 5	$6,078	$103,913	100%	$103,913	$109,991
Year 6	$6,381	$105,992	100%	$105,992	$112,373
Year 7	$6,700	$108,112	100%	$108,112	$114,812
Year 8	$7,036	$110,274	100%	$110,274	$117,309
Year 9	$7,387	$112,479	100%	$112,479	$119,867
Year 10	$7,757	$114,729	100%	$114,729	$122,486

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

Year 1	8
Year 2	3
Year 3	2
Year 4	0
Year 5	0
Year 6	0
Year 7	0
Year 8	0
Year 9	0
Year 10	0
Total	13

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	54%

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

Average annual salaries of workers at the facility	$72,625
Percent of expected increase in employee salaries after year 1	2.5%

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

Earnings	0.5830
Employment	0.2664

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	38%
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	25%

Weekend tournaments:

Number of weekend tournaments:

Year 1	2
Year 2	2
Year 3	3
Year 4	3
Year 5	4
Year 6	8
Year 7	8
Year 8	8
Year 9	8
Year 10	8
Number of players and spectators (attendees) at each tournament	300
Average annual increase in the number of tournament attendees	3%
Average taxable spending at the facility by each tournament attendee -- which will be over and above revenues estimated for the facility from normal operations	$30.00
Average taxable spending in other Keller businesses by each tournament attendee eating out, shopping and on entertainment	$50.00
Percent of attendees likely to stay overnight in a Keller motel	60%
Number of nights of each attendee staying overnight	2
Number of people in each room	3
Nightly room rate	$125.00
Average annual increase in taxable spending of attendees and motel room rates	2.5%

Summary of tournaments impacts:

	Number of Weekend Tourna-ments	Attendance at each Tournament	Taxable Spending at the Facility	Taxable Spending in Other Keller Businesses	Number of Room Nights	Spending on Lodging
Year 1	2	300	$18,450	$30,750	240	$30,000
Year 2	2	309	$19,004	$31,673	247	$31,673
Year 3	3	318	$29,360	$48,934	382	$50,157
Year 4	3	328	$30,241	$50,402	393	$52,954
Year 5	4	338	$41,531	$69,219	540	$74,541
Year 6	8	348	$85,554	$142,591	1113	$157,393
Year 7	8	358	$88,121	$146,868	1146	$166,168
Year 8	8	369	$90,765	$151,274	1181	$175,432
Year 9	8	380	$93,488	$155,813	1216	$185,212
Year 10	8	391	$96,292	$160,487	1253	$195,538

Schedules Showing the Results of Economic Impact 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	8	2	10	$581,000	$338,723	$919,723
2	3	1	4	$818,847	$477,388	$1,296,235
3	2	1	3	$991,921	$578,290	$1,570,211
4	0	0	0	$1,016,719	$592,747	$1,609,467
5	0	0	0	$1,042,137	$607,566	$1,649,703
6	0	0	0	$1,068,191	$622,755	$1,690,946
7	0	0	0	$1,094,896	$638,324	$1,733,220
8	0	0	0	$1,122,268	$654,282	$1,776,550
9	0	0	0	$1,150,325	$670,639	$1,820,964
10	0	0	0	$1,179,083	$687,405	$1,866,488
Total	13	4	17	$10,065,387	$5,868,120	$15,933,507

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	4	12	3
2	2	6	1
3	1	3	1
4	0	0	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	7	21	5

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	2
2	1
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0
Total	3

Local taxable spending on which sales taxes will be collected:

Year	Local Taxable Spending During Construction	Direct and Indirect Workers' Spending	Visitors' Spending in Other Keller Businesses	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	$589,416	$59,782	$30,750	$2,714,950	$101,000	$3,495,898
2	$0	$84,255	$31,673	$2,796,399	$103,170	$3,015,496
3	$0	$102,064	$48,934	$2,890,077	$105,391	$3,146,466
4	$0	$104,615	$50,402	$2,976,780	$107,664	$3,239,461
5	$0	$107,231	$69,219	$3,076,466	$109,991	$3,362,906
6	$0	$109,911	$142,591	$3,211,537	$112,373	$3,576,412
7	$0	$112,659	$146,868	$3,307,883	$114,812	$3,682,223
8	$0	$115,476	$151,274	$3,407,120	$117,309	$3,791,179
9	$0	$118,363	$155,813	$3,509,333	$119,867	$3,903,375
10	$0	$121,322	$160,487	$3,614,613	$122,486	$4,018,908
Total	$589,416	$1,035,678	$988,011	$31,505,157	$1,114,063	$35,232,324

Spending on lodging by out-of-town visitors:

Year	Spending on Lodging
1	$30,000
2	$31,673
3	$50,157
4	$52,954
5	$74,541
6	$157,393
7	$166,168
8	$175,432
9	$185,212
10	$195,538
Total	$1,119,069

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	$500,000	$7,503,250	$8,003,250
2	$765,000	$7,613,225	$8,378,225
3	$780,300	$7,744,603	$8,524,903
4	$795,906	$7,878,992	$8,674,898
5	$811,824	$8,016,454	$8,828,278
6	$828,061	$8,157,051	$8,985,112
7	$844,622	$8,300,846	$9,145,468
8	$861,514	$8,447,903	$9,309,417
9	$878,745	$8,616,738	$9,495,482
10	$896,319	$8,788,968	$9,685,287

Schedules Showing the Results of Costs and Benefits Calculations

Costs and Benefits for the City of Keller:

Benefits:

Sales tax collections:

Year	Local Taxable Spending During Construction	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	$10,315	$1,046	$538	$47,512	$1,768	$61,178
2	$0	$1,474	$554	$48,937	$1,805	$52,771
3	$0	$1,786	$856	$50,576	$1,844	$55,063
4	$0	$1,831	$882	$52,094	$1,884	$56,691
5	$0	$1,877	$1,211	$53,838	$1,925	$58,851
6	$0	$1,923	$2,495	$56,202	$1,967	$62,587
7	$0	$1,972	$2,570	$57,888	$2,009	$64,439
8	$0	$2,021	$2,647	$59,625	$2,053	$66,346
9	$0	$2,071	$2,727	$61,413	$2,098	$68,309
10	$0	$2,123	$2,809	$63,256	$2,143	$70,331
Total	$10,315	$18,124	$17,290	$551,340	$19,496	$616,566

Property tax collections on:

		Property at the Facility			
Year	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement	Total
1	$2,150	$32,264	$16,749	$15,515	$17,665
2	$3,290	$32,737	$15,375	$17,362	$20,651
3	$3,355	$33,302	$13,940	$19,362	$22,717
4	$3,422	$33,880	$0	$33,880	$37,302
5	$3,491	$34,471	$0	$34,471	$37,962
6	$3,561	$35,075	$0	$35,075	$38,636
7	$3,632	$35,694	$0	$35,694	$39,326
8	$3,705	$36,326	$0	$36,326	$40,030
9	$3,779	$37,052	$0	$37,052	$40,831
10	$3,854	$37,793	$0	$37,793	$41,647
Total	$34,238	$348,593	$46,064	$302,529	$336,767

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

Year	Utilities	Utility Franchise Fees	Total
1	$34,320	$3,134	$37,454
2	$37,210	$3,372	$40,582
3	$39,077	$3,535	$42,612
4	$39,859	$3,613	$43,472
5	$40,656	$3,693	$44,350
6	$41,469	$3,776	$45,245
7	$42,299	$3,860	$46,158
8	$43,145	$3,946	$47,090
9	$44,008	$4,034	$48,041
10	$44,888	$4,124	$49,012
Total	$406,930	$37,087	$444,017

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	$2,100	$800	$194,750	$197,650
2	$2,217	$1,224	$0	$3,441
3	$3,511	$1,457	$0	$4,968
4	$3,707	$1,486	$0	$5,192
5	$5,218	$1,515	$0	$6,733
6	$11,018	$1,546	$0	$12,563
7	$11,632	$1,577	$0	$13,208
8	$12,280	$1,608	$0	$13,888
9	$12,965	$1,640	$0	$14,605
10	$13,688	$1,673	$0	$15,361
Total	$78,335	$14,526	$194,750	$287,610

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	$1,800	$32,604	$34,404
2	$2,754	$35,349	$38,103
3	$3,277	$37,124	$40,401
4	$3,343	$37,866	$41,209
5	$3,410	$38,623	$42,033
6	$3,478	$39,396	$42,874
7	$3,547	$40,184	$43,731
8	$3,618	$40,987	$44,606
9	$3,691	$41,807	$45,498
10	$3,765	$42,643	$46,408
Total	$32,683	$386,583	$419,266

Net Benefits for the City of Keller:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	$313,948	$34,404	$279,544	$279,544
2	$117,446	$38,103	$79,342	$358,887
3	$125,360	$40,401	$84,959	$443,845
4	$142,657	$41,209	$101,448	$545,294
5	$147,895	$42,033	$105,862	$651,156
6	$159,031	$42,874	$116,158	$767,314
7	$163,131	$43,731	$119,400	$886,714
8	$167,355	$44,606	$122,749	$1,009,463
9	$171,786	$45,498	$126,288	$1,135,751
10	$176,350	$46,408	$129,942	$1,265,694
Total	$1,684,960	$419,266	$1,265,694	

Benefits for Tarrant County:

Sales tax collections on spending:

Year	Local Taxable Spending During Construction	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

Miscellaneous taxes and user fees to be collected from new residents:

Year	Misc. Taxes and User Fees
1	$600
2	$918
3	$1,092
4	$1,114
5	$1,137
6	$1,159
7	$1,182
8	$1,206
9	$1,230
10	$1,255
Total	$10,894

Costs and benefits for Tarrant County, continued

Property tax collections on:

		Property at the Facility			
Year	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement	Total
1	$1,270	$19,058	$0	$19,058	$20,328
2	$1,943	$19,338	$0	$19,338	$21,281
3	$1,982	$19,671	$0	$19,671	$21,653
4	$2,022	$20,013	$0	$20,013	$22,034
5	$2,062	$20,362	$0	$20,362	$22,424
6	$2,103	$20,719	$0	$20,719	$22,822
7	$2,145	$21,084	$0	$21,084	$23,229
8	$2,188	$21,458	$0	$21,458	$23,646
9	$2,232	$21,887	$0	$21,887	$24,119
10	$2,277	$22,324	$0	$22,324	$24,601
Total	$20,224	$205,913	$0	$205,913	$226,137

Costs of providing county services to new residents:

Year	Costs of County Services
1	$1,200
2	$1,836
3	$2,185
4	$2,229
5	$2,273
6	$2,319
7	$2,365
8	$2,412
9	$2,460
10	$2,510
Total	$21,788

Total Benefits for the County:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	$20,928	$1,200	$19,728	$19,728
2	$22,199	$1,836	$20,363	$40,091
3	$22,746	$2,185	$20,561	$60,652
4	$23,149	$2,229	$20,920	$81,572
5	$23,560	$2,273	$21,287	$102,859
6	$23,981	$2,319	$21,663	$124,522
7	$24,412	$2,365	$22,047	$146,569
8	$24,852	$2,412	$22,440	$169,009
9	$25,349	$2,460	$22,888	$191,897
10	$25,855	$2,510	$23,346	$215,243
Total	$237,031	$21,788	$215,243	

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

	Property Tax Collections on:			Additional	
Year	New Residential Property	The Facility's Property	Total Collections	State School Funding	Total
1	$7,600	$114,049	$121,649	$11,700	$133,349
2	$11,628	$115,721	$127,349	$18,077	$145,426
3	$11,861	$117,718	$129,579	$21,722	$151,300
4	$12,098	$119,761	$131,858	$22,374	$154,232
5	$12,340	$121,850	$134,190	$23,045	$157,235
6	$12,587	$123,987	$136,574	$23,736	$160,310
7	$12,838	$126,173	$139,011	$24,448	$163,459
8	$13,095	$128,408	$141,503	$25,182	$166,685
9	$13,357	$130,974	$144,331	$25,937	$170,268
10	$13,624	$133,592	$147,216	$26,715	$173,932
Total	$121,027	$1,232,234	$1,353,261	$222,935	$1,576,196

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

Year	Cost of Educating New Students
1	$11,466
2	$17,715
3	$21,287
4	$21,926
5	$22,584
6	$23,261
7	$23,959
8	$24,678
9	$25,418
10	$26,181
Total	$218,476

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	$83,234
2	$87,134
3	$88,659
4	$90,219
5	$91,814
6	$93,445
7	$95,113
8	$96,818
9	$98,753
10	$100,727
Total	$925,915

Net Benefits for the School District:

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	$133,349	$94,700	$38,650	$38,650
2	$145,426	$104,849	$40,577	$79,227
3	$151,300	$109,946	$41,354	$120,581
4	$154,232	$112,145	$42,087	$162,668
5	$157,235	$114,398	$42,837	$205,504
6	$160,310	$116,707	$43,603	$249,107
7	$163,459	$119,072	$44,387	$293,495
8	$166,685	$121,496	$45,189	$338,683
9	$170,268	$124,171	$46,097	$384,781
10	$173,932	$126,908	$47,024	$431,804
Total	$1,576,196	$1,144,392	$431,804	

Benefits for Tarrant County College District

Property tax collections:

		Property at the Facility			
Year	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement	Total
1	$724	$10,859	$0	$10,859	$11,583
2	$1,107	$11,019	$0	$11,019	$12,126
3	$1,129	$11,209	$0	$11,209	$12,338
4	$1,152	$11,403	$0	$11,403	$12,555
5	$1,175	$11,602	$0	$11,602	$12,777
6	$1,198	$11,806	$0	$11,806	$13,004
7	$1,222	$12,014	$0	$12,014	$13,236
8	$1,247	$12,227	$0	$12,227	$13,474
9	$1,272	$12,471	$0	$12,471	$13,743
10	$1,297	$12,720	$0	$12,720	$14,018
Total	$11,524	$117,330	$0	$117,330	$128,854

Benefits for Tarrant County Hospital District

Property tax collections:

		Property at the Facility			
Year	New Residential Property	Taxes Collected	Taxes Abated	Total Taxes After Abatement	Total
1	$1,139	$17,100	$0	$17,100	$18,239
2	$1,743	$17,350	$0	$17,350	$19,094
3	$1,778	$17,650	$0	$17,650	$19,428
4	$1,814	$17,956	$0	$17,956	$19,770
5	$1,850	$18,269	$0	$18,269	$20,119
6	$1,887	$18,590	$0	$18,590	$20,477
7	$1,925	$18,917	$0	$18,917	$20,842
8	$1,963	$19,253	$0	$19,253	$21,216
9	$2,003	$19,637	$0	$19,637	$21,640
10	$2,043	$20,030	$0	$20,030	$22,072
Total	$18,146	$184,752	$0	$184,752	$202,897

Sales tax collections on spending:

Year	Local Taxable Spending During Construction	On Direct and Indirect Workers' Spending	On Visitors' Spending	Taxable Sales at the Facility	The Facility's Local Purchases and Taxable Utilities	Total
1	$1,474	$149	$77	$6,787	$253	$8,740
2	$0	$211	$79	$6,991	$258	$7,539
3	$0	$255	$122	$7,225	$263	$7,866
4	$0	$262	$126	$7,442	$269	$8,099
5	$0	$268	$173	$7,691	$275	$8,407
6	$0	$275	$356	$8,029	$281	$8,941
7	$0	$282	$367	$8,270	$287	$9,206
8	$0	$289	$378	$8,518	$293	$9,478
9	$0	$296	$390	$8,773	$300	$9,758
10	$0	$303	$401	$9,037	$306	$10,047
Total	$1,474	$2,589	$2,470	$78,763	$2,785	$88,081