

TIRZ NO. 1 – TRAVIS COUNTY MUD 15: (Reference Document):

Date: June 3, 2011

This memorandum has been prepared to provide a brief synopsis of the taxing and financial relationship for the City of Pflugerville Tax Reinvestment Zone No. One (**TIRZ**) and Travis County Municipal Utility District No. 15 (**TC MUD 15**).

TC MUD 15 is considered to be another taxing jurisdiction located within the boundaries of the TIRZ (similar to PISD, Travis County, ESD No.2, and Travis County Health Care District). The current total tax rate of TC MUD 15 is \$0.33/100 of assessed value (5-cents allocated to operation and maintenance with the remaining 28-cents available for District issuance of bond debt).



Typically Extraterritorial Territory Jurisdiction Municipal Utility Districts assess a District MUD tax rate of approximately \$0.90 to \$1.00/100 of assessed value (AV) to support normal eligible district reimbursements. With TC MUD 15 being located within the City limits of Pflugerville it is not practical or reasonable for the District to assess the typical full MUD tax rate as the total combined tax rate (City of Pflugerville, PISD, Travis County, ESD, Travis County Health Care District and MUD) could become overly burdensome to the related District property owners.

The TC MUD 15 reimbursements, which are strictly related to water, wastewater and drainage infrastructure items (**WS&D**), rely solely on increased district assessed values within the boundaries of TC MUD 15 to support related eligible district reimbursements. TC MUD 15 receives no financial benefit relative to retail sales tax revenue generated within the District (wholly retained by the City of Pflugerville). The current total estimate for WS&D costs within TC MUD 15 (at project build-out) is approximately \$31.0M. The current total projected district reimbursements, based on current tax rate and AV projections, is approximately \$20.2M (-\$10.8M deficit).

The TIRZ, as it relates within Falcon Pointe (TIRZ Zone "A"), will include several Public Improvements for infrastructure and amenity improvements related to; Colorado Sand Drive (Phase I & II), Lone Star Blvd., Falcon Pointe Blvd. Extension, South Tract Detention facility, South Tract Lift Station and creation of a Executive Housing Neighborhood (amenity cost only, typical subdivision infrastructure items not reimbursable in TIRZ), see attached **Exhibit "D"**. It should also be noted that none of the construction/development costs associated with single-family development are intended to be reimbursable through the TIRZ (i.e. Falcon Pointe Sections 4S, 9S, 12, 13, 14, 15 and/or 16). See attached **Exhibit "C"**.

In an effort to identify potential WS&D items which are part of the TIRZ reimbursement rather than TC MUD 15; **Exhibit "E"** was created to depict the said WS&D infrastructure locations and associated estimated costs. With the overall TC MUD 15 WS&D costs (expenditures) projected to be in excess of the anticipated TC MUD 15 reimbursement (receivable) any reduction in TC MUD 15 bond debt issuance tax (i.e. \$0.33 rate) would have a direct negative effect on future eligible TC MUD 15 reimbursements, thus negating the TIRZ benefit for Falcon Poite.

LAND USE

 = TIRZ ZONE 'A'
 = TIRZ ZONE 'B'



SECTION 45
(55) SINGLE-FAMILY LOTS

BLACK HAWK
GOLF COURSE

SECTION 12
(100) SINGLE-FAMILY LOTS

SECTION 95
(90) SINGLE-FAMILY LOTS

SECTION 14
(105) SINGLE-FAMILY LOTS

COMMERCIAL /
RETAIL

SECTION 17
COMMERCIAL / RETAIL
(58.2-ACRES)

SECTION 13E
(122) SINGLE-FAMILY LOTS

SECTION 13W
(35) EXECUTIVE
SINGLE-FAMILY LOTS

SECTION 15/16
(136) SINGLE-FAMILY LOTS

SECTION 18
COMMERCIAL / MULTI-FAMILY
(16.2-ACRES)

SECTION 18
COMMERCIAL / RETAIL
(5-ACRES)



The information shown is based on the best available data and is subject to change without notice.



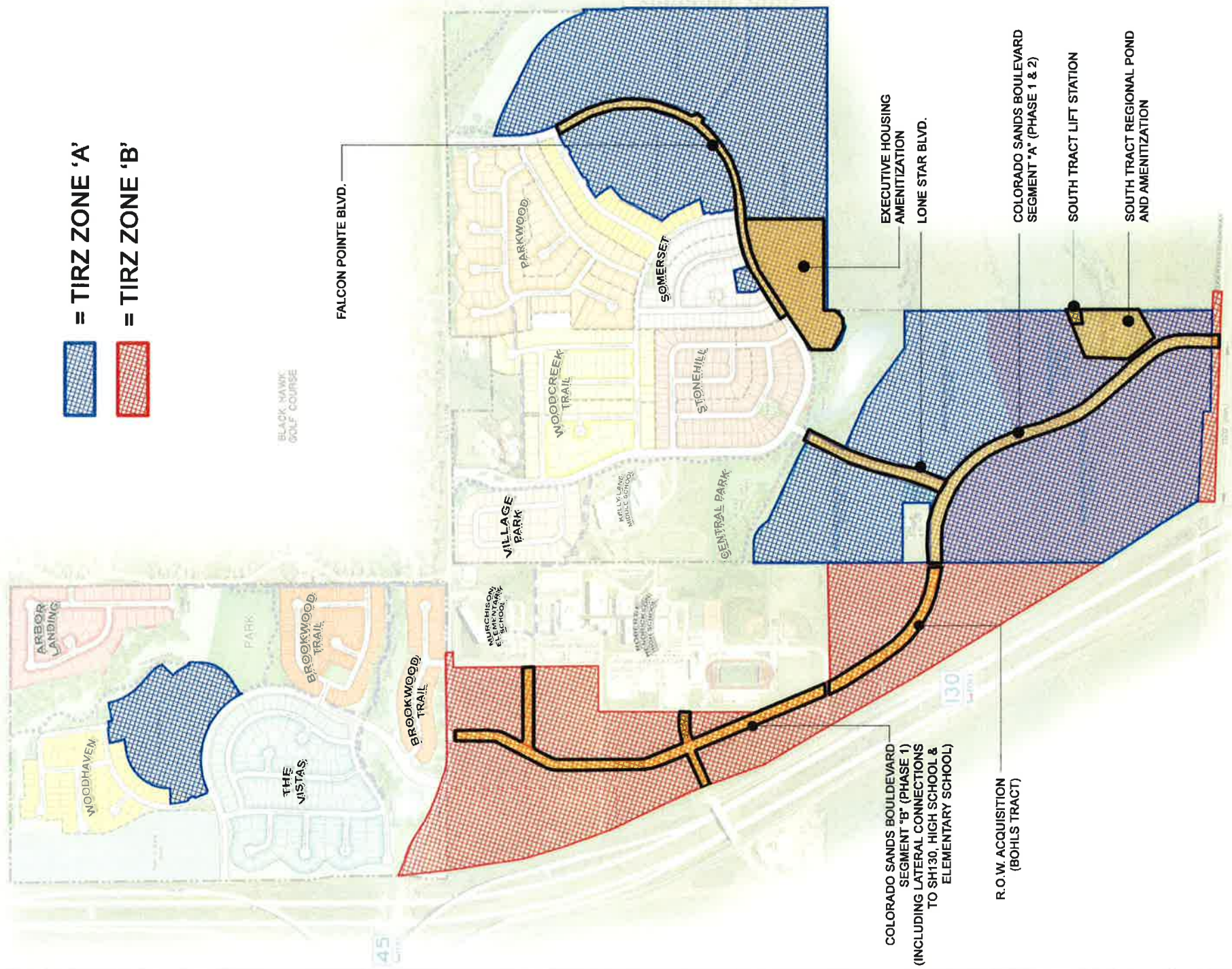
by
Newland COMMUNITIES



TIRZ ONE - EXHIBIT C

February 17, 2011

The developer has reserved the right, without notice, to make changes to this map and other aspects of the development to comply with governmental requirements, and to fulfill its marketing objectives.

PUBLIC IMPROVEMENTS



 = TIRZ ZONE 'A'
 = TIRZ ZONE 'B'



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by
Newland COMMUNITIES

TIRZ - EXHIBIT D
February 17, 2011

The developer has retained the right, without notice, to make changes to this map and other aspects of the development to comply with governmental requirements, and to fund its marketing objectives.

SOUTH TRACT REIMBURSABLE COSTS

COLORADO-SEGMENT A (PHASE 1)	
WATER COST	\$ 87,502.00
WASTEWATER COST	\$ 69,654.00
DRAINAGE COST	\$ 420,600.00
COLORADO-SEGMENT A (PHASE 1) SUBTOTAL	\$ 577,756.00

COLORADO-SEGMENT A (PHASE 2)	
DRAINAGE COST	\$ 40,100.00
COLORADO-SEGMENT A (PHASE 2) SUBTOTAL	\$ 40,100.00

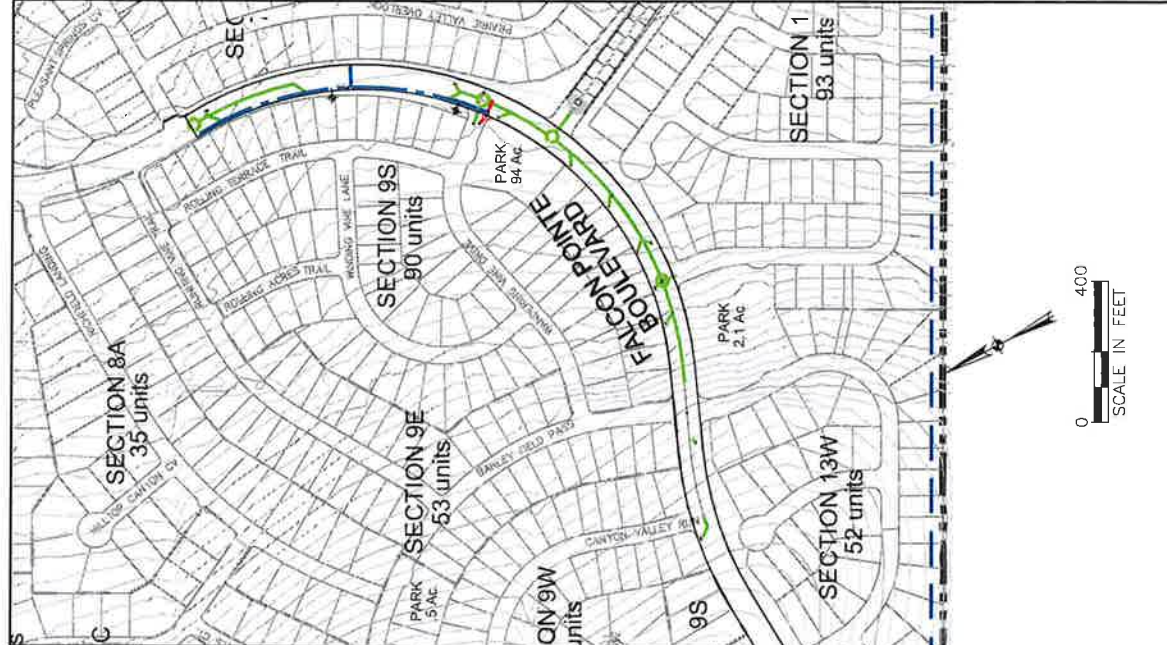
LONESTAR BLVD	
WATER COST	\$ 122,400.00
WASTEWATER COST	\$ 27,800.00
DRAINAGE COST	\$ 78,300.00
LONESTAR BLVD SUBTOTAL	\$ 228,500.00

LIFT STATION AND FORCE MAIN	
	\$ 914,600.00
DETENTION POND	
	\$ 210,600.00
SOUTH TRACT TOTAL REIMBURSABLE COST	\$ 1,971,556.00

FALCON POINTE BOULEVARD REIMBURSABLE COSTS

WATER COST	\$ 58,242.00
WASTEWATER COST	\$ 17,000.00
DRAINAGE COST	\$ 334,096.00
FALCON POINTE BOULEVARD TOTAL REIMBURSABLE COST	\$ 409,338.00

TOTAL REIMBURSABLE COSTS	
SOUTH TRACT TOTAL REIMBURSABLE COST	\$ 1,971,556.00
FALCON POINTE BOULEVARD TOTAL REIMBURSABLE COSTS	\$ 409,338.00
TOTAL REIMBURSABLE COST	\$ 2,380,894.00



LEGEND

- PROPOSED WATERLINE
- PROPOSED WASTEWATER LINE
- PROPOSED FORCE MAIN
- PROPOSED STORM SYSTEM
- FALCON POINTE BOUNDARY LINE

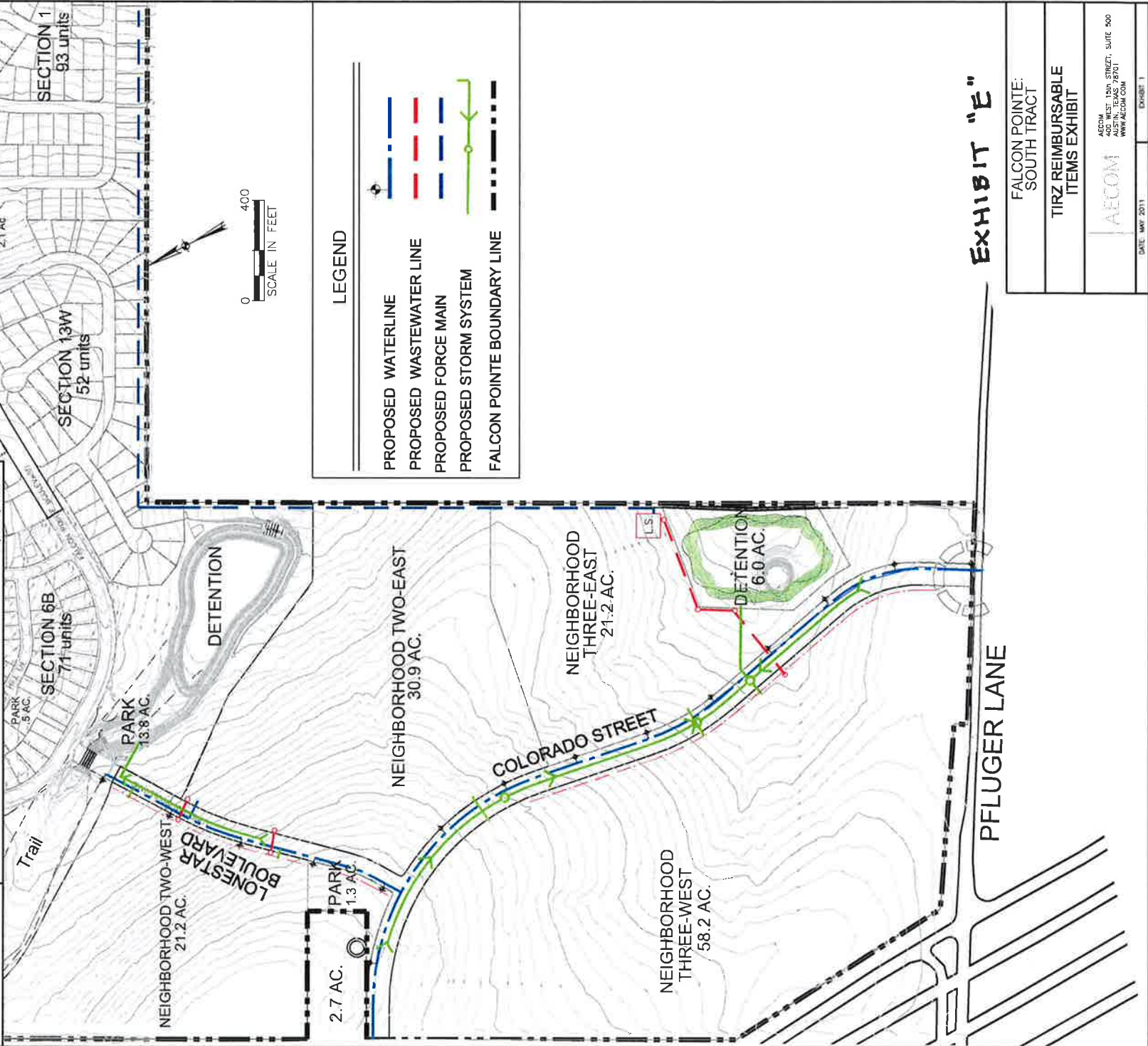


EXHIBIT "E"

FALCON POINTE: SOUTH TRACT
TIRZ REIMBURSABLE ITEMS EXHIBIT
AECOM 400 WEST 13th STREET, SUITE 900 AUSTIN, TEXAS 78701 WWW.AECOM.COM
DATE: MAY 2011
EXHIBIT 1