



REINVESTMENT ZONE NUMBER FOUR CITY OF WACO, TEXAS

PRELIMINARY PROJECT PLAN &
FINANCING PLAN



November 2021

Prepared by Hawes Hill & Associates

TABLE OF CONTENTS

TIRZ CONCEPT3

INTRODUCTION.....4

GOALS AND PRIORITIES5

LOCATION.....7

AUTHORIZED PROJECT COSTS8

PROJECT PLAN9

REINVESTMENT ZONE FINANCING PLAN13

EXHIBITS20

TIRZ CONCEPT

A tax increment reinvestment zone (TIRZ) is a financing tool enabled by the Texas Legislature with the adoption of Chapter 311 of the Texas Tax Code. A TIRZ is a tool that can be used to pay for public improvements to encourage development and/or redevelopment of an area and attract private investment.

Cities may create a TIRZ where conditions exist that substantially impair an area's sound growth and where development or redevelopment is not likely to occur but for public infrastructure enhancements financed by a TIRZ.

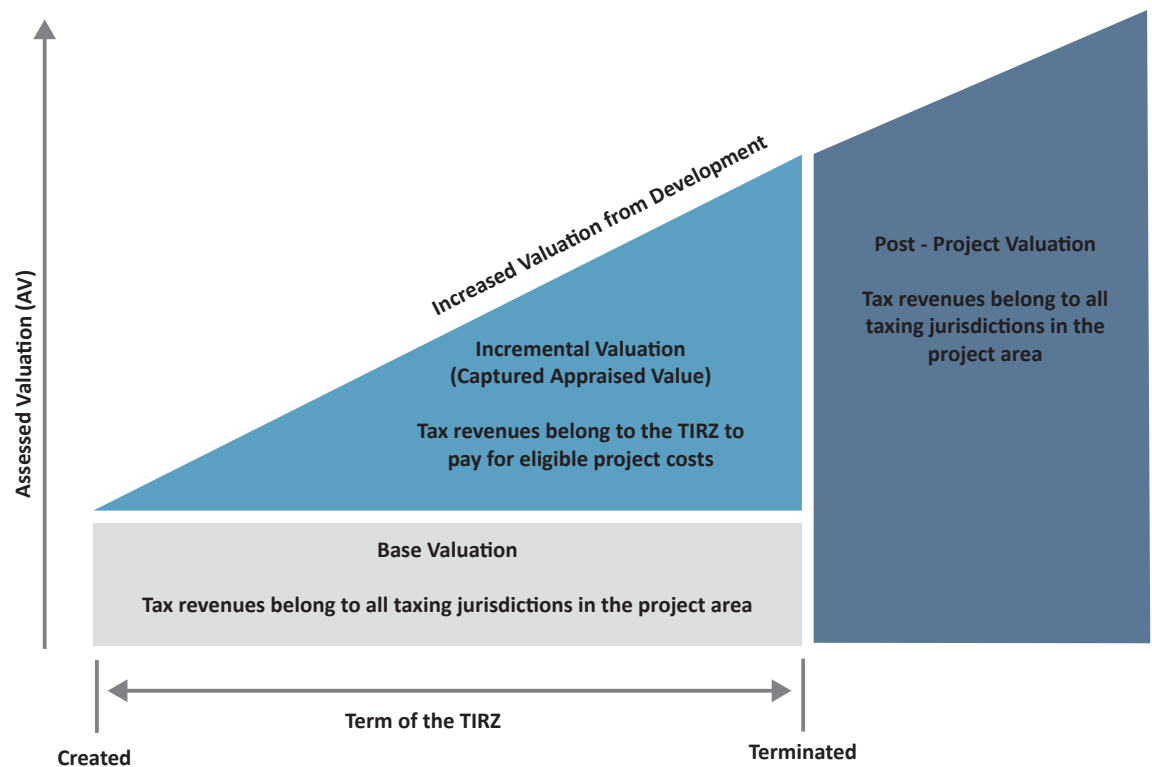
Upon creation of the Zone, the total appraised value of real property located within its boundaries is established for the year in which it was created. This is known as the base value. As development occurs in the Zone due to the provision of new infrastructure, the value of real property increases.

This additional value above the base is known as the increment. It is set aside to finance infrastructure improvements within the Zone. Once all projects are completed, or after a defined period of time, the TIRZ is dissolved.

During the life of the Zone, the city and other participating taxing jurisdictions collect tax revenue on the base value of the Zone. When the Zone is dissolved, the city and other participating taxing jurisdictions receive the benefit of the full increment value created by new development.

About This Document

This document constitutes the Preliminary Project Plan and Financing Plan for the City of Waco TIRZ Number Four. The document details the specific projects proposed for the TIRZ, as well as the methods and means to finance them.



INTRODUCTION

PURPOSE

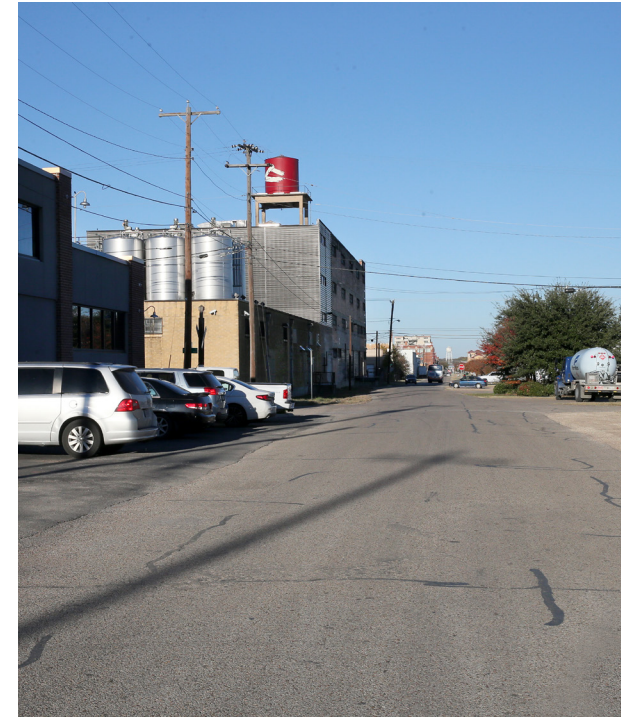
This document constitutes the Preliminary Project Plan and Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone Number Four Waco, Texas as required by Chapter 311, Texas Tax Code. This document details the specific projects proposed to address existing conditions in the area as well as the method and means to finance them.

The purpose of the tax increment reinvestment zone (the “Zone”) is to finance construction of public facilities and infrastructure necessary to catalyze residential and commercial development and redevelopment, thereby increasing property values and revenues within the Zone boundaries. Expenditures associated with the design and construction of public facilities and infrastructure, as well as other specific project related costs, will be funded by tax increment revenues derived from increases in property values following new development/redevelopment. Zone activities may include but are not limited to public infrastructure improvements, land acquisition, creation of public spaces and facilities, streetscape/corridor improvements, trails and pedestrian amenities, and support for initiatives and projects that further the economic goals and priorities of the City.

Tax Increment Reinvestment Zone Number Four is located both south and north of downtown and includes properties both east and west of I-35. Northern parts of the Zone, include older areas and corridors that are prime for redevelopment, including Franklin Avenue and La Salle Avenue. The southern parts of the Zone both east and

west of I-35 include larger vacant/agriculture tracts that are prime for new development.

The City is working on a number initiatives to enhance the economic vitality of the areas and encourage new development within the Zone. These initiatives include redevelopment of the Floyd Casey site, redevelopment of the La Salle Avenue Corridor, trail connectivity and parks and open space planning. Tax Increment Reinvestment Zone Number Four will be used as a tool by the City in implementing public improvements that further the community’s vision, bolster the commercial and residential viability of the area and enhance economic development initiatives.



GOALS & PRIORITIES

The goals and priorities for the Zone include the following:

Trails & Connectivity

Enhance connectivity and recreational opportunities through construction/expansion of trails, paths, bike lanes, and sidewalk improvements.

There is a tremendous opportunity for enhancing regional connectivity throughout the Zone through the use of trails, bike lanes/paths and other pedestrian connections along creeks and corridors. The creeks are a tremendous asset and can be used to connect key destinations, while also providing recreational opportunities. Waco Creek and Cotton Creek both traverse the Zone, Waco Creek connects the downtown area to the Floyd Casey Site and future regional park, to residential areas to the south. Cotton Creek provides additional east/west connections to newer commercial developments on the south side of the Zone. Connecting key destinations, adds to the attractiveness and vitality of an area and enhances access to commercial areas in the Zone. Improvements could include, but are not limited to, trails, bike paths, bike lanes, sidewalks, and roadway enhancements.

Corridor & Streetscape Enhancements

Strengthen the vitality of commercial and residential corridors through public improvements and streetscape enhancements.

Public investment in streetscape enhancements including landscaping, sidewalks, bike lanes, signage, lighting and other pedestrian amenities enhance a corridor attractiveness for new investment, make an area inviting for shopping and dining, and stimulates private investment along a corridor. Pedestrian improvements will enhance safety, provide connectivity and enhance the overall user experience. Improvements could include, but are not limited to, roadway improvements, enhanced intersections, sidewalks, crosswalks, landscaping, pedestrian amenities, lighting, facade improvements, small business infrastructure support, signage/wayfinding and public art. Corridors throughout the Zone including La Salle Avenue and Franklin Avenue would benefit from improvements that enhance connectivity and flow, add to the desired character of the corridor, and improve safety and the pedestrian experience.

Detention & Drainage

Support detention and drainage efforts with an emphasis on amenitizing improvements and joint use of facilities.

Adequate drainage and detention facilities will be important in addressing flooding and mitigating negative impacts from flood events on businesses and facilities in the community. When feasible detention projects should be amenitized to serve a dual purpose, including providing added open space and connections to the city's trail system. There are also opportunities in the Zone for joint use of park facilities as detention. Storm water management initiatives and improvements could include detention and retention ponds, joint use of park facilities, preservation of open space areas, green infrastructure, land acquisition and other improvements that will be important in alleviating flooding and addressing drainage.

Infrastructure

Support infrastructure improvements that enhance economic opportunities and redevelopment efforts in the Zone.

Infrastructure improvements will enhance the viability of an area for new investment. There are several large vacant tracts of land within the TIRZ that lack the necessary infrastructure for development. Additionally, in developed areas, outdated and aging infrastructure maybe in need of repair or replacement to support redevelopment efforts, higher densities and affordable housing initiatives. Infrastructure improvements supported by the TIRZ may include roadways, water, sewer, storm water management improvements, site remediation/preparation, parking and safety improvements.

Parks, Open Space & Facilities

Provide parks, open spaces and facilities that enhance quality of life and create economic opportunities.

Parks, recreation and open space areas provide not only recreation opportunities, but enhance quality of life and make a community inviting to residents and visitors. They can also serve as a catalyst for commercial and residential development. There are opportunities in the Zone for improvements to existing parks and open space areas, as well to develop new facilities and spaces including a regional park. Opportunities could include improvements to existing facilities,

development of new parks, green spaces, plazas, linear trails and public facilities. Public spaces and facilities will attract, support, and enhance the viability of residential, commercial, and retail destinations in the Zone, while potentially fostering innovative economic opportunities.

Economic Development

Incentivize projects that promote redevelopment of the community and enhance economic development opportunities consistent with the City's goals and priorities.

In order to stimulate and accelerate redevelopment within the TIRZ, the TIRZ desires to establish an economic development program that would directly incentivize private enterprise that affect the TIRZ and serve as a catalyst for other business developments. Examples of how the program would be used include funding for business development and retention, business loss mitigation, economic development grants to catalyze investments, such as Agreements under Chapter 380 of the Texas Local Government Code, and matching grants to provide leverage for other economic development funds. In cases such as those described in this section, an appropriate economic development program would be proposed by the City and/or the TIRZ and approved by both the TIRZ and City Council. Payments made pursuant to this program shall be pursuant to economic development agreements entered into on behalf of the Zone and are considered Project Costs. No grant or loan shall be authorized by the Zone without prior consent of the City.

LOCATION

Reinvestment Zone No. 4 is 17.4 square miles. Map 1 depicts the location of the Tax Increment Reinvestment Zone No. 4, in context of the surrounding area.

Map 1



AUTHORIZED PROJECT COSTS

The project costs for the TIRZ are detailed in Table 1. Projects include infrastructure improvements, detention/drainage, streetscape enhancements, connectivity, parks/recreation improvements and economic development. The project categories reflect types of projects supported by the TIRZ, however actual projects that will be undertaken by the TIRZ will be based on factors including community redevelopment priorities, leveraging of funds and available increment.

Non-Project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ, but will be funded by other parties, such as the City, County, the Texas Department of Transportation or private sources including developers. Funding identified in Table 1 will be leveraged with other sources to secure non-project funding when appropriate and available.

Table 1 - Project Costs

Projects	Costs
Infrastructure	\$40,000,000
Detention & Drainage	\$10,000,000
Corridor and Streetscape Improvements	\$12,000,000
Trails & Connectivity	\$12,000,000
Parks & Recreation	\$10,000,000
Economic Development	\$5,000,000
Planning, Admin, Legal	\$1,000,000
Total	\$90,000,000

PROJECT PLAN

This document constitutes the Preliminary Project Plan for Tax Increment Reinvestment Zone Number Four, City of Waco, as required by Chapter 311 of the Texas Tax Code. The purpose of the Zone is to finance improvements that support new development and redevelopment of properties within the Zone.



Existing and Proposed Uses of Land

Texas Tax Code
- 311.011 (B)(1)



Proposed Changes of Zoning Ordinances,
Master Plan of Municipality, Building
Codes, and Other Municipal Ordinances

Texas Tax Code
- 311.011 (B)(2)



Estimated Non-Project Costs

Texas Tax Code
- 311.011 (B)(3)



Method of Relocating Persons to
Be Displaced, if Any, as a Result of
Implementing the Plan

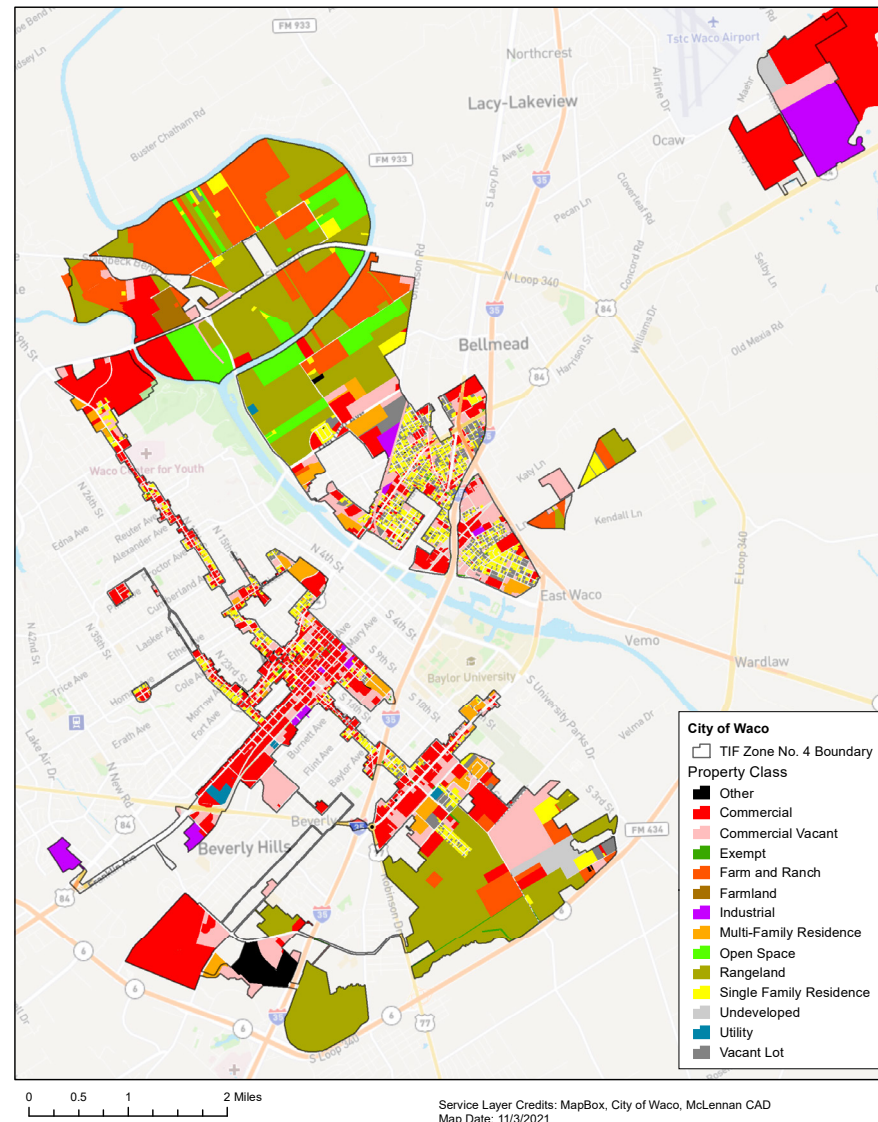
Texas Tax Code
- 311.011 (B)(4)

EXISTING AND PROPOSED USES OF LAND (TEXAS TAX CODE- 311.011(B)(1))

Existing Land Use - Existing uses in the Zone include a mixture of multi- family residential uses, retail/entertainment, commercial, industrial and vacant land. Maps 2 and 3 display existing conditions.

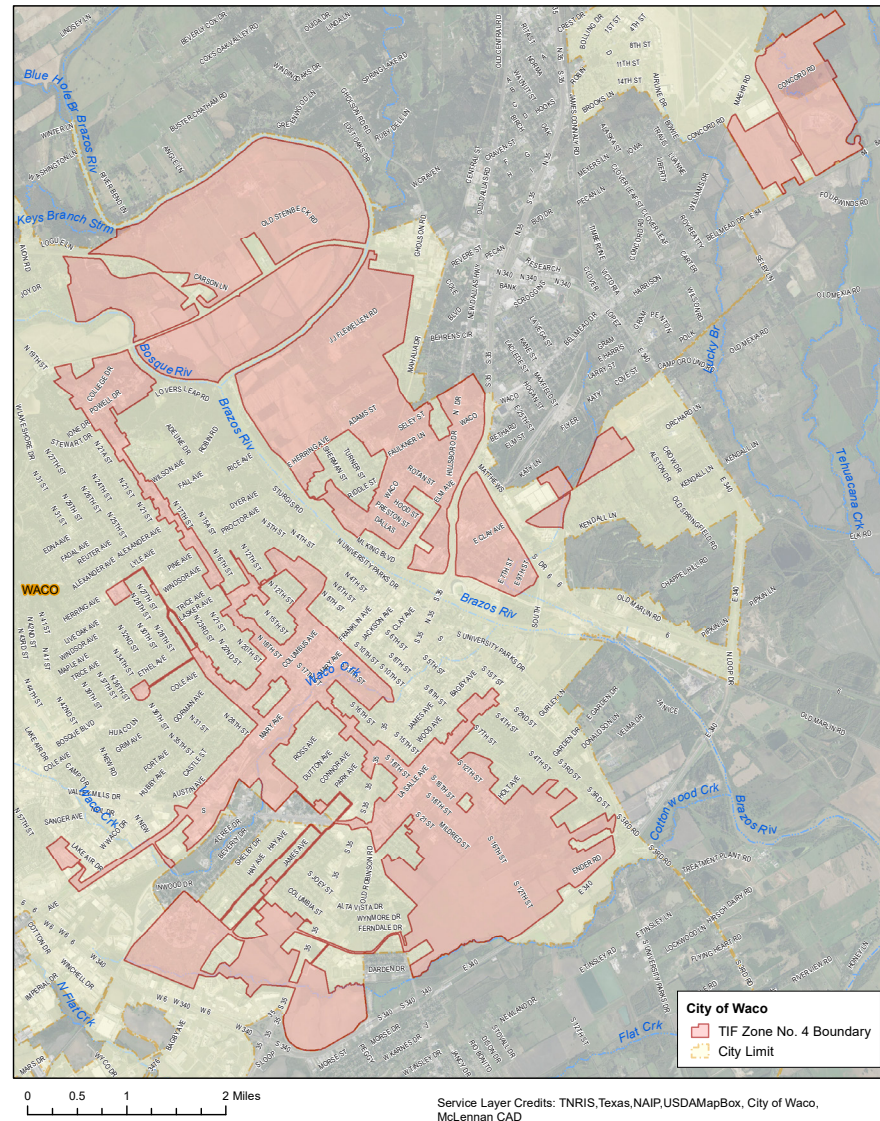
Surrounding Land Use - Land surrounding the Zone ranges from vacant, to single family residential to public/institutional and commercial uses. The aerial view shown in Map 2 shows surrounding land uses.

Map 2



Proposed Uses - Proposed uses in the Zone will include enhanced residential, commercial/retail, industrial and public uses, with decreasing vacant land over time.

Map 3



**PROPOSED CHANGES OF ZONING ORDINANCES,
MASTER PLAN OF MUNICIPALITY, BUILDING CODES,
AND OTHER MUNICIPAL ORDINANCES**

(TEXAS TAX CODE - 311.011(B)(2))

All construction will be performed in conformance with the City's existing rules and regulations. There are no proposed changes to any City ordinance, master plan, or building code.

ESTIMATED NON-PROJECT COSTS

(TEXAS TAX CODE - 311.011(B)(3))

Non-Project costs are those infrastructure costs that will not be funded or reimbursed by the TIRZ but will be funded by other parties. Funding identified in Table 1 will be leveraged with other sources to secure non-project funding when appropriate and available.

**METHOD OF RELOCATING PERSONS TO BE
DISPLACED, IF ANY, AS A RESULT OF IMPLEMENTING
THE PLAN**

(TEXAS TAX CODE - 311.011(B)(4))

It is not anticipated that any residents will be displaced or relocated as a result of this Plan.



REINVESTMENT ZONE FINANCING PLAN

This document constitutes the Preliminary Financing Plan for Tax Increment Reinvestment Zone Number Four, City of Waco as required by Chapter 311 of the Texas Tax Code. The purpose of the Zone is to finance public improvements to support redevelopment efforts along key corridors and encourage new development in the Zone. Improvements include but are not limited to roadways, infrastructure improvements including water, sewer and drainage, pedestrian amenities, trails, streetscape enhancements, and parks and open space improvements.

Funding of projects will occur through available tax increment funds, leveraged with local, state and federal dollars and/or through reimbursement of eligible project costs advanced by private entities/developers.



Estimated Project Costs

Texas Tax Code
- 311.011(C)(1)



Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to Be Financed by the Zone

Texas Tax Code
- 311.011(C)(2)



Economic Feasibility Study

Texas Tax Code
- 311.011(C)(3)



Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Are Incurred

Texas Tax Code
- 311.011(C)(4),
- 311.011(C)(5)



Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone

Texas Tax Code
- 311.011(C)(6)



Current Total Appraised Value of Taxable Real Property

Texas Tax Code
- 311.011(C)(7)



Estimated Captured Appraised Value of Zone During Each Year of Existence

Texas Tax Code
- 311.011(C)(8)



Zone Duration

Texas Tax Code
- 311.011(C)(9)

ESTIMATED PROJECT COSTS

(TEXAS TAX CODE - 311.011(C)(1))

Table 1 details proposed public improvements to be funded utilizing resources from the Zone. As set forth in the Plan, the dollar amounts are approximate and may be amended from time to time by the Board, with the approval of City Council. Any financing costs are a function of project financing needs and will vary with market conditions. Proposed public projects would be located throughout the Zone and along corridors as shown on Map 1.

PROPOSED KIND, NUMBER, AND LOCATION OF ALL PROPOSED PUBLIC WORKS OR PUBLIC IMPROVEMENTS TO BE FINANCED BY THE ZONE

(TEXAS TAX CODE - 311.011(C)(2))

These details are described throughout the Plan, and include roadway, drainage, water, sewer, streetscape, trails, and parks and recreation facilities improvements. The number and location of proposed improvements are contained in Table 1 and will be located within the boundary shown on Map 1.

ECONOMIC FEASIBILITY STUDY

(TEXAS TAX CODE - 311.011(C)(3))

Overview

TIRZ 4, includes properties both east and west of I-35. Parts of the Zone, include older areas and corridors that are prime for redevelopment, including Franklin Avenue, and industrial properties located between Mary Avenue and the railroad tracks. Corridors in the northern portion of Zone including Franklin have a more urban development pattern, with sidewalks and buildings set closer to the street. Buildings are generally older in this area and uses consist primarily of commercial, retail, residential and industrial uses. Franklin Avenue transitions to the south, as it becomes more auto dominant in nature and reflective of typical strip commercial development. East of I-35, the historic La Salle Avenue corridor can be characterized as auto dominant in nature, buildings are generally older and uses include antique shops, auto uses, a flea market, and restaurants. The southern parts of the Zone both east and west of I-35 include larger vacant/agriculture tracts that are prime for new development.

Over the years the City has been working on a number of initiatives to enhance the economic vitality of the different areas in the Zone and encourage new development/redevelopment. Some of these initiatives include redevelopment of the Floyd Casey site, the La Salle Avenue Corridor Overlay District, and the Parks, Recreation and Trails Master Plan. Redevelopment and new development efforts focus on connectivity and expanding the trail network, creating destinations,

enhancing corridors and attracting new investment. Tax Increment Reinvestment Zone Number Four will be one of many tools used in supporting these initiatives and in implementing public improvements that bolster the commercial and residential viability of the area and support the City's economic development initiatives.

Redevelopment/New Development Opportunities

There are a number of opportunities for redevelopment and new development throughout the Zone, including vacant land, and older and underutilized properties that are prime for redevelopment. Utilizing a tool like a TIRZ would facilitate redevelopment and private investment in the Zone through financing of public infrastructure, trails and recreation facilities, streetscape enhancements and other economic development initiatives. Improvements would be funded from tax increment revenues derived from increases in property values (captured value) following new residential and commercial development. The development of the Zone to its fullest potential would not be feasible in the near future without the assistance of a tool like a TIRZ.

Community Overview

The City of Waco is located in McLennan County, in the Central Texas region. Waco is situated along the I-35 corridor, just 90 miles south of Dallas and 100 miles north of Austin. Waco is the principal city in the Waco Metropolitan Statistical Area, an area consisting of 26 incorporated cities in McLennan and Falls counties. Waco is home to Baylor University, Texas State Technical College and McLennan Community College.

Waco has experienced significant growth in the recent years and has become an attractive place to live, visit, as well as grow a business, thanks to its convenient location, high quality education options, and parks, recreational activities.

Waco has a 2021 estimated population of 140,750 residents and a daytime population of 158,910. Overall, Waco's population is young with a higher distribution of residents in the age segments of 15 – 30s. Residents are primarily made up of younger families with children, single parent households and college students. The population is diverse, with higher percentages of Black Alone, Other Race Alone and Hispanic origin than McLennan County.

Waco's median household income is \$40,335 which is lower than the county's median of \$51,090, Median Home values are also lower, at \$153,864 compared to the county's median of \$187,823.

Demographic Overview

	Waco	McLennan County
Population	140,750	265,196
Households	52,707	98,513
HH Average Size	2.54	2.61
Median Age	30.7	34.9
Median Household Income	\$40,335	\$51,090
Median Home Value	\$153,864	\$187,823
Businesses	5,412	8,753
Employees	87,060	120,030

Source: ESRI 2021

Households

The demographic and socioeconomic characteristics of Waco’s households are reflected in ESRI’s tapestry analysis. The following segments are the most prevalent in Waco:

The **Forging Opportunity** segment is the most prevalent in the Waco area. It represents family-oriented households, with young parents with children or multi-generational households. Workers are mostly employed in skilled positions or manufacturing and construction.

The **Dorms to Diplomas** segment represents a young market, living alone for the first time or with roommates in dorms, apartments or multi-family units. Other than school, many spend their time in part-time jobs and in social activities with peers. These residents are technologically advanced and always connected to the internet for school activities, shopping and entertainment.

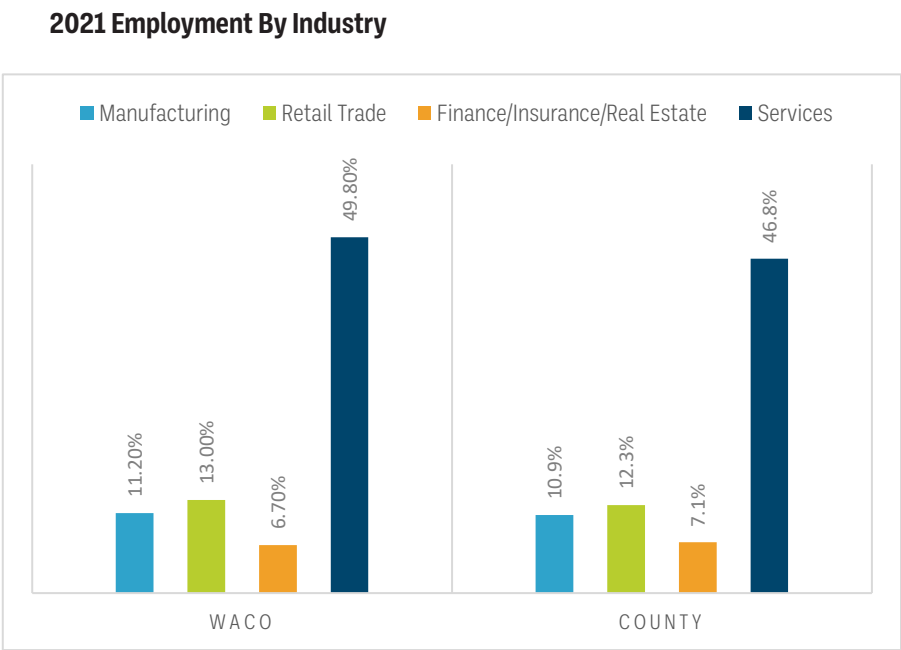
The **Middleburg** residents are traditional, family-oriented, include young couples, many with children and live in semirural subdivisions within the metropolitan areas. They utilize their vehicles for most of their daily duties and spend their free time focusing on their families and their homes.

Workforce

Waco’s workforce is skilled, with more than 35% of its population holding an Associate/Bachelor Degree or a Professional Degree. More than 90% of the population older than 16 is employed and the unemployment rate for 2021 is 6.5%.

Business

There are over 5,000 businesses in Waco, with more than 85,000 employees. Waco’s largest employers include Baylor University, Waco ISD, Providence Healthcare Network, Baylor Scott & White Hillcrest Medical Center. The industry that attracts the largest employment base is the Services Industry (49.8%), followed by Retail Trade and Manufacturing.



Source: ESRI 2021

Projected Growth

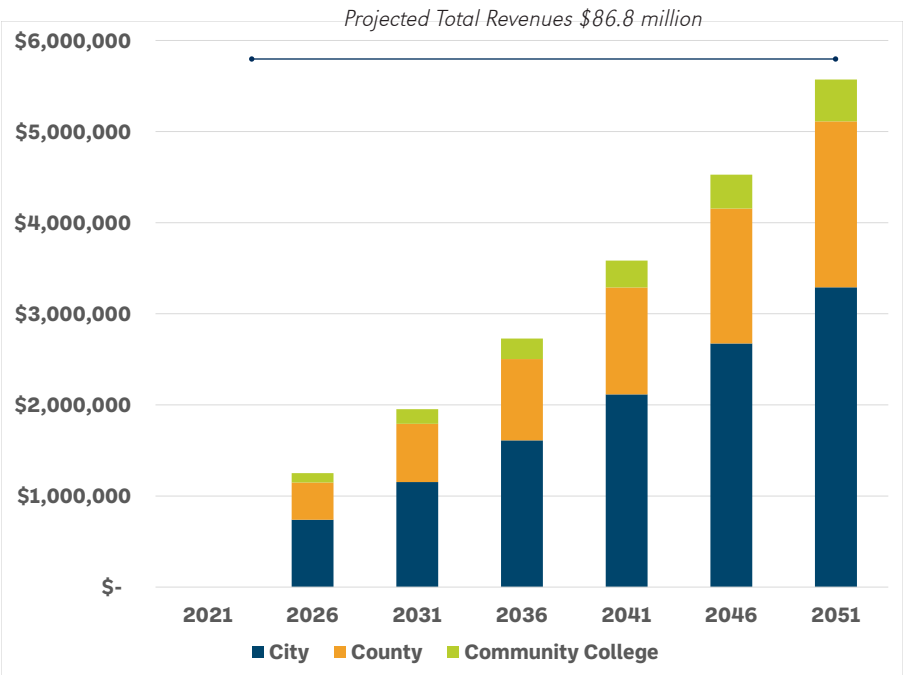
Infrastructure improvements supported by the TIRZ as well as by other agencies including the City, County and State, along with private investment, will enhance the area within the Zone and increase property values. Values are expected to grow from \$616 million in 2021 to over \$1.2 billion by the year 2051. Increase in values and investment, will also result in increased sales tax and job growth within the community.

The planned infrastructure improvements depicted in Table 1 (page 8) will contribute significantly to the areas ability to support redevelopment efforts and attract new development to the area.

Exhibit 1 constitutes incremental revenue estimates for this Plan. The future anticipated revenue of the zone is expected to be sufficient to pay for all project costs (including interest) of any Development Agreements entered into by the Zone, in addition to any costs associated with administering the TIRZ

The Zone and the City determine that this Plan is Feasible.

Projected Annual Revenues



**ESTIMATED AMOUNT OF BOND INDEBTEDNESS;
ESTIMATED TIME WHEN RELATED COSTS OR
MONETARY OBLIGATIONS INCURRED**

(TEXAS TAX CODE - 311.011(C)(4), - 311.011(C)(5)):

Issuance of notes and bonds by the Zone may occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as derived from the projects and revenue schedules included in Table 1 and Exhibit 1, as well as actual market conditions for the issue and sale of such notes and bonds.

The time when related costs or monetary obligations are to be incurred is a function of the availability of TIRZ revenues as shown in Exhibit 1.

**METHODS AND SOURCES OF FINANCING PROJECT
COSTS AND PERCENTAGE OF INCREMENT FROM
TAXING UNITS ANTICIPATED TO CONTRIBUTE TAX
INCREMENT TO THE ZONE**

(TEXAS TAX CODE - 311.011(C)(6)):

Methods and sources of financing include the issuance of notes and bonds, as well as agreements with developers and other entities for grant funding and partnerships. Leveraging of funds with other entities and grants will be instrumental in realizing projects sooner, participating in larger cost projects and in adding value to projects.

Projects will be implemented through the use of the following strategies

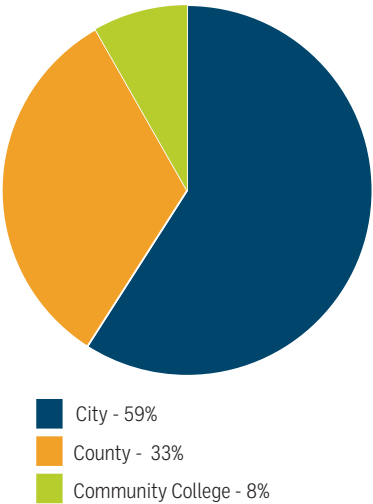
- Developers could advance funds for qualified projects and be reimbursed through the TIRZ, as revenues are realized through additional increment generated by the development.
- Pay as you go, projects are implemented on a pay as you go basis, whereby projects are only implemented once enough revenues have been generated to fund design and construction of a project.
- Issuing debt against the revenue stream of the TIRZ allowing projects to be implemented sooner.

Tax increment associated with this Plan will consist of contributions from the City, County and Community College.

TIRZ Contribution

Entity	% Contribution
City	70%
County	70%
Community College	50%

Source of Revenue



CURRENT TOTAL APPRAISED VALUE OF TAXABLE REAL PROPERTY

(TEXAS TAX CODE - 311.011(C)(7))

The 2021 value of taxable real property in the current Zone is estimated at \$616 million

ESTIMATED CAPTURED APPRAISED VALUE OF ZONE DURING EACH YEAR OF EXISTENCE

(TEXAS TAX CODE - 311.011(C)(8))

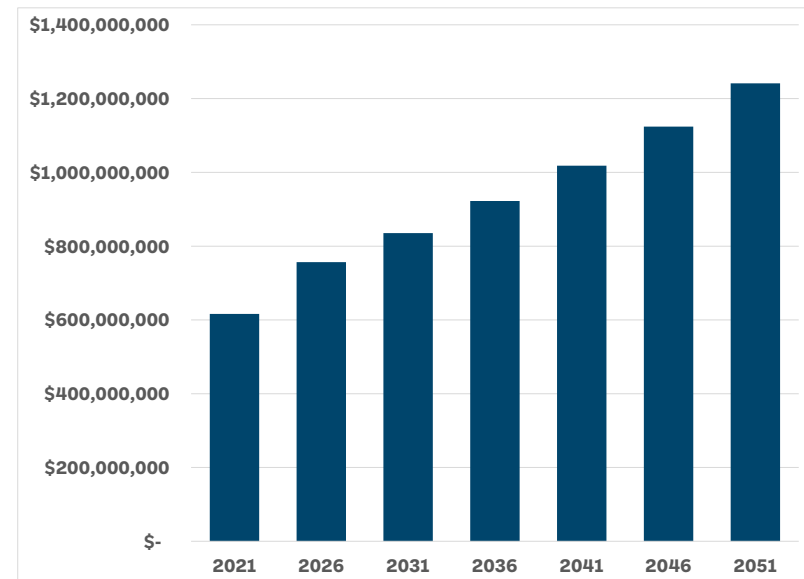
The estimated captured appraised value of the Zone during each remaining year of its existence is contained in Exhibit 1. It is estimated by 2051 that the taxable value within the Zone will increase to over \$1.2 billion.

ZONE DURATION

(TEXAS TAX CODE - 311.011(C)(9))

The Zone will terminate on December 31, 2051. Final TIRZ payments will be received in 2052. The Zone may terminate at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of proposed revenue bonds, notes or other obligations, if any, that all project costs, bonds, and interest on bonds have been paid in full.

Projected Taxable Values



TIRZ Revenues

Taxing Entity	TIRZ Revenues	Retained by Jurisdiction
City	\$51,266,866	\$21,971,514
County	\$28,396,884	\$12,170,093
Community College	\$7,148,474	\$7,148,474
Total	\$86,812,224	\$41,290,081

EXHIBITS

Exhibit 1 - Value & Revenue Schedule

Exhibit 2 - Feasibility Analysis Profile/Data

EXHIBIT 1 - REVENUE SCHEDULE, ALL ENTITIES

Projected Assessed Valuation				Projected Revenue						
Tax Year	Base Year Valuation	City Projected Valuation	Projected Valuation City (Increment)	Tax Year	Coll Year	City Participation (70%)	County TIRZ Participation (70%)	Community College (50%)	Total TIRZ Revenues	Cumulative TIRZ Revenues
2021	\$ 616,191,621	\$ 616,191,621	\$ -	2021	2022	\$ -	\$ -	\$ -	\$ -	\$ -
2022	\$ 616,191,621	\$ 628,515,453	\$ 12,323,832	2022	2023	\$ 64,867	\$ 35,930	\$ 9,045	\$ 109,842	\$ 109,842
2023	\$ 616,191,621	\$ 674,085,762	\$ 57,894,141	2023	2024	\$ 304,729	\$ 168,790	\$ 42,490	\$ 516,010	\$ 625,852
2024	\$ 616,191,621	\$ 707,567,478	\$ 91,375,857	2024	2025	\$ 480,962	\$ 266,406	\$ 67,064	\$ 814,432	\$ 1,440,284
2025	\$ 616,191,621	\$ 741,718,827	\$ 125,527,206	2025	2026	\$ 660,719	\$ 365,975	\$ 92,128	\$ 1,118,822	\$ 2,559,106
2026	\$ 616,191,621	\$ 756,553,204	\$ 140,361,583	2026	2027	\$ 738,801	\$ 409,224	\$ 103,016	\$ 1,251,041	\$ 3,810,147
2027	\$ 616,191,621	\$ 771,684,268	\$ 155,492,647	2027	2028	\$ 818,444	\$ 453,339	\$ 114,121	\$ 1,385,904	\$ 5,196,051
2028	\$ 616,191,621	\$ 787,117,953	\$ 170,926,332	2028	2029	\$ 899,680	\$ 498,336	\$ 125,448	\$ 1,523,464	\$ 6,719,515
2029	\$ 616,191,621	\$ 802,860,312	\$ 186,668,691	2029	2030	\$ 982,541	\$ 544,233	\$ 137,002	\$ 1,663,775	\$ 8,383,290
2030	\$ 616,191,621	\$ 818,917,519	\$ 202,725,898	2030	2031	\$ 1,067,059	\$ 591,047	\$ 148,787	\$ 1,806,893	\$ 10,190,183
2031	\$ 616,191,621	\$ 835,295,869	\$ 219,104,248	2031	2032	\$ 1,153,267	\$ 638,798	\$ 160,808	\$ 1,952,873	\$ 12,143,056
2032	\$ 616,191,621	\$ 852,001,786	\$ 235,810,165	2032	2033	\$ 1,241,200	\$ 687,505	\$ 173,069	\$ 2,101,773	\$ 14,244,829
2033	\$ 616,191,621	\$ 869,041,822	\$ 252,850,201	2033	2034	\$ 1,330,891	\$ 737,185	\$ 185,575	\$ 2,253,650	\$ 16,498,480
2034	\$ 616,191,621	\$ 886,422,659	\$ 270,231,038	2034	2035	\$ 1,422,376	\$ 787,859	\$ 198,331	\$ 2,408,566	\$ 18,907,045
2035	\$ 616,191,621	\$ 904,151,112	\$ 287,959,491	2035	2036	\$ 1,515,690	\$ 839,546	\$ 211,343	\$ 2,566,579	\$ 21,473,624
2036	\$ 616,191,621	\$ 922,234,134	\$ 306,042,513	2036	2037	\$ 1,610,871	\$ 892,267	\$ 224,614	\$ 2,727,753	\$ 24,201,377
2037	\$ 616,191,621	\$ 940,678,817	\$ 324,487,196	2037	2038	\$ 1,707,956	\$ 946,042	\$ 238,151	\$ 2,892,150	\$ 27,093,527
2038	\$ 616,191,621	\$ 959,492,393	\$ 343,300,772	2038	2039	\$ 1,806,982	\$ 1,000,893	\$ 251,959	\$ 3,059,835	\$ 30,153,362
2039	\$ 616,191,621	\$ 978,682,241	\$ 362,490,620	2039	2040	\$ 1,907,989	\$ 1,056,841	\$ 266,043	\$ 3,230,874	\$ 33,384,236
2040	\$ 616,191,621	\$ 998,255,886	\$ 382,064,265	2040	2041	\$ 2,011,016	\$ 1,113,908	\$ 280,409	\$ 3,405,334	\$ 36,789,569
2041	\$ 616,191,621	\$ 1,018,221,003	\$ 402,029,382	2041	2042	\$ 2,116,104	\$ 1,172,117	\$ 295,062	\$ 3,583,282	\$ 40,372,852
2042	\$ 616,191,621	\$ 1,038,585,423	\$ 422,393,802	2042	2043	\$ 2,223,293	\$ 1,231,489	\$ 310,008	\$ 3,764,790	\$ 44,137,642
2043	\$ 616,191,621	\$ 1,059,357,132	\$ 443,165,511	2043	2044	\$ 2,332,626	\$ 1,292,049	\$ 325,253	\$ 3,949,928	\$ 48,087,570
2044	\$ 616,191,621	\$ 1,080,544,274	\$ 464,352,653	2044	2045	\$ 2,444,146	\$ 1,353,820	\$ 340,803	\$ 4,138,769	\$ 52,226,339
2045	\$ 616,191,621	\$ 1,102,155,160	\$ 485,963,539	2045	2046	\$ 2,557,896	\$ 1,416,827	\$ 356,664	\$ 4,331,386	\$ 56,557,725
2046	\$ 616,191,621	\$ 1,124,198,263	\$ 508,006,642	2046	2047	\$ 2,673,921	\$ 1,481,093	\$ 372,842	\$ 4,527,856	\$ 61,085,582
2047	\$ 616,191,621	\$ 1,146,682,228	\$ 530,490,607	2047	2048	\$ 2,792,266	\$ 1,546,645	\$ 389,344	\$ 4,728,256	\$ 65,813,837
2048	\$ 616,191,621	\$ 1,169,615,873	\$ 553,424,252	2048	2049	\$ 2,912,979	\$ 1,613,508	\$ 406,176	\$ 4,932,663	\$ 70,746,500
2049	\$ 616,191,621	\$ 1,193,008,190	\$ 576,816,569	2049	2050	\$ 3,036,105	\$ 1,681,709	\$ 423,344	\$ 5,141,158	\$ 75,887,658
2050	\$ 616,191,621	\$ 1,216,868,354	\$ 600,676,733	2050	2051	\$ 3,161,695	\$ 1,751,273	\$ 440,856	\$ 5,353,824	\$ 81,241,482
2051	\$ 616,191,621	\$ 1,241,205,721	\$ 625,014,100	2051	2052	\$ 3,289,796	\$ 1,822,229	\$ 458,718	\$ 5,570,742	\$ 86,812,224
						\$ 51,266,866	\$ 28,396,884	\$ 7,148,474	\$ 86,812,224	

Notes/Assumptions:

Assumes build out of Cottonwood Creek Market & Floyd Casey Site

Participation Rates:

City - 70%

County - 70%

Community College - 50%

EXHIBIT 2 - FEASIBILITY ANALYSIS PROFILE DATA

Demographic Overview

	Waco	McLennan County
Housing & Income		
2021 Households	52,707	98,513
2021 Average Household Size	2.54	2.61
2021-2026 Annual Rate	1.07%	1.05%
2021 Families	30,649	64,697
2021 Average Family Size	3.24	3.18
2021-2026 Annual Rate	0.98%	0.99%
2021 Housing Units	57,360	105,855
Owner Occupied Housing Units	44.0%	57.3%
Renter Occupied Housing Units	47.9%	35.8%
Vacant Housing Units	8.1%	6.9%
Average Household Income	\$61,877	\$73,510
Median Household Income	\$40,335	\$51,090
Average Home Value	\$209,946	\$224,250
Median Home Value	\$153,864	\$187,823
Per Capita Income	\$23,291	\$27,372
Median Age	30.7	34.9
Percent of Income for Mortgage	16%	15.5%

Demographic Overview Continued

	Waco	McLennan County
Age & Population		
2021 Total Population	140,750	265,196
0 - 4	7.0%	6.5%
5 - 9	6.7%	6.5%
10 - 14	6.4%	6.5%
15 - 24	21.1%	16.7%
25 - 34	14.8%	14.0%
35 - 44	11.6%	12.0%
45 - 54	9.2%	10.4%
55 - 64	9.7%	11.6%
65 - 74	7.5%	9.2%
75 - 84	4.1%	4.7%
85 +	2.0%	2.0%
Males	68,160	129,629
Females	72,590	135,567
Never Married	46%	36.6%
Married	38%	46.5%
Widowed	6%	5.8%
Divorced	11%	11.1%

Demographic Overview Continued

	Waco	McLennan County
White Alone	57.6%	67.4%
Black Alone	19.7%	14.2%
American Indian Alone	0.7%	0.7%
Asian Alone	2.1%	1.7%
Pacific Islander Alone	0.1%	0.1%
Some Other Race Alone	16.3%	12.8%
Two or More Races	3.5%	3.2%
Hispanic Origin	34.2%	27.7%
Education & Employment		
Less than 9th Grade	6.9%	5.3%
9th - 12th Grade, No Diploma	10.5%	8.5%
High School Graduate	21.4%	22.4%
GED/Alternative Credential	5.2%	4.9%
Some College, No Degree	21.2%	22.3%
Associate Degree	9.3%	11.2%
Bachelor's Degree	15.7%	16.2%
Graduate/Professional Degree	9.8%	9.3%
Civilian Population 16+	65,934	128,573
Population 16+ Employed	93.5%	94.6%
Population 16+ Unemployment rate	6.5%	5.4%

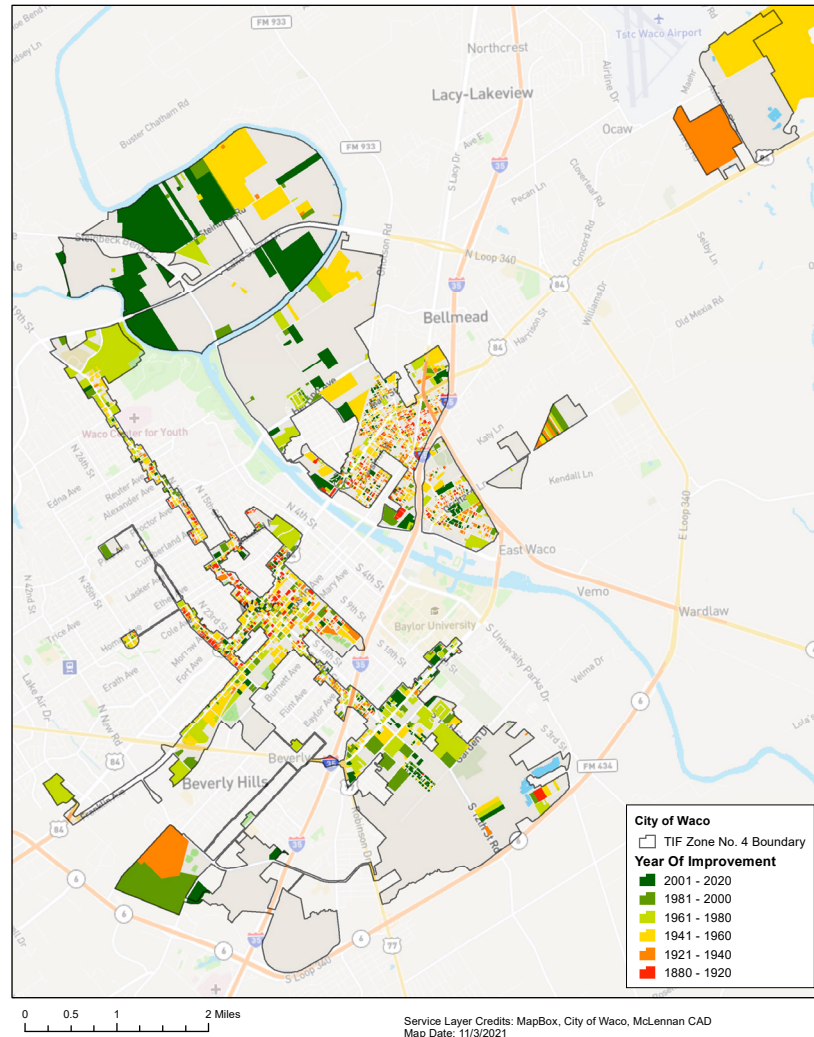
Demographic Overview Continued

	Waco	McLennan
Agriculture/Mining	0.8%	1.1%
Construction	7.5%	8.2%
Manufacturing	11.2%	10.9%
Wholesale Trade	2.0%	2.4%
Retail Trade	13.0%	12.3%
Transportation/Utilities	3.9%	5.1%
Information	1.1%	1.1%
Finance/Insurance/Real Estate	6.7%	7.1%
Services	49.8%	46.8%
Public Administration	4.2%	5.0%
White Collar	56.7%	58.9%
Services	18.5%	15.9%
Blue Collar	24.7%	25.2%

Source: ESRI

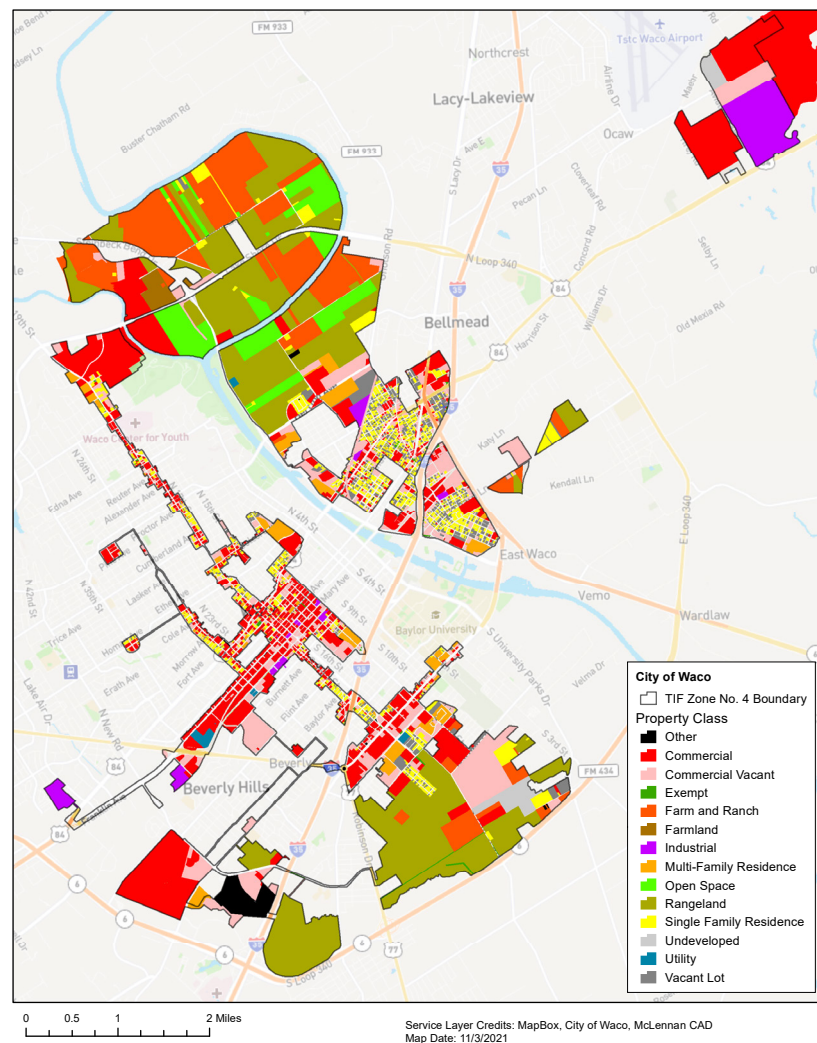
Existing Conditions

Improvement by Year Built



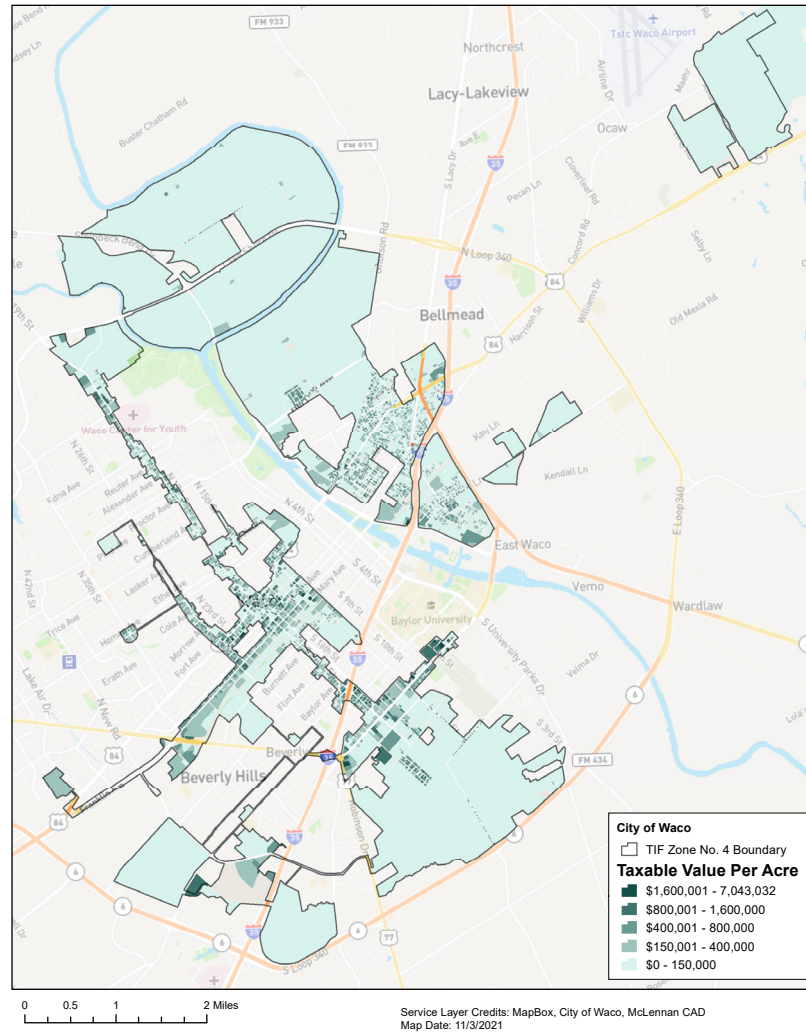
Year of Improvement	Count	Total Value of Improvement Only	Percent of Structures
2001-2020	450	\$141,085,944	26%
1981-2000	240	\$85,569,585	16%
1961-1980	412	\$120,177,896	22%
1941-1960	911	\$91,964,537	17%
1921-1940	669	\$62,887,885	12%
1880-1920	408	\$39,198,082	7%
3,090		\$540,883,929	100%

Land Use



	Acreage	Total Value
Commercial	26.18%	39.3%
Agriculture	39.83%	2.1%
Exempt	0.28%	0.0%
Industrial	4.03%	3.4%
Multi-Family	2.86%	20.6%
Single Family	5.44%	25.4%
Open Space	5.19%	0.1%
Utility	0.28%	0.7%
Vacant	14.77%	8.4%
Unknown	1.14%	0.0%

Taxable Value Per SF



Taxable Value Per SF	Percent of Parcels	Percent of Acreage
\$1,600,001 - 7,043,032	6%	0.3%
\$800,001 - 1,600,000	21%	1.2%
\$400,001 - 800,000	31%	3.3%
\$150,001 - 400,000	30%	7.9%
\$0 - 150,000	12%	87.3%
Total	100%	100.0%