

CONFIDENTIAL

**Project Azul
Economic, Employment and Tax Revenue
Thirty-Year Impact Analysis
2013 through 2042**

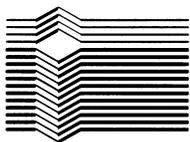
August 2013

Prepared for:

Frisco Economic Development Corporation
6801 Gaylord Parkway, Suite 400
Frisco, TX 75034

Prepared by:

Insight Research Corporation
P.O. Box 61, Allen, Texas 75013
(972) 238-8838



**INSIGHT RESEARCH
CORPORATION**

**Project Azul
Economic, Employment and Tax Revenue
Thirty-Year Impact Analysis, 2013 through 2042**

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**Project Azul
Economic, Employment and Tax Revenue
Thirty-Year Impact Analysis, 2013 through 2042**

EXECUTIVE SUMMARY

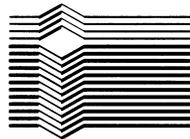
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**INSIGHT RESEARCH
CORPORATION**

Executive Summary

August 2013

Economic, Employment and Tax Revenue Impact Analysis “Project Azul” Public/Private Development Concept Plan Thirty Year Analysis, 2013 through 2042

BACKGROUND AND PROJECT DESCRIPTION: The City of Frisco has developed a conceptual plan, Project Azul, in cooperation with a high profile corporation for a 91-acre tract located at the northwest corner of Warren Parkway and the Dallas North Tollway.

The concept plan proposes that the City of Frisco construct a special events and sports complex including a 12,000+ seat indoor stadium on approximately 20 acres. A corporate headquarters is proposed to be located on approximately 5 acres. Additional property of some 66 acres is planned for hotel, office, retail and restaurant uses on the balance of the tract.

At full development, Project Azul is planned to include the following buildings on the site, summarized as new construction in square feet (sf) and hotel rooms as follows:

Corporate Headquarters and Other Office	1,240,000 sf
Retail	418,000 sf
Restaurant	<u>50,500 sf</u>
Total Building SF	1,708,500
Hotels, Luxury and Select Service	480 rooms

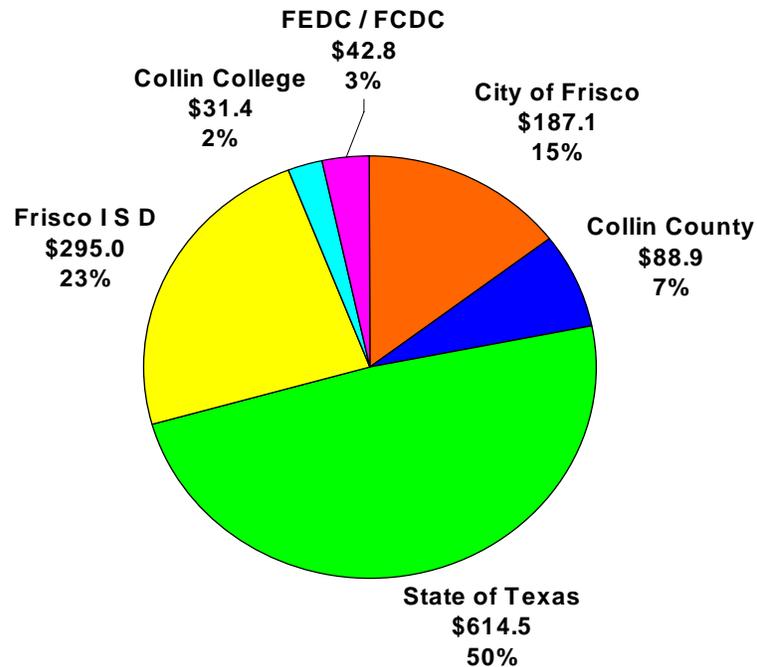
FINDINGS: The following findings assume development and occupancy of Project Azul facilities over 12 years, with a study period of thirty years defining economic, employment and tax revenue impact from 2013 through 2042.

Economic Impact - 2013 through 2042: \$23.4 Billion

Employment Impact: 4,500 new jobs at full development by 2026

Tax Revenue Impact - Cumulative 2013 through 2042: \$1.26 Billion

	Direct	Indirect	Total Taxes
City of Frisco	\$109,011,000	\$78,124,000	\$187,135,000
Collin County	\$21,354,000	\$67,576,000	\$88,930,000
State of Texas	\$269,644,000	\$344,825,000	\$614,469,000
Frisco I S D	\$127,253,000	\$167,719,000	\$294,972,000
Collin College	\$7,522,000	\$23,911,000	\$31,433,000
FEDC / FCDC	\$33,232,000	\$9,609,000	\$42,841,000
Total	\$568,016,000	\$691,764,000	\$1,259,780,000



August 9, 2013

Confidential

Mr. James L. Gandy, President
Frisco Economic Development Corporation
6801 Gaylord Parkway, Suite 400
Frisco, TX 75034

**SUBJECT: Economic, Employment and Tax Revenue Impact Analysis
“Project Azul” Public/Private Development
Thirty Year Analysis, 2013 through 2042**

Dear Mr. Gandy:

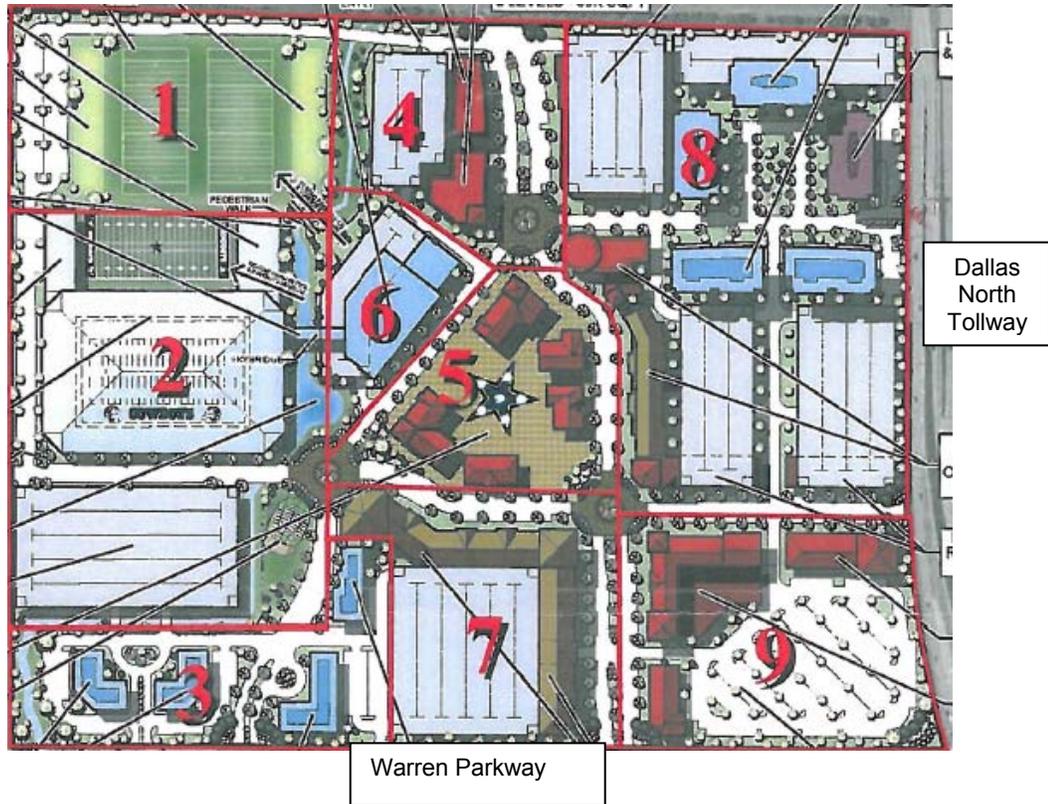
Insight Research Corporation has completed an economic impact analysis which examines the impact potential of a mixed use development concept now being considered for a tract of 91 acres at the northwest corner of Warren Parkway and the Dallas North Tollway. This letter provides the findings of the economic, employment and tax revenue impact of this development concept, showing its benefits the City of Frisco (Frisco), the Frisco Independent School District (FISD), Collin County, Collin College and the State of Texas.

BACKGROUND AND PROJECT DESCRIPTION

“Project Azul” proposes the development of a special events and sports complex in the City of Frisco on some 20 acres of property, including an indoor stadium and parking facilities. In conjunction with a high profile corporate organization, a new corporate headquarters office is considering location on approximately 5 acres. Additional property of some 66 acres is included in the concept plan and available to support planned hotel, office, retail and restaurant uses on the balance of the 91-acre tract.

Structured as a public/private venture, capital investments to develop the first phase of this unique project are being considered to be made jointly by the corporate organization, the City of Frisco, the Frisco Economic Development Corporation (FEDC), the Frisco Community Development Corporation (FCDC) and the Frisco Independent School District (FISD). As shown on the following concept plan, nine parcels are proposed for a variety of uses within the subject tract.

**Concept Plan for Project Azul
Sports Complex (Parcels 1 & 2), Corporate Headquarters (Parcel 6)
Mixed Use Development (Parcels 3-5 & 7-9)**



<u>HQ and Joint Use Sports Facilities</u>		
Parcels 1 & 2	Sports Complex and Stadium	20 Acres
	Proposed for TIRZ #1 Expansion	
Parcel 6	Headquarters Building	5 Acres
	Proposed for TIRZ #5	

<u>Other Private Development 66 Acres Total Proposed for TIRZ #5</u>		
Parcel 3	Office Uses	9 Acres
Parcel 4	Retail Uses	5 Acres
Parcel 5	Plaza & Restaurants	5 Acres
Parcel 7	Retail, Office, Select Service Hotel	10 Acres
Parcel 8	Office & Luxury Hotel	17 Acres
Parcel 9	Retail & Restaurant	15 Acres

Note: An additional 5 acres are available in the current concept plan, which is subject to change.

With rapid growth in the area, the Frisco Independent School District continues to add new schools. To optimize use of the special events and sports complex, plans also include joint use of the indoor stadium by the FISD for activities such as football games and other sporting events, special events and graduations, including those events held on Friday and Saturday nights. Joint use of these new facilities is expected to save substantial capital costs for the FISD by offsetting independent stadium construction and maintenance requirements for FISD schools.

Financing Approach – TIRZ #1 and TIRZ #5:

It is proposed that the publically owned special events complex, indoor stadium and structured parking be included through an expansion of the existing Frisco Bridges TIRZ #1, using about 20 acres of the available 91 acres.

Other private sector development of the balance of the property is proposed for inclusion in a new TIRZ #5, including the corporate office headquarters, which will be privately owned and taxable once it is completed and occupied. Additional taxable components within the mixed-uses of Project Azul are planned to include offices, retail, restaurants and hotels. Substantial interest has already been expressed in the site's available parcels by the real estate brokerage community.

► *TIRZ #1 – Special Events and Sports Complex*

As noted, the Project Azul concept plan currently envisions a new sports complex on Parcels 1 and 2 to include an indoor stadium with seating for at least 12,000 visitors, and a parking structure for 2,000 vehicles.

The stadium, parking facilities and corporate headquarters would be constructed in 2014 and 2015, with occupancy expected for 2016. Capital investment for these facilities is expected to be approximately \$90 million.

TIRZ #5 – New Infrastructure Financing

A new TIRZ is planned for infrastructure financing of the balance of the 71 acres of this tract, which will include the 5-acre corporate headquarters site on Parcel 6. Additional development would occur on Parcels 3, 4, 5, 7, 8 and 9, and is expected to include the following conceptual components:

- ❖ ***Land Purchases:*** The land purchases for new development within in TIRZ #5 will be made over several years as market demand dictates, resulting in new assessed land values based on type of use as each component of the private sector development is constructed.
- ❖ ***Corporate Headquarters:*** A corporate headquarters office building, including its own parking decks, is expected to be constructed at a cost of some \$25 million. Once constructed with FEDC support, this office building will become privately owned and taxable to TIRZ #5.
- ❖ ***Retail:*** The mixed use development is envisioned to a build out 418,000 square feet (sf) of retail stores, including specialty high-end sporting goods stores. At regional construction cost averages, retail development can expect to require capital investments of \$50.2 million for building construction and another \$9.8 million for furniture, fixtures and equipment. At average retail employment per square foot, these stores could be expected to provide employment for some 780 persons in full-time equivalent (FTE) positions and an annual payroll exceeding \$17 million.
- ❖ ***Restaurants:*** Several restaurants are included in the concept plan in the Plaza area and elsewhere in the development. Restaurants could be expected to require \$6.1 million for building construction and another \$3.4 million for furniture, fixtures and equipment. These new restaurants could provide employment for 310 persons as FTE's, yielding an annual payroll of some \$6.8 million.
- ❖ ***Office:*** Considerable interest in office space has been expressed by private companies for space in Project Azul. A total of four office buildings of 200,000 sf each are included in the concept plan, with additional general office included with retail space, as well as an additional 216,000 sf total on the Warren Parkway frontage. A total of 1,140,000 sf in new office space could generate FTE employment for more than 3,200 persons, resulting in additional annual payrolls in Frisco of \$303.5 million.

- ❖ **Hotels:** Two hotels are included in the concept plan, including a 280-room luxury hotel within Parcel 8, as well as a 200-room select service hotel within Parcel 7. At average construction cost estimates for these hotels, a capital investment of more than \$69 million would be expected, plus another \$19.2 million for furniture, fixtures and equipment. These hotels may provide employment for about 250 FTE positions, generating total annual payrolls of \$5.7 million.

- ❖ **Parking:** Multiple structured and surface parking facilities are planned within the 91 acres to provide adequate parking for the expected development. Capital investments are estimated to be approximately \$50 million for public and private parking construction.

FINDINGS

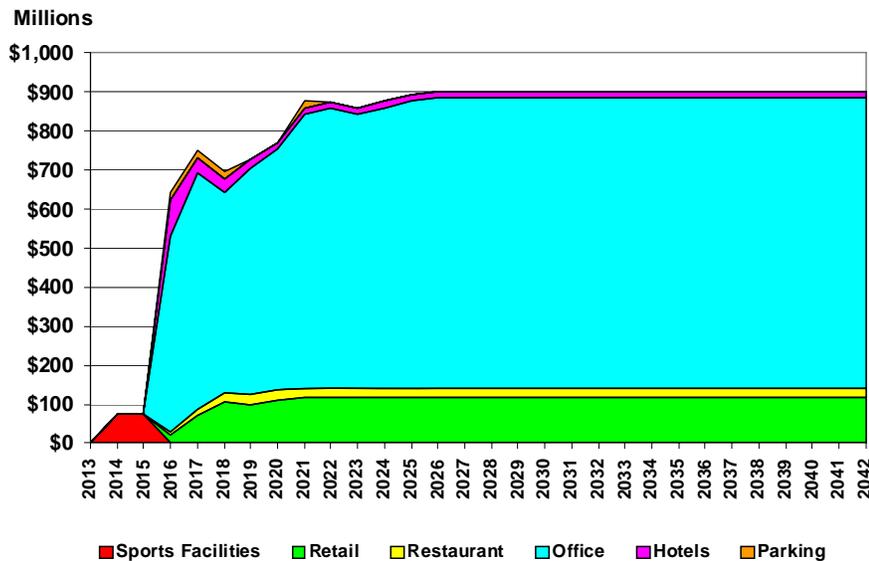
Economic Impact - 2013 through 2042: \$23.4 Billion

Economic impact is the benefit to the general economy of the entire Dallas Metropolitan Division (MD), derived using a multiplier series from the U.S. Bureau of Economic Analysis and generally referred to as the "economic ripple effect" of new money in circulation the regional economy.

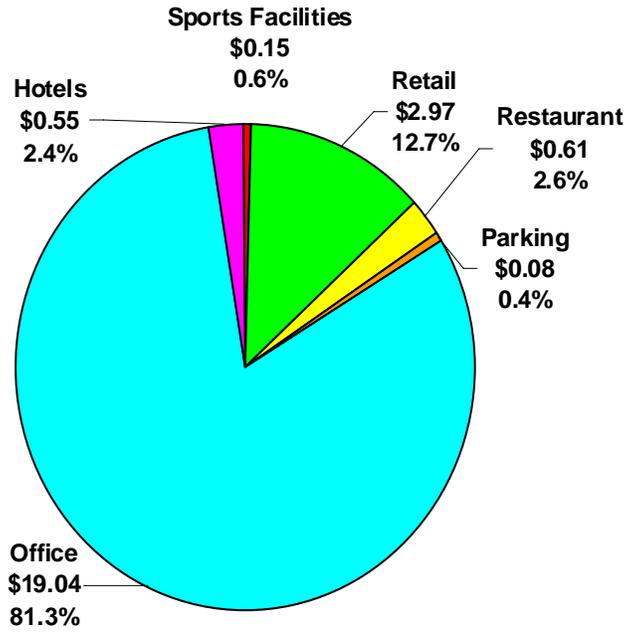
The economic impact of construction and operation of the development of Project Azul from the 30-year period of study from 2013 through 2042 is expected to be **\$23.4 Billion**. This impact is widely experienced and driven by all areas of construction, payroll, maintenance and operating activities, as noted below:

Cumulative Economic Impact 2013 through 2042

Sports Complex	\$0.1	Billion
Retail	\$3.0	Billion
Restaurant	\$0.6	Billion
Office	\$19.0	Billion
Hotels	\$0.6	Billion
Parking	\$0.1	Billion
Total	\$23.4	Billion



Project Azul
Cumulative Economic Impact
2013 through 2042 - In Billions of Dollars



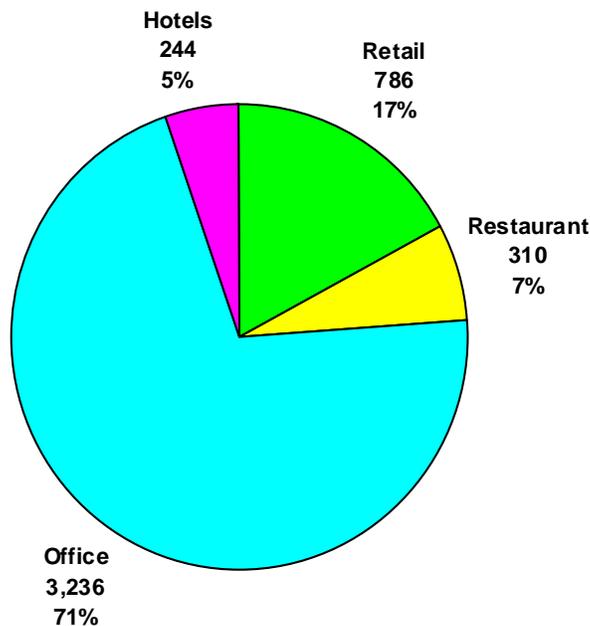
Employment Impact - 2013 through 2042: 4,576 new jobs at full development

At full development, expected by the year 2026, Project Azul employers could provide full time equivalent jobs for more than 4,500 persons.

This analysis includes direct and indirect employment for both construction and operating phases. Direct employment refers to persons located on the 91-acre site and on the payroll of each facility or employer, while indirect employment is generated by the purchase of goods and services by these business entities and their employees.

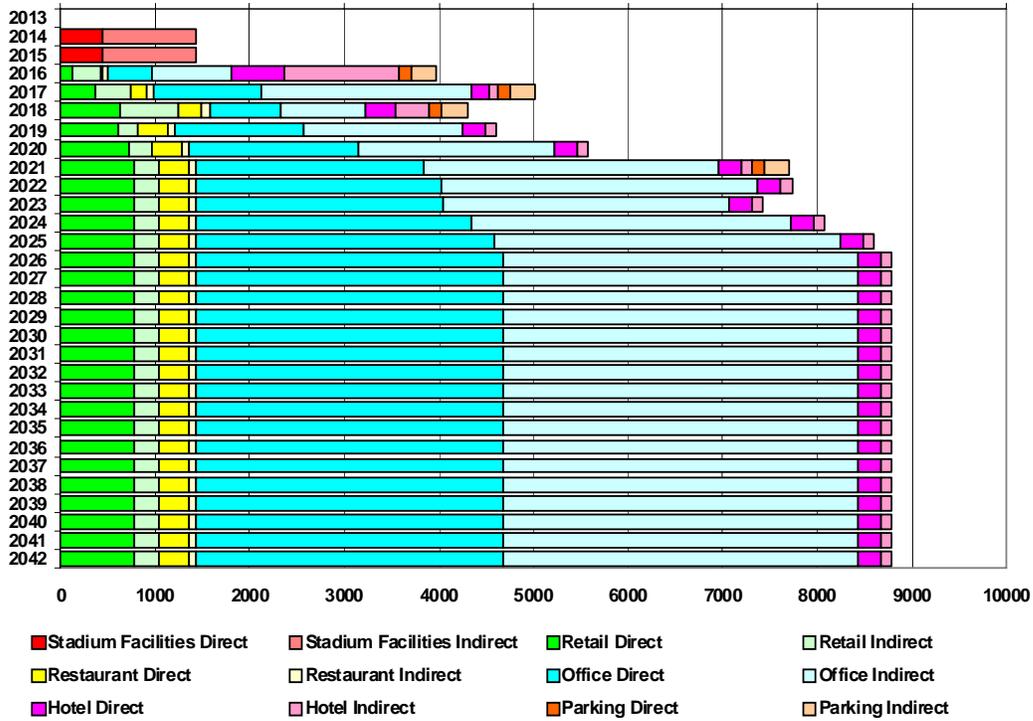
Like economic impact, indirect employment is also generated by a US BEA industry-specific multiplier for each type of business. While direct FTE jobs will be in Frisco, indirect jobs can occur at any location where the project's employers purchase goods or services.

**Project Azul
Total Direct Employment at 2026
4,576 New Jobs in Frisco**



Direct and indirect employment is associated with each Project Azul component in the current concept plan, with annual job growth progression illustrated in the graph below:

**Project Azul Employment Impact
Annual Job Growth Progression
2013 through 2042**



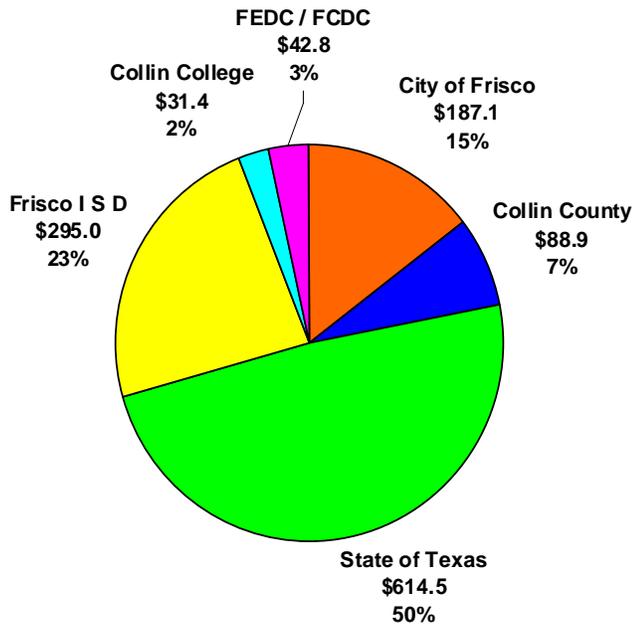
Tax Revenue Impact - Cumulative 2013 through 2042: \$1.26 Billion

Direct tax revenue impact refers to the taxes paid by each business entity located within Project Azul, while indirect taxes are tax benefits to the state and local jurisdictions as a result of employment and other taxable spending. Direct tax revenue streams are considered to be investment-grade, and may be available to financing commitments under certain agreements. Indirect revenue streams are not investment-grade, but reflect the value of potential taxes which can flow to each jurisdiction.

Tax advantages expected from the development of Project Azul are shown as cumulative totals below. Direct and indirect taxes as generated by the development and employment would be expected to yield **\$1.26 Billion** in cumulative tax revenues to the following jurisdictions from 2013 through 2042:

Cumulative Direct and Indirect Taxes, 2013 through 2042

	Direct	Indirect	Total Taxes
City of Frisco	\$109,011,000	\$78,124,000	\$187,135,000
Collin County	\$21,354,000	\$67,576,000	\$88,930,000
State of Texas	\$269,644,000	\$344,825,000	\$614,469,000
Frisco I S D	\$127,253,000	\$167,719,000	\$294,972,000
Collin College	\$7,522,000	\$23,911,000	\$31,433,000
FEDC / FCDC	\$33,232,000	\$9,609,000	\$42,841,000
Total	\$568,016,000	\$691,764,000	\$1,259,780,000



**Project Azul
Total Tax Revenue
2013 through 2042**

METHODOLOGY, DEFINITIONS AND ASSUMPTIONS

This analysis examines the following types of impact as defined below. Detailed development assumptions used are provided in the Assumptions Appendix immediately following this transmittal letter.

- 1. Economic Impact.** Economic impact is the benefit to the general economy of the entire Dallas region, shown as a multiplier and generally referred to as the "economic ripple effect." This analysis uses Insight Research Corporation's Impact TRAKKER® methodology, incorporating U.S. Bureau of Economic Analysis Regional Input-Output Modeling System (US BEA RIMS II) multipliers specific to Collin County and investment-grade tax revenue protocols for the applicable jurisdictions.
- 2. Direct and Indirect Employment Impact.** This analysis captures direct and indirect employment for both construction and operating activities. Direct employment refers to jobs on-site and on the payroll of each employer in the development, while indirect employment is generated by the first tier purchase of goods and services by these businesses and their employees.
- 3. Direct and Indirect Tax Revenue Impact.** Direct tax revenue impact quantifies the taxes expected to be paid by each component of the development to applicable jurisdictions, while indirect taxes are tax benefits to the state and local jurisdictions as a result of first tier employment and other taxable spending.

As noted, direct tax revenue streams may be available to investment or financing commitments under certain agreements. Indirect revenue streams are not investment-grade, but reflect the "ripple effect" of potential taxes which can flow to each jurisdiction.

LIMITATIONS OF THE ASSUMPTIONS

- ▶ Total economic impact of the development extends beyond the Dallas Metropolitan Division (MD) as some purchases are made outside the region.
- ▶ Employment of any part-time workers has been reduced to "full time equivalent" positions (FTE) using a standard workweek and benefits.
- ▶ Econometric modeling uses a "constant dollar" analysis, with no property value or tax increases, no depreciation, and no Consumer Price Index (CPI) or Cost of Living Adjustment (COLA) increases assumed.
- ▶ Assumptions include local point-of-sale on taxable equipment and construction materials.
- ▶ Tax revenue impact does not include federal income tax or state franchise tax on payrolls or on the activities of the businesses, which may be determined as employer tax match requirements, a tax on annual sales, net profits or book values.
- ▶ No tax deferrals such as incentives or abatements are included in these calculations.

Flexible econometric models are now in place which may be modified at your request as you evaluate the alternatives for Project Azul. Thank you for the opportunity to be of service. I look forward to our further discussions and may be reached at your convenience at (972) 238-8838.

Sincerely,

A handwritten signature in blue ink that reads "M. Elizabeth Morris". The signature is written in a cursive style and is positioned to the left of a vertical red line.

M. Elizabeth Morris
CEO / Chief Economist

**Appendix: Assumptions Used for Analysis
of the Project Azul Concept Plan**

Applicable Tax Rates	Page 1
Construction Timing Assumptions	Page 2
Lease Up Timing Assumptions	Page 3

Project Azul

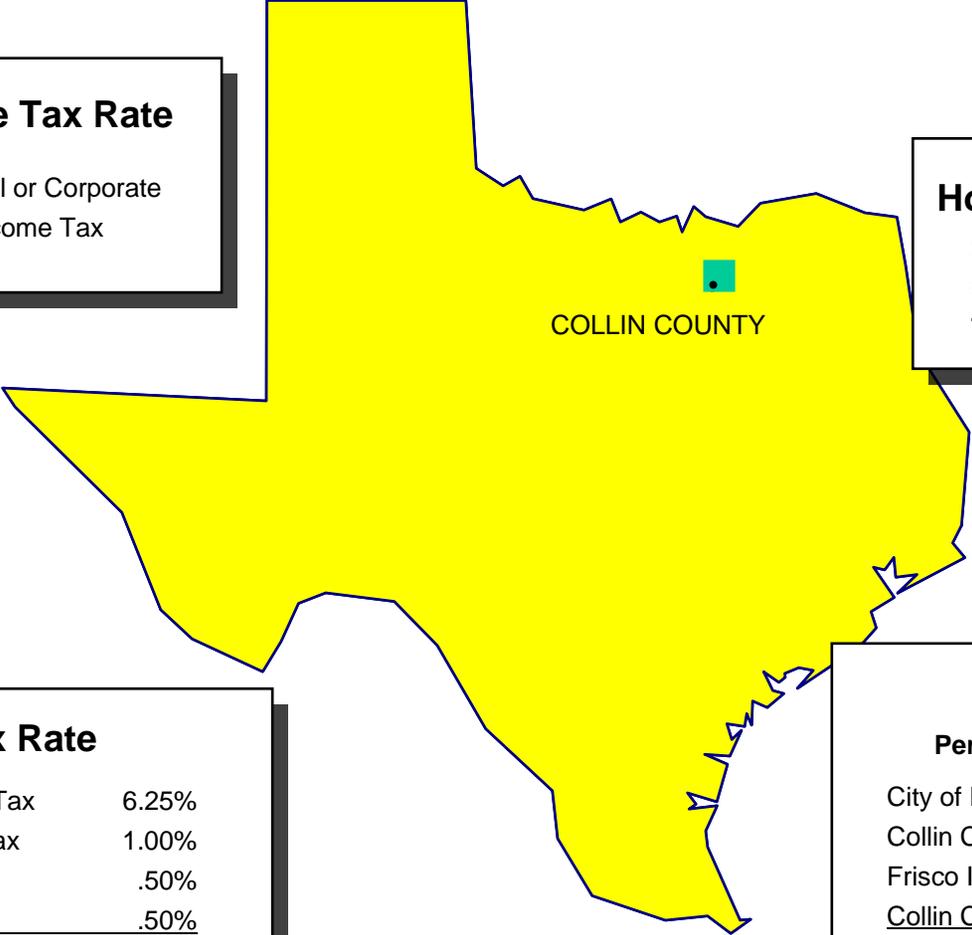
Applicable Tax Structure

Income Tax Rate

No Personal or Corporate
State Income Tax

Hotel/Motel Occupancy Tax

State of Texas	6.00%
City of Frisco	7.00%
Total Occupancy Tax	13.00%



COLLIN COUNTY

Sales Tax Rate

State of Texas Sales Tax	6.25%
City of Frisco Sales Tax	1.00%
FEDC	.50%
FCDC	.50%
Total Sales Tax	8.25%

*No sales tax is charged on
manufacturing equipment.*

Property Tax Rate

Per \$100 of Assessed Valuation

City of Frisco	\$0.461910
Collin County	\$0.245000
Frisco ISD	\$1.460000
Collin College	\$.086299
Total	\$2.253209

TIRZ #5 CONSTRUCTION TIMING

		2016	2017	2018	2019	2020	2021	2022	TOTAL SF
PARCEL # 3	OFFICE								
	Offices	120,000	60,000		60,000				240,000
PARCEL # 4	RETAIL								
	High End Sports Retail	110,000							110,000
PARCEL # 5	RESTAURANTS								
	Plaza Restaurants	22,500	15,000						37,500
PARCEL # 6	CORPORATE OFFICES								
	Corporate Offices	100,000							100,000
PARCEL # 7	RETAIL / HOTEL								
	Retail			90,000					90,000
	Select Service Hotel - (200 Rooms)			180,000					180,000
PARCEL # 8	OFFICE / HOTEL								
	Offices		500,000				200,000	200,000	900,000
	Retail		62,000	72,000					134,000
	Luxury Five Star Hotel (280 Rooms)	220,000							220,000
PARCEL # 9	RETAIL								
	Retail		58,000	26,000					84,000
	Restaurant			13,000					13,000
TIRZ #5 TOTAL									2,108,500

TIRZ #5 LEASE UP TIMING

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	TOTAL LEASED
PARCEL # 3	OFFICE												
	Offices		30,000	45,000	45,000	48,000	24,000	15,000	9,000				216,000
PARCEL # 4	RETAIL												
	High End Sports Retail		110,000										110,000
PARCEL # 5	RESTAURANTS												
	Plaza Restaurants		22,500	15,000									37,500
PARCEL # 6	CORPORATE OFFICES												
	Corporate Offices	100,000											100,000
PARCEL # 7	RETAIL / HOTEL												
	Retail				45,000	22,500	13,500						81,000
	Select Service Hotel - (200 Rooms)				180,000								180,000
PARCEL # 8	OFFICE / HOTEL												
	Offices			125,000	125,000	125,000	75,000	50,000	100,000	100,000	80,000	30,000	810,000
	Retail			31,000	51,500	27,300	10,800						120,600
	Luxury Five Star Hotel (280 Rooms)		220,000										220,000
PARCEL # 9	RETAIL												
	Retail			58,000	13,000	6,500	3,900						81,400
	Restaurant				13,000								13,000
TIRZ #5 TOTAL													1,969,500
	Parking Demand	1,238	1,744	913	133	0	444	444					4,916
	Parking Construction	1,250	1,250	1,250	0	0	1,250	0					5,000



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INSIGHT RESEARCH CORPORATION

Our Mission

“Insight Research Corporation clearly defines the economic costs and benefits of project alternatives so that decision makers have fully informed choices.”

Insight Research Corporation is one of the nation’s most respected and recognized economic analysis firms. Founded in 1981, the firm’s custom approaches and leading edge methodologies have received wide industry acclaim. Completing assignments in the United States, Canada and Mexico -- in three languages and three currencies -- Insight Research Corporation has a long standing reputation for confidentiality, clarity, accuracy and added value.

Insight Research Corporation is noted for translating complex issues into clear communications for public audiences. To assure the complete objectivity of its work, Insight Research does no incentive negotiations; instead, providing its public and private clients with an independent, third-party statistical research laboratory.

Our Practice Areas

Insight Research Corporation is a proven provider of professional analytical services including:

- Economic, Employment, and Investment-Grade Tax Revenue Impact Analysis
- Land Development Simulation Analysis and Public Finance Impact
- Third Party, Independent Socioeconomic Support for Transportation Improvements
- Public Cost-Benefit Analysis
- Retail Opportunity Analysis
- Group Decision-Making Support, Including Business Site Location

All analytical services provided by Insight Research Corporation are confidential and custom-designed to address the specific needs of each client. Insight Research maintains DBE and HUB certifications.

*“Every day in North America,
an Insight Research project is front page news.”*

Impact TRAKKER®

A Multi-Jurisdictional Analysis of Economic, Employment and Investment-Grade Tax Revenue Impact

**“What will the proposed project mean to this community in jobs,
new dollars in the economy and tax revenues over time?”**

Insight Research Corporation has refined and improved traditional economic analysis protocols to evaluate the detailed economic, employment and investment-grade tax impacts of public and private capital investments, major projects, transportation alternatives and business site locations and expansions.

Insight Research Corporation's approach employs the methodologies of the US Bureau of Economic Analysis Input-Output Modeling System (RIMS II) and Statistique Canada, the “gold standards” of economic analysis in the United States and Canada respectively.

In addition, Insight's unique approach provides investment-grade tax analysis suitable for taking the transaction to the next financial step in implementation. The **Impact TRAKKER®** has many successful applications for a wide variety of projects in the United States and Canada, including:

- Supporting special district formation, financing needs and documentation,
- Quantifying economic, employment and investment-grade tax impacts of public and private developments to strengthen strategic partnerships
- Quantifying the multi-jurisdictional economic, employment and fiscal impact of transportation improvements, assisting jurisdictions in placing bonds and obtaining right-of-way

For information about Insight's **Impact TRAKKER®** services, please contact:

Elizabeth Morris, CEO/Chief Economist
Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

FlexTRAK DSM_{TM}
Flexible Land Development Simulation Modeling
for Local Governments

FlexTRAK DSM_{TM}, an innovate and accurate development simulation modeling process, provides short and long term, risk-free examinations of future zoning, annexation, community and economic development alternatives, helping to answer the key question:

“Can our city afford its future?”_{TM}

FlexTRAK DSM_{TM} examines a community’s future growth and land use options under different development or redevelopment scenarios while simultaneously estimating the financial impacts to the jurisdiction of each alternative.

Applications for the **FlexTRAK DSM_{TM}** flexible land development simulation modeling include:

- Examining the city’s future operating and capital needs under alternative development scenarios, testing options in a risk-free environment
- Forecasting community growth and tax revenues under alternative hypothetical scenarios
- Examining the tax revenue outcomes produced from different types of residential and commercial development
- Exploring the tax impact of annexation decisions
- Quantifying the impact of economic cycles on planning and financial expectations

For further information to meet your community’s
Development Simulation Modeling needs, please contact:

Elizabeth Morris, CEO/Chief Economist
Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

Economic Analysis Services for the Transportation Industry

Independent Traffic and Revenue Analysis Support

Insight Research Corporation independently prepares and/or cross checks population and employment forecasts as needed in support of proposed transportation and infrastructure improvements. These studies can be prepared at the precise, small area traffic study zone level for proposed corridors or projects. Insight identifies proposed land development and quantifies population and employment forecasts for a defined study area, and may recommend updates to forecasts used by the region's designated Metropolitan Planning Organization (MPO). As mandated under current Federal Economic Impact Statement requirements (EIS, FEIS, DEIS), these analyses must be prepared by an independent economic professional.

Multi-Jurisdictional Analysis of Economic, Employment, Tax Revenue and Cost/Benefit Impact for Transportation Projects

Insight Research Corporation has special depth in the economic impact analysis of transportation improvements. Insight's advanced modeling capacity captures not only the often cited economic and employment impacts of public design and construction expenditures, but uniquely includes the direct and indirect tax impacts by specific jurisdiction of the following transportation activities:

- Design and Construction Investments for Alignment Alternatives
- Right-of-Way Purchase and Reinvestment
- Estimates of Adjacent Private Development Potential
- Construction Phase Business Interruption Losses
- Business Activity Gains Due to Improved Access and Visibility
- Impacts of Toll versus Non-Toll Alternatives
- Lost Opportunity Impacts of "No Action"
- Environmental Impacts and Environmental Justice Issues

For further information about transportation project support, please contact:

Elizabeth Morris, CEO/Chief Economist
Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

Economic Analysis Services for the Transportation Industry

Passenger and Freight Rail Infrastructure Support

Since the firm's inception in 1981, Insight Research Corporation has prepared economic, employment and investment-grade tax revenue impact analyses for improvements to passenger and freight railroad networks.

Passenger Rail Oriented Development Impact Analysis: Insight has experience in quantifying the impacts of this fast-growing development category, including Transit-Oriented Development (TOD) of multiple-use, pedestrian-scale development at passenger rail stations. Two of the most copied and successful of these developments are Mockingbird Station, located in Dallas, Texas on the Dallas Area Rapid Transit (DART) passenger rail line in Dallas and Galatyn Park Station, located in Richardson, Texas, also on the DART line, which continues to be a focal point for additional mixed use development.

Insight has also worked as a subcontractor to major engineering firms in the California High Speed Rail Project and the Trans Texas Corridor conceptual plan, with both projects having freight and passenger use implications.

Freight Rail Improvements: In keeping with "greening" of the logistics industry in North America, rail and multi-modal shipping continues to increase its market share, requiring numerous rail and infrastructure improvements to accommodate state-of-the-art transportation options. Insight assists Class 1 and short line railroads with public communications with regard to needed rail infrastructure, quantifying the economic benefits to answer the question "What's the direct benefit of these rail improvements to our city, our business community and our state?" Taxed as utilities, railroads are subject to specialized tax assessments which vary from state to state. Quantifying these investment-grade tax benefits of railroads is a highly specialized niche in which Insight Research Corporation has excelled.

Applications for Insight's rail industry impact analysis services include:

- Defining regional economic and tax benefits for public communications and financial vehicles
- Quantifying the value of rail improvements to passenger and freight mobility
- Identifying the employment impact for the region, often by jurisdiction of jobs created
- Illustrating regional impact on the business community of passenger or freight rail improvements

For further information about transportation project support, please contact:

Elizabeth Morris, CEO/Chief Economist
Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

The ROAN Report®

“A Diagnostic Analysis of Retail Opportunity”

The **ROAN Report®** is a breakthrough in retail analysis which measures the gap between retail supply and demand in virtually any custom-designated geographic trade area in the United States or its territories. This diagnostic analysis is designed to answer the questions:

“What retail use will be most profitable on this site?”

“What is the unmet demand for certain goods and services at this site?”

The **ROAN Report®** has been refined, calibrated and tested in an applied research environment, and used by Insight Research Corporation’s clients in hundreds of retail site evaluations throughout the United States.

The analytical approach of The **ROAN Report®** adds significant value by reducing retail risk and revealing current unmet retail demand across fifteen retail categories. **The ROAN Report®** is unique to the retail industry because, for the first time, both supply and demand information are provided in one cost-effective, timely and completely custom analysis.

Included in this report is the following information:

- Quantification of New or Unmet Retail Potential
- Supportable Retail Square Footage
- Sales Tax Revenue Potential
- Identification of Retail Needs Currently Met
- Population and Income Trends in the Study Area
- Quantification of New Retail Job Potential

ROAN Report® applications include:

- Determining optimum size and location of new retail projects
- Determining desired tenant mix in new retail developments
- Evaluation of probable sales tax and employment outcomes of proposed retail developments

For further information about The ROAN Report®, please contact:

Mollie Tully, Director of Statistical Analysis, Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

The FAST TRAKKER®

“A Cost/Benefit Analysis Breakthrough”

Two of the most controversial questions facing communities are:

“What kind of incentives can we afford to offer to desirable new businesses?”
“When can we expect to get our investment back?”

Insight Research’s **FAST TRAKKER®** is designed to be used in-house by city or economic development professionals to address the following issues:

Costs:

- Public service cost
- Incentives, abatements, grants rebates, infrastructure participation, fee waivers
- Environmental credits
- Special tax exemptions

Benefits:

- New assessed values
- Real and personal property taxes
- Inventory and sales taxes
- Permit and fee generation
- Utility franchise fees
- Land or special use donations

All financial analyses are prepared by the city or EDC’s staff, safeguarding project confidentiality. Methodology is tailored for the jurisdiction’s individual tax and incentive structure, as well as for each project opportunity. Comparative results are illustrated by colorful graphics to improve communications for municipal professionals, elected officials and the public.

Insight Research Corporation provides the friendliest, most knowledgeable support services in the industry to assist the user -- by telephone, e-mail or on-site. Support services include annual updates and optional attendance user conferences. Five models of the **FAST TRAKKER®** are available to accommodate project timeframes and financial variables.

FAST TRAKKER® applications include:

- Computing the cost-to-benefit relationship of a proposed project
- Testing multiple cost options against the potential benefits
- Evaluating the cost-to-benefit outcomes of incoming development proposals for incentive negotiation

For more information on the Fast Trakker®, Contact:

Sarah Edquist, Director of Municipal Services, Insight Research Corporation
Telephone 972-238-8838
Email: theteam@getinsight.com

The Final List[®]

“Score, Weight, Rank and Decide”

The **Final List**[®] consulting services allow organizations to streamline group decision making by ranking options and defined variables to see which best corresponds with their stated objectives. This methodology may be applied to virtually any type of group decision, but is most frequently employed for business site location searches.

Insight Research Corporation provides support in business location decisions with confidential consulting, research and analytical support for companies of many sizes, particularly those with high growth or specialized labor force concerns. Business location analysis allows a company to define and quantify its relocation or expansion goals, translating those goals into action.

Insight Research Corporation’s **Final List**[®] consulting services provide its clients with the following:

- A flexible, extensively tested analytical system for all types of business activities: manufacturing, retail, corporate headquarters, data control centers, call and service centers
- On-line, library and data gathering resources for geographically specific business information, skillfully refined to assure "apples-to-apples" site comparisons
- Objectivity, experience and confidentiality
- Experience in regionally related cost variations
- The ability to quantify the “best fit” location for all types of facilities
- A tested method to streamline group decisions, accommodating and weighting agreed upon criteria

For further information about comparative business site location analysis, please contact:

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Insight Research Corporation
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Email: theteam@getinsight.com

INSIGHT RESEARCH CORPORATION
Partial List of Public Sector Clients

FEDERAL

FDIC
 US Department of Energy
 US Dept of Housing &
 Urban Development

STATES/PROVINCES

Arkansas
 Iroquois Indian Nation
 Louisiana
 Michigan
 Minnesota
 Nova Scotia
 Oklahoma
 Quebec
 Tennessee
 Texas

CITIES/COUNTIES

Aberdeen, MD
 Alameda, CA
 Albuquerque, NM
 Allen Park, MI
 Allen, TX
 Alexandria, VA
 Ann Arbor, MI
 Arlington, TX
 Asheville, NC
 Atlanta, GA
 Austin, MN
 Austin, TX
 Baltimore, MD
 Battle Creek, MI
 Beaumont, CA
 Bedford, TX
 Beloit, WI
 Bethel, CT
 Borger, TX
 Boston, MA
 Calgary, AB
 Cambridge, ON
 Carol Stream, IL
 Carrollton, TX
 Cedar Hill, TX
 Cedar Rapids, IA
 Champaign, IL
 Charlotte, NC
 Chicago, IL
 Cleveland, OH
 Colleyville, TX
 Collierville, TN
 Collin County, TX

Columbia, SC
 Coppell, TX
 Corpus Christi, TX
 Corsicana, TX
 Cross County, AR
 Dallas, TX
 Davenport, IA
 Denton, TX
 Denver, CO
 DeSoto, TX
 Edmond, OK
 El Paso, TX
 El Segundo, CA
 Ennis, TX
 Euless, TX
 Farmers Branch, TX
 Fayetteville, TN
 Flint, MI
 Florence, KY
 Flower Mound, TX
 Forney, TX
 Fort Worth, TX
 Fort Smith, AR
 Frankfort, IN
 Fremont, MI
 Garland, TX
 Grand Prairie, TX
 Grand Rapids, MI
 Grapevine, TX
 Greenville, SC
 Haltom City, TX
 Houston, TX
 Indianapolis, IN
 Jackson, MS
 Jonesboro, AR
 Kansas City, MO
 Katy, TX
 Keller, TX
 Killingly, CT
 Kinston, NC
 Kirkwood, NY
 Lake Charles, LA
 Lake Worth, TX
 Lansing, MI
 Lauzon, Quebec
 Lexington, KY
 Lubbock, TX
 Lynchburg, VA
 Mansfield, TX
 Marion, AR
 Marysville, MI
 McKinney, TX
 Memphis, TN

Mesquite, TX
 Miami, FL
 Midlothian, TX
 New York (Manhattan), NY
 Niles, OH
 Northbrook, IL
 Oak Forest, IL
 Oklahoma City, OK
 Olive Branch, MS
 Orlando, FL
 Pearland, TX
 Peoria, IL
 Pflugerville, TX
 Plano, TX
 Plymouth, MI
 Port Fourchon, LA
 Portland, OR
 Raleigh, NC
 Rancho Cucamonga, CA
 Reno, NV
 Richardson, TX
 Rockwall, TX
 Rock Springs, WY
 Rockville, MD
 Rowlett, TX
 Saginaw, MI
 Salt Lake City, UT
 San Antonio, TX
 San Diego, CA
 Schaumburg, IL
 Shelby County, TN
 Southgate, MI
 Southlake, TX
 St Louis, MO
 Sterling Heights, MI
 Summit, IL
 Sweetwater, WY
 Tallulah, LA
 Tampa, FL
 Topeka, KS
 Visalia, CA
 Waco, TX
 Waterford, MI
 Waxahachie, TX
 West Chicago, IL
 West Memphis, TN
 West Valley, UT
 Wichita Falls, TX
 York, PA
 Youngstown, OH

INSIGHT RESEARCH CORPORATION

Partial List of Private Sector Clients

LEGAL

Akin Gump Strauss Hauer
& Feld
Canterbury, Elder, Gooch,
Surratt, Shapiro & Stein
Fulbright Jaworski
Gardere Wynne Sewell
Hughes & Luce, LLP
Jackson Walker
Munsch, Hardt, Kopf, Harr
Shannon, Gracey, Ratliff &
Miller
Strasburger & Price, LLP
Vinson & Elkins
Winstead Attorneys

CORPORATE

3-M Company
Albertsons Inc.
American Express
Angelika Theaters
Accenture
AT&T
Blue Cross-Blue Shield
Bureau of Nat'l Affairs
(BNA)
Cabela's
CB Commercial
Cottonwood Development
Craig International
D.L. Horton
Dallas Design District
Dell Computer Corporation
Dr Pepper Snapple Group,
Inc.
Ernst & Young
Frito-Lay, Inc.
G E Capital Corporation
General Growth Properties
Gerber Products Corp
Half Associates
Hillwood Development
HNTB
Hunt Properties, Inc.
Intelsat
Jacobs Engineering
Group, Inc.
Jones Lang LaSalle
K. Hovnanian Homes
Kimley-Horn
Koch Industries

KPMG
Lowe's Inc.
Maguire Properties
Marathon Group
Marlin Atlantis White
Matthews Southwest CA
Medtronics
Merrill Lynch
Microsoft
Mobil Land Development
Mobil Oil Corporation
Mutual of New York
Bank of America
Nestle Corporation
PepsiCo Inc.
Pepsico International
Perot Systems Corp.
Raytheon
Rich's Food Products
Roadway Express
Rosewood Properties, Inc.
RTKL, Inc., Architects
SABRE Group
Sandoz Pharmaceutical
Simon Properties Group,
Inc.
Skywalker Development
/Lucas Films
Southland Corporation
T-Mobile
Texas Industries (TXI)
Texas Instruments Inc.
The Container Store
Thomas Properties
Torchmark Insurance
Trammell Crow Company
TriCon Global Taco Bell,
KFC, Pizza Hut
Verizon
Visa International
Westinghouse
Woodbine Development
Xerox Realty Corporation

PROFESSIONAL SPORTS

Dallas Stars (NHL)
Ft Worth Motor Speedway
Lone Star Park
Major League Baseball

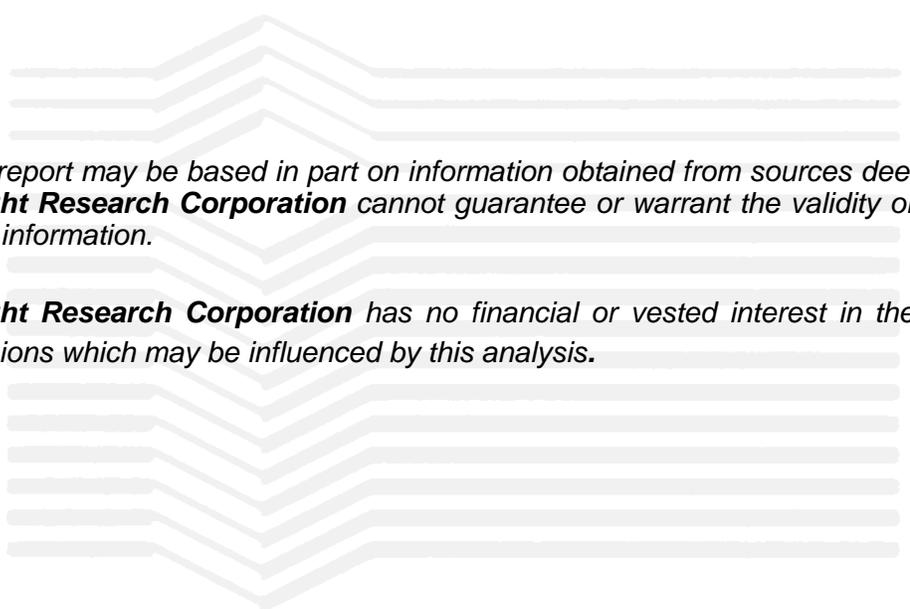
National Basketball
Association (NBA)
National Football League
San Antonio Spurs (NBA)
St Louis Rams (NFL)
Stafford Sports
Texas Motor Speedway

TRANSPORTATION

Airbus
Alliance Airport
BNSF Railroad
CSX Intermodal
CSX Railroad
CSX Transportation, Inc.
D/FW International Airport
Dallas Area Rapid Transit
Daimler-Chrysler
Dulles International Airport
Fed Ex
Federal Express Ground
Infrastructure Ventures
McLane Trucking
Norfolk Southern Corp.
North Central Texas
Council of Gov'ts
North Texas Tollway
Authority
Pacer Stacktrain
SYSTRA
TX Dept of Transportation
Union Pacific Railroad
URS
Wilbur Smith Associates

NON-PROFITS

Arts of Collin County
Baptist General Conv.
Greater Dallas Chamber
Home and Apartment
Builders Association
Lutheran Brotherhood
OK City Chamber
Presbyterian Foundation
Sci-Tech Discovery Ctr.
Texas A&M Commerce
Woodall Rodgers Park
Foundation
YMCA



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***Insight Research Corporation** has no financial or vested interest in the outcome of decisions which may be influenced by this analysis.*