

Tax Increment Reinvestment Zone #4

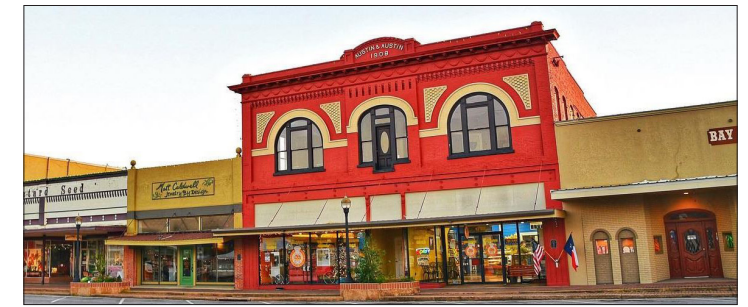
Bay City, Texas

PROJECT AND FINANCING PLAN
FEBRUARY 2023



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Bay City, the county seat of Matagorda County, is an incorporated city at the junction of State Highways 35 and 60, in the north central portion of the county seventy-eight miles southwest of Houston. The community is named for its location on Bay Prairie, between the richly productive bottomlands of the Colorado River and Caney Creek. The population was 17,614 at the 2010 census. It is the county seat of Matagorda County.



The vision of the Bay City Main Street program is for downtown Bay City to be the pulse of the County: celebrating historic pride, economic vitality and the best of Texas hospitality. Bay City is only sixty minutes away from Houston, the largest city in Texas, with a myriad of world class art performances, professional sports games and medical facilities.

DISCLAIMER

Our conclusions and recommendations are based on current market conditions and the expected performance of the national, and/or local economy and real estate market. Given that economic conditions can change and real estate markets are cyclical, it is critical to monitor the economy and real estate market continuously, and to revisit key project assumptions periodically to ensure that they are still justified.

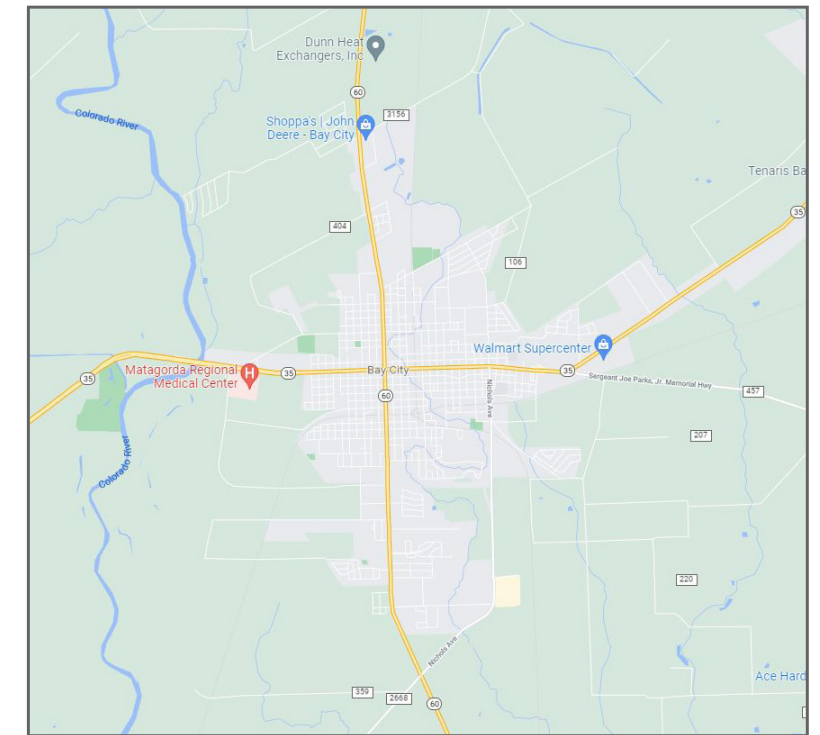
The future is difficult to predict, particularly given that the economy and housing markets can be cyclical, as well as subject to changing consumer and market psychology. There will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and the differences may be material.



Tax Increment Reinvestment Zone #4, Bay City

Tax Increment Reinvestment Zone #4 (TIRZ) was created on March 22, 2022 by Ordinance 1689 with the goals of funding the construction of needed public infrastructure and encouraging private development that will yield additional tax revenue to all local taxing jurisdictions. This project and financing plan outlines the funding of \$14,773,544 in public improvements related to water, sanitary sewer, and storm water facilities, as well as street and intersection improvements, and utilities and street lighting. The TIRZ can fund these improvements through ad valorem participation of eligible taxing jurisdictions.

Without the implementation of the TIRZ, the specified property would continue to impair the sound growth of the municipality.



 - TIRZ #4 Boundary

Legal Description

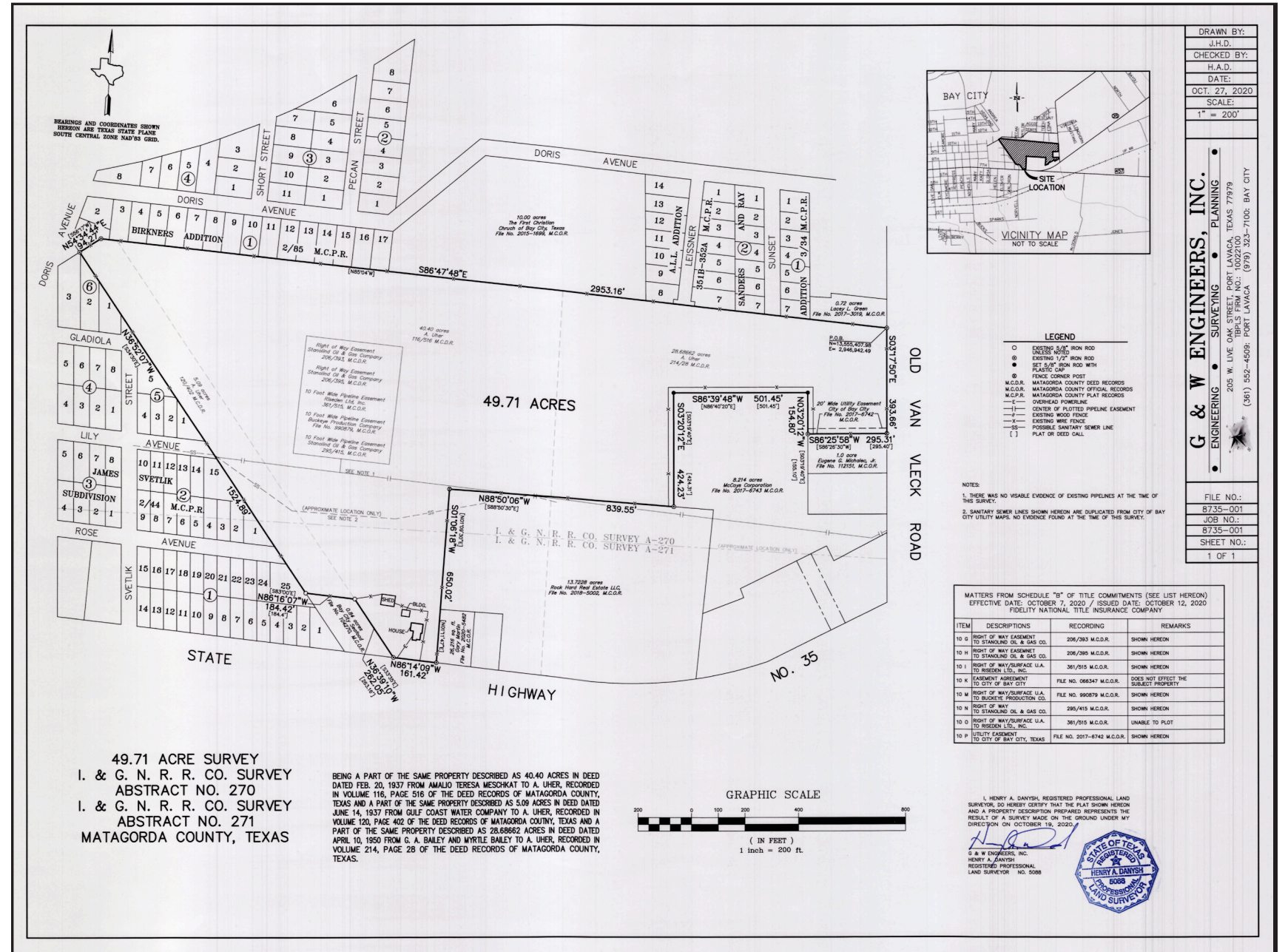
STATE OF TEXAS
 COUNTY OF MATAGORDA

All of that certain tract or parcel containing 49.71 acres situated in the I. & G. N. R. R. Company Survey, Abstract No. 270 and in the I. & G. N. R. R. Company Survey, Abstract No. 271 of Matagorda County, Texas and being a part of the same property described as 40.40 acres in Deed dated February 20, 1937 from Amalia Teresa Meschkat to A. Uher, recorded in Volume 116, Page 516 of the Deed Records of Matagorda County, Texas and a part of the same property described as 5.09 acres in Deed dated June 14, 1937 from Gulf Coast Water Company to A. Uher, recorded in Volume 120, Page 402 of the Deed Records of Matagorda County, Texas and a part of the same property described as 28.68662 acres in Deed dated April 10, 1950 from G. A. Bailey and Myrtle Bailey to A. Uher, recorded in Volume 214, Page 28 of the Deed Records of Matagorda County, Texas. This 49.71 acres is more particularly described by metes and bounds as follows:

BEGINNING at an existing 1/2 inch iron rod (N=13,555,407.98; E=2,946,942.49) located in the West line of Old Van Vleck Road and at the Southeast corner of a 0.72 acre tract described in Deed recorded in File No. 20173019 of the Official Records of Matagorda County, Texas for the Northeast corner of this 49.71 acres being described;

THENCE South 03° 17' 50" East, with the West line of Old Van Vleck Road a distance of 393.66 feet to an existing fence corner post located at the Northeast corner of a 1.0 acre tract described in Deed recorded in File No. 112151 of the Official Records of Matagorda County, Texas and at the Southeast corner of a 20 Foot Wide Utility Easement described in Deed recorded in File No. 20176742 of the Official Records of Matagorda County, Texas for East corner of this 49.71 acres being described;

THENCE South 86° 25' 58" West [deed call = South 86° 26' 30" West] crossing a portion of the said 28.68662 acre tract with the North line of the said 1.0 acre tract and the South line of the said Utility Easement, a distance of 295.31 feet [deed call = 295.40 feet] to an existing 1/2 inch iron rod located in the East line of an 8.214 acre tract described in Deed recorded in File No. 20176743 of the Official Records of Matagorda County, Texas and at the Northwest corner of the said 1.0 acre tract and at the Southwest corner of the said Utility Easement for a corner of this 49.71 acres being described;



Legal Description (Continued)

THENCE North 03° 20' 12" West [deed call = South 03° 19' 40" East], crossing a part of the said 28.68662 acre with the East line of the said 8.214 acre tract, a distance of 154.80 feet [deed call = 155.10 feet] to a 5/8 inch iron rod with plastic cap set at the Northeast corner of the said 8.214 acre tract for an interior corner of this 49.71 acres being described;

THENCE South 86° 39' 48" West [deed call = North 86° 40' 20" East], crossing a portion of the said 28.68662 acre tract with the North line of the said 8.214 acre tract, a distance of 501.45 feet [deed call = 501.45 feet] to a 5/8 inch iron rod with plastic cap set at the Northwest corner of the said 8.214 acre tract for an interior corner of this 49.71 acres being described;

THENCE South 03° 20' 12" East [deed call = South 03° 19' 40" East], crossing a portion of the said 28.68662 acre tract with the West line of the said 8.214 acre tract, a distance of 424.23 feet [deed call= 424.31 feet] to an existing 1/2 inch iron rod located in the North line of a 13.7228 acre tract described in Deed recorded in File No. 20185002 of the Official Records of Matagorda County, Texas and at a corner of the said 8.214 acre tract for a corner of this 49.71 acres being described;

THENCE North 88° 50' 06" West [deed call = South 88° 50' 30" East], crossing a portion of the said 28.68662 acre tract and a portion of the above referenced 40.40 acre tract, with the North line of the said 13.7228 acre tract, a distance of 839.55 feet to an existing fence corner post located at the Northwest corner of the said 13.7228 acre tract for an interior corner of this 49.71 acres being described;

THENCE South 01° 06' 18" West [deed call = North 01° 09' 30" East], crossing a portion of the said 40.40 acre tract with the West line of the said 13.7228 acre tract and the West line of a 26,216 Square Foot tract described in Deed recorded in File No. 20205482 of the Official Records of Matagorda County, Texas, a distance of 650.02 feet to an existing 1/2 inch iron rod located in the North line of State Highway No. 35 and at the Southwest corner of the said 26,216 Square Foot tract for the Southeast corner of this 49.71 acres being described;

THENCE North 86° 14' 09" West, with the North line of State Highway No. 35, a distance of 161.42 feet to an existing 1/2 inch iron rod located at the East corner of a 0.84 acre tract described in Deed recorded in File No. 104270 of the Official Records of Matagorda County, Texas for the lower Southwest corner of this 49.71 acres being described;

THENCE North 36° 39' 10" West [deed call = South 33° 35' East], with the Northeast line of the said 0.84 acre tract and the Northeast line of the above referenced 5.09 acre tract and the Southwest line of the said 40.40 acre tract, a distance of 262.05 feet [deed call= 263.16 feet] to an existing 5/8 inch iron rod located at the Northeast corner of the said 0.84 acre tract for an interior corner of this 49.71 acres being described;

THENCE North 86° 16' 07" West [deed call = South 83° 00' East], crossing the said 5.09 acre tract with the North line of the said 0.84 acre tract, a distance of 184.42 feet [deed call = 184.4 feet] to an existing 5/8 inch iron rod located in the East line of the James Svetlik Subdivision relative to the plat recorded in Volume 2, Page 44 of the Plat Records of Matagorda County, Texas and in the West line of the said 5.09 acre tract and at the Northwest corner of the said 0.84 tract for the upper Southwest corner of this 49.71 acres being described;

THENCE North 36° 52' 07" West [plat call = South 34° 30' East], with the Northeast line of the said subdivision and the West line of the said 5.09 acre tract, a distance of 1524.89 feet to an existing 1/2 inch iron rod located at the North corner of the said subdivision and at the Southwest corner of Birkner's Addition to the City of Bay City relative to the plat recorded in Volume 2, Page 85 of the Plat Records of Matagorda County, Texas and at the West corner of the said 5.09 acre tract for the West corner of this 49.71 acres being described;

THENCE North 54° 34' 44" East [plat call= South 56° 17' West], with an interior line of the said Birkner's Addition and the Northwest line of the said 5.09 acre tract, a distance of 94.27 to an existing 1/2 inch iron rod located at an interior corner of the said Birkner's Addition and at a corner of the said 5.09 acre tract for the Northwest corner of this 49.71 acres being described;

THENCE South 86° 47' 48" East [plat call= North 85° 04' West], with an interior line of the said Birkner's addition and the South line of a 10.00 acre tract described in Deed recorded in File No. 20151699 of the Official Records of Matagorda County, Texas and the South line of A. L. L. Subdivision relative to the plat recorded in Slide 351B-352A of the Plat Records of Matagorda County, Texas and the South line of Sander's and Ray Addition to the City of Bay City relative to the plat recorded in Volume 3, Page 34 of the Matagorda County Plat Records and the South line of the said 0.72 acre tract and with the North line of the said 5.09 acre tract and with the North line of the said 40.40 acre tract and with the North line of the said 28.68622 acre tract, a distance of 2953.16 feet to the PLACE OF BEGINNING, containing within these metes and bounds 49.71 acres.

The bearings and coordinates recited herein are Texas State Plane South Central Zone NAD'83 Grid based on RTK Network Base HAPB_0219.

Current Conditions

Land Use

The land within the boundaries of the zone is vacant with the exception of a single family home and small scale accessory buildings located on the southwest corner of the zone. The land within the zone is well positioned for future development.

Method of Relocating Persons to be Displaced

It is not anticipated that any persons will be displaced or need to be relocated as result of the implementation of the TIRZ.

Current Ownership Information

There is currently 1 parcel within the TIRZ #4 boundaries, Property ID 19964 owned by Crescent Capital Investments, LLC. The zone encompasses the majority of Property ID 19964, outlined below in blue, save and except the area surrounding the restaurant improvements on the southwestern corner of the tax parcel. The base year for TIRZ #4 will be 2022, the year in which the TIRZ was created. The 2022 taxable value of \$191,200 will need to be verified with the Matagorda County Appraisal District.



TIRZ #4 Parcel

Proposed Development

Anticipated Development

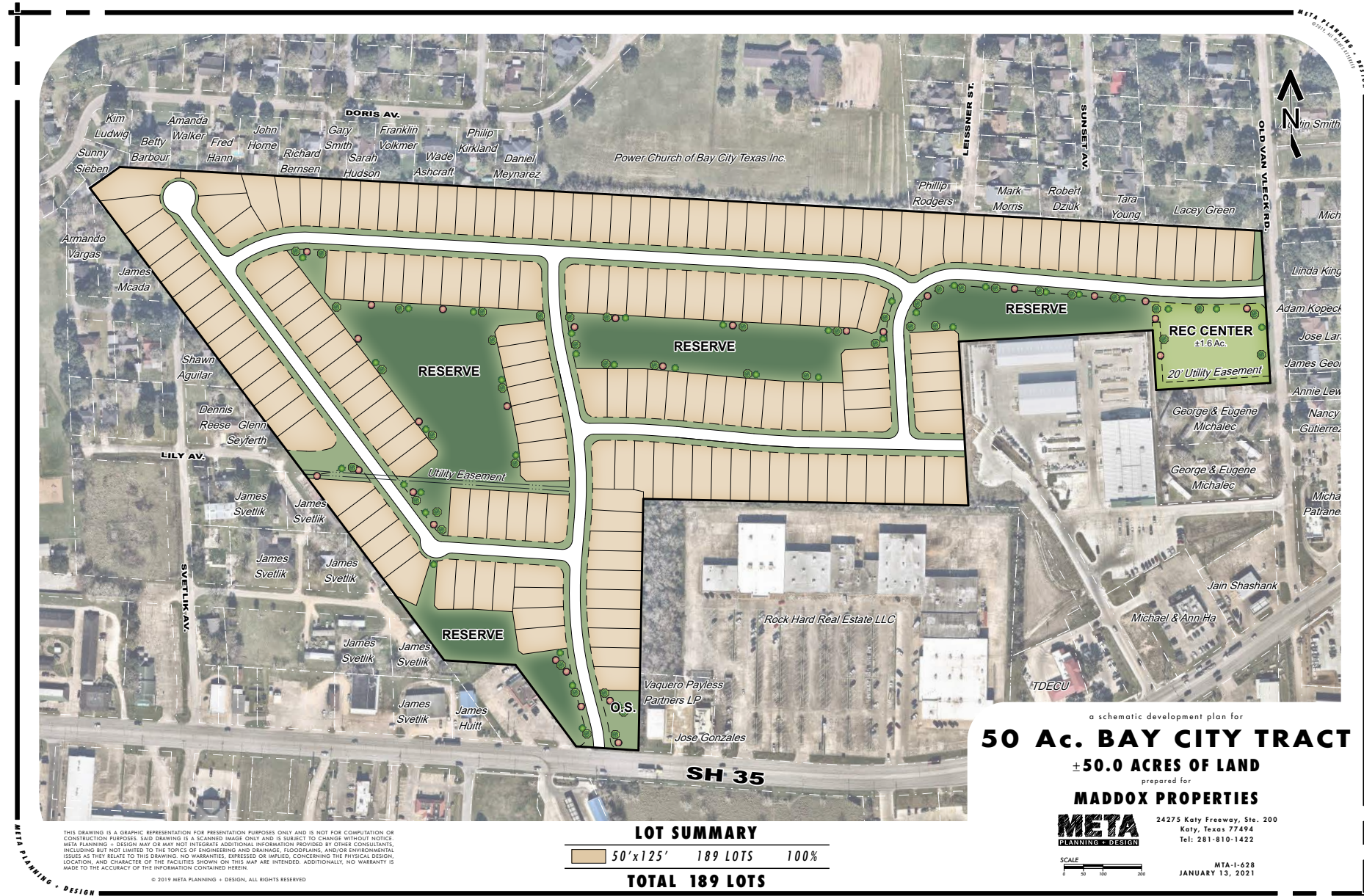
The vacant land within the TIRZ is well positioned for future single family development. The table below provides an overview of the scope of the potential development that could occur within the TIRZ, along with estimated dates of when the development construction would be completed.

	Units	Projected Completion Date	Taxable Value PSF/Unit	Incremental Value	Sales PSF	Total Sales
TIRZ #1A						
Single Family	189	2024	\$230,000	\$43,470,000	\$0.00	\$0
Total				\$43,470,000		\$0

Proposed Development

Anticipated Development

The conceptual plan below informed the projections on the previous page. The plan below and the projections listed above are not meant to limit potential development that could generate revenue for the TIRZ. It is anticipated that the projections could be updated in the future to reflect the then current market trends and taking into account the performance of the development within the TIRZ. It is anticipated that the development that occurs within the TIRZ could be financed in part by incremental real property tax generated within the TIRZ.



TIRZ #4 - Anticipated Development

Project Costs

Project Costs of the Zone

There are a number of improvements within Tax Increment Reinvestment Zone #4 that will be financed by in part by incremental real property tax generated within the TIRZ.

Proposed Project Costs		
Water Facilities and Improvements	\$ 3,250,180	22.0%
Sanitary Sewer Facilities and Improvements	\$ 3,250,180	22.0%
Storm Water Facilities and Improvements	\$ 3,250,180	22.0%
Street and Intersection Improvements	\$ 3,250,180	22.0%
Open Space, Park and Recreation Facilities and Improvements	\$ 1,403,487	9.5%
Administrative Costs	\$ 369,339	2.5%
	\$ 14,773,544	100.0%

The categories listed in the table above outline various public improvements, and are meant to include all projects eligible under Chapter 311, Section 311.002 of the Texas Tax Code. The costs illustrated in the table above are estimates and may be revised. Savings from one line item may be applied to a cost increase in another line item.

It is anticipated that the individual TIRZ project cost allocations will be evaluated on a case by case basis, consistent with the categories listed above, and brought forward to the TIRZ board and City Council for consideration.

Chapter 311 of the Texas Tax Code

Sec. 311.002.

(1) "Project costs" means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations. "Project costs" include:

(A) capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;

(B) financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;

(C) real property assembly costs;

(D) professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;

(E) imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;

(F) relocation costs;

(G) organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;

(H) interest before and during construction and for one year after completion of construction, whether or not capitalized;

(I) the cost of operating the reinvestment zone and project facilities;

(J) the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;

(K) the costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; and

(L) payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.

Method of Financing

To fund the public improvements outlined on the previous page, Bay City will contribute 50% of its real property increment within the zone generated within the TIRZ. Per separate interlocal agreements, Matagorda County, Matagorda County Hospital District, and the Port of Bay City will each contribute 50% of their real property increment within the zone generated within the TIRZ.

Debt Service

It is not anticipated at this time that the TIRZ will incur any bonded indebtedness.

Economic Feasibility Study

A taxable value analysis was developed as part of the project and financing plan to determine the economic feasibility of the project. The study examined the expected tax revenue the TIRZ would receive based on the previously outlined developments. A summary overview of the anticipated development unit counts and the anticipated taxable value per home can be found on Page 6.

The following pages show the estimated captured appraised value of the zone during each year of its existence and the net benefits of the zone to each of the local taxing jurisdictions as well as the method of financing and debt service.

Utilizing the information outlined in this feasibility study, DPED has found that the TIRZ is economically feasible and will provide the City and other taxing jurisdictions with economic benefits that would not occur without its implementation.

Real Property Tax - 2022 Rates		Participation	
Bay City	0.63500000	50%	0.3175000
Matagorda County	0.38532000	50%	0.1926600
Matagorda County Hospital District	0.28995000	50%	0.1449750
Port of Bay City	0.05007000	50%	0.0250350
Cons & Recl District	0.00773000	0%	0.0000000
Coastal Plains GW District	0.00394000	0%	0.0000000
Drainage District #1	0.03835000	0%	0.0000000
Bay City ISD	1.26000000	0%	0.0000000
	2.67036000		0.6801700

Personal Property Tax - 2022 Rates		Participation	
Bay City	0.63500000	0%	0.0000000
Matagorda County	0.38532000	0%	0.0000000
Matagorda County Hospital District	0.28995000	0%	0.0000000
Port of Bay City	0.05007000	0%	0.0000000
Cons & Recl District	0.00773000	0%	0.0000000
Coastal Plains GW District	0.00394000	0%	0.0000000
Drainage District #1	0.03835000	0%	0.0000000
Bay City ISD	1.26000000	0%	0.0000000
	2.67036000		0.0000000

Sales Tax Rate	0.0200000	0.00%	0.0000000
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Financial Feasibility Analysis

► INPUT

INFLATION RATE	2.00%
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DISCOUNT RATE	6.00%
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REAL PROPERTY TAX	PARTICIPATION		
Bay City	0.63500000	50%	0.31750000
Matagorda County	0.38532000	50%	0.19266000
Matagorda County Hospital District	0.28995000	50%	0.14497500
Port of Bay City	0.05007000	50%	0.02503500
Cons & Recl District	0.00773000	0%	0.00000000
Coastal Plains GW District	0.00394000	0%	0.00000000
Drainage District #1	0.03835000	0%	0.00000000
Bay City ISD	1.26000000	0%	0.00000000
	2.67036000		0.68017000

PERSONAL PROPERTY TAX	PARTICIPATION		
Bay City	0.63500000	0%	0.00000000
Matagorda County	0.38532000	0%	0.00000000
Matagorda County Hospital District	0.28995000	0%	0.00000000
Port of Bay City	0.05007000	0%	0.00000000
Cons & Recl District	0.00773000	0%	0.00000000
Coastal Plains GW District	0.00394000	0%	0.00000000
Drainage District #1	0.03835000	0%	0.00000000
Bay City ISD	1.26000000	0%	0.00000000
	2.67036000		0.00000000

Sales Tax Rate	0.0200000	0.00%	0.00000000
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TIRZ #1 A	Year	AREA SF/UNITS	REAL PROPERTY \$/ SF TAX VALUE	PERSONAL PROPERTY \$/ SF TAX VALUE	SALES \$/ SF TAX VALUE
Single Family	2024	189	\$ 230,000.00	\$ 43,470,000	\$ -
TOTAL		189	43,470,000	-	-

OUTPUT

TOTAL TAX REVENUE	TOTAL	REAL PROPERTY	PERSONAL PROPERTY	SALES				
Bay City	23.8%	\$ 13,771,753	=	\$ 13,771,753	+	\$ -	+	\$ -
Matagorda County	14.4%	\$ 8,356,743	=	\$ 8,356,743	+	\$ -	+	\$ -
Matagorda County Hospital District	10.9%	\$ 6,288,378	=	\$ 6,288,378	+	\$ -	+	\$ -
Port of Bay City	1.9%	\$ 1,085,908	=	\$ 1,085,908	+	\$ -	+	\$ -
Cons & Recl District	0.3%	\$ 167,647	=	\$ 167,647	+	\$ -	+	\$ -
Coastal Plains GW District	0.1%	\$ 85,450	=	\$ 85,450	+	\$ -	+	\$ -
Drainage District #1	1.4%	\$ 831,727	=	\$ 831,727	+	\$ -	+	\$ -
Bay City ISD	47.2%	\$ 27,326,629	=	\$ 27,326,629	+	\$ -	+	\$ -
	100.0%	\$ 57,914,235		\$ 57,914,235		\$ -		\$ -
		100.0%		100.0%		0.0%		0.0%

TOTAL PARTICIPATION	TOTAL	REAL PROPERTY	PERSONAL PROPERTY	SALES				
Bay City	46.7%	\$ 6,885,877	=	\$ 6,885,877	+	\$ -	+	\$ -
Matagorda County	28.3%	\$ 4,178,372	=	\$ 4,178,372	+	\$ -	+	\$ -
Matagorda County Hospital District	21.3%	\$ 3,144,189	=	\$ 3,144,189	+	\$ -	+	\$ -
Port of Bay City	3.7%	\$ 542,954	=	\$ 542,954	+	\$ -	+	\$ -
Cons & Recl District	0.0%	\$ -	=	\$ -	+	\$ -	+	\$ -
Coastal Plains GW District	0.0%	\$ -	=	\$ -	+	\$ -	+	\$ -
Drainage District #1	0.0%	\$ -	=	\$ -	+	\$ -	+	\$ -
Bay City ISD	0.0%	\$ -	=	\$ -	+	\$ -	+	\$ -
	100.0%	\$ 14,751,391		\$ 14,751,391		\$ -		\$ -
		100.0%		100.0%		0.0%		0.0%

NET BENEFIT	TOTAL	REAL PROPERTY	PERSONAL PROPERTY	SALES				
Bay City	16.0%	\$ 6,885,877	=	\$ 6,885,877	+	\$ -	+	\$ -
Matagorda County	9.7%	\$ 4,178,372	=	\$ 4,178,372	+	\$ -	+	\$ -
Matagorda County Hospital District	7.3%	\$ 3,144,189	=	\$ 3,144,189	+	\$ -	+	\$ -
Port of Bay City	1.3%	\$ 542,954	=	\$ 542,954	+	\$ -	+	\$ -
Cons & Recl District	0.4%	\$ 167,647	=	\$ 167,647	+	\$ -	+	\$ -
Coastal Plains GW District	0.2%	\$ 85,450	=	\$ 85,450	+	\$ -	+	\$ -
Drainage District #1	1.9%	\$ 831,727	=	\$ 831,727	+	\$ -	+	\$ -
Bay City ISD	63.3%	\$ 27,326,629	=	\$ 27,326,629	+	\$ -	+	\$ -
	100.0%	\$ 43,162,844		\$ 43,162,844		\$ -		\$ -
		100.0%		100.0%		0.0%		0.0%

Financial Feasibility Analysis - Projected TIRZ Revenue

ESTIMATE OF GENERAL IMPACT OF PROPOSED ZONE PROPERTY VALUES AND TAX REVENUES

TAXABLE BASE YEAR GROWTH DISCOUNT RATE		2.00% 6.00%																																											
REAL PROPERTY TAX				BUSINESS PERSONAL PROPERTY TAX			SALES TAX																																						
0.6350000 50% 0.3175000				0.6350000 0% 0.0000000			0.0200000 0.00% 0.0000000																																						
0.2895000 50% 0.1447500				0.2895000 0% 0.0000000																																									
0.0500700 50% 0.0250350				0.0500700 0% 0.0000000																																									
0.0077300 0% 0.0000000				0.0077300 0% 0.0000000																																									
0.0039400 0% 0.0000000				0.0039400 0% 0.0000000																																									
0.0383500 0% 0.0000000				0.0383500 0% 0.0000000																																									
1.2600000 0% 0.0000000				1.2600000 0% 0.0000000																																									
2.6703600 0.6801700				2.6703600 0.0000000																																									
REVENUE YEAR	BASE YEAR	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	TOTALS						
BASE YEAR	2022	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058							
Bay City	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200						
Matagorda County	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200					
Matagorda County Hospital District	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200				
Port of Bay City	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200				
Cone & Reel District	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200				
Coastal Plains GW District	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200					
Drainage District #1	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200					
Bay City ISD	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200				
TAXABLE VALUE																																													
Bay City	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Matagorda County	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Matagorda County Hospital District	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Port of Bay City	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Cone & Reel District	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Coastal Plains GW District	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Drainage District #1	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
Bay City ISD	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026								
TAXABLE VALUE INCREMENT																																													
Bay City	0	3,824	7,724	11,703	15,761	19,900	24,122	28,429	32,821	37,302	41,872	46,533	51,288	56,138	61,084	66,130	71,277	76,526	81,881	87,342	92,913	98,595	104,391	110,303	116,333	122,484	128,758	135,157	141,684	148,342	155,132	162,059	169,124	176,331	183,681	191,179	198,826								
Matagorda County	0	3,824	7,724	11,703	15,761	19,900	24,122	28,429	32,821	37,302	41,872	46,533	51,288	56,138	61,084	66,130	71,277	76,526	81,881	87,342	92,913	98,595	104,391	110,303	116,333	122,484	128,758	135,157	141,684	148,342	155,132	162,059	169,124	176,331	183,681	191,179	198,826								
Matagorda County Hospital District	0	3,824	7,724	11,703	15,761	19,900	24,122	28,429	32,821	37,302	41,872	46,533	51,288	56,138	61,084	66,130	71,277	76,526	81,881	87,342	92,913	98,595	104,391	110,303	116,333	122,484	128,758	135,157	141,684	148,342	155,132	162,059	169,124	176,331	183,681	191,179	198,826								
Port of Bay City	0	3,824	7,724	11,703	15,761	19,900	24,122	28,429	32,821	37,302	41,872	46,533	51,288	56,138	61,084	66,130	71,277	76,526	81,881	87,342	92,913	98,595	104,391	110,303	116,333	122,484	128,758	135,157	141,684	148,342	155,132	162,059	169,124	176,331	183,681	191,179	198,826								

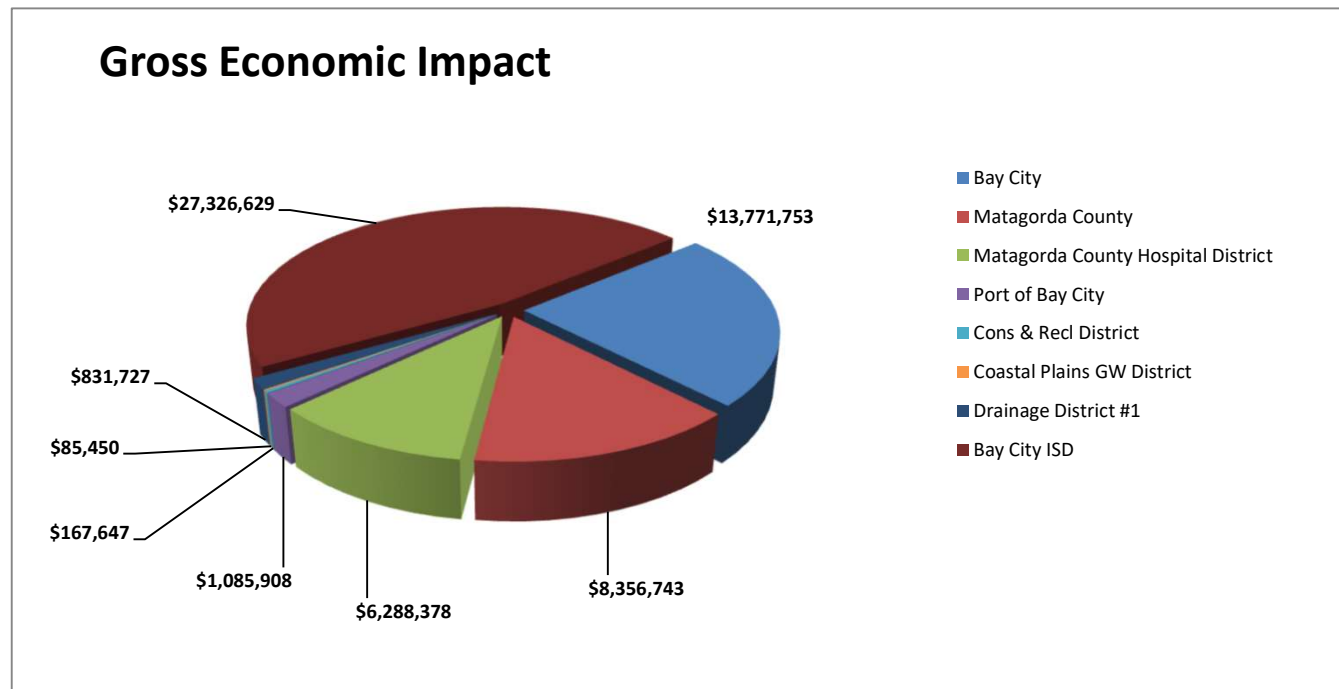
Financial Feasibility Analysis - 100% of Tax Revenue Generated

ESTIMATE OF GENERAL IMPACT OF PROPOSED ZONE PROPERTY VALUES AND TAX REVENUES

TAXABLE BASE YEAR GROWTH		2.00%		6.00%																																																																																																				
DISCOUNT RATE		2.00%		6.00%																																																																																																				
<table border="1"> <thead> <tr> <th colspan="3">REAL PROPERTY TAX</th> <th colspan="3">BUSINESS PERSONAL PROPERTY TAX</th> <th colspan="3">SALES TAX</th> </tr> <tr> <th>Rate</th> <th>Year</th> <th>Value</th> <th>Rate</th> <th>Year</th> <th>Value</th> <th>Rate</th> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>0.8350000</td> <td>100%</td> <td>0.6350000</td> <td>0.6350000</td> <td>100%</td> <td>0.6350000</td> <td>0.0200000</td> <td>100.00%</td> <td>0.0200000</td> </tr> <tr> <td>0.3853200</td> <td>100%</td> <td>0.3853200</td> <td>0.3853200</td> <td>100%</td> <td>0.3853200</td> <td></td> <td></td> <td></td> </tr> <tr> <td>0.2899500</td> <td>100%</td> <td>0.2899500</td> <td>0.2899500</td> <td>100%</td> <td>0.2899500</td> <td></td> <td></td> <td></td> </tr> <tr> <td>0.0500700</td> <td>100%</td> <td>0.0500700</td> <td>0.0500700</td> <td>100%</td> <td>0.0500700</td> <td></td> <td></td> <td></td> </tr> <tr> <td>0.0077300</td> <td>100%</td> <td>0.0077300</td> <td>0.0077300</td> <td>100%</td> <td>0.0077300</td> <td></td> <td></td> <td></td> </tr> <tr> <td>0.0039400</td> <td>100%</td> <td>0.0039400</td> <td>0.0039400</td> <td>100%</td> <td>0.0039400</td> <td></td> <td></td> <td></td> </tr> <tr> <td>0.0383500</td> <td>100%</td> <td>0.0383500</td> <td>0.0383500</td> <td>100%</td> <td>0.0383500</td> <td></td> <td></td> <td></td> </tr> <tr> <td>1.2600000</td> <td>100%</td> <td>1.2600000</td> <td>1.2600000</td> <td>100%</td> <td>1.2600000</td> <td></td> <td></td> <td></td> </tr> <tr> <td>2.6703600</td> <td></td> <td>2.6703600</td> <td>2.6703600</td> <td></td> <td>2.6703600</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						REAL PROPERTY TAX			BUSINESS PERSONAL PROPERTY TAX			SALES TAX			Rate	Year	Value	Rate	Year	Value	Rate	Year	Value	0.8350000	100%	0.6350000	0.6350000	100%	0.6350000	0.0200000	100.00%	0.0200000	0.3853200	100%	0.3853200	0.3853200	100%	0.3853200				0.2899500	100%	0.2899500	0.2899500	100%	0.2899500				0.0500700	100%	0.0500700	0.0500700	100%	0.0500700				0.0077300	100%	0.0077300	0.0077300	100%	0.0077300				0.0039400	100%	0.0039400	0.0039400	100%	0.0039400				0.0383500	100%	0.0383500	0.0383500	100%	0.0383500				1.2600000	100%	1.2600000	1.2600000	100%	1.2600000				2.6703600		2.6703600	2.6703600		2.6703600			
REAL PROPERTY TAX			BUSINESS PERSONAL PROPERTY TAX			SALES TAX																																																																																																		
Rate	Year	Value	Rate	Year	Value	Rate	Year	Value																																																																																																
0.8350000	100%	0.6350000	0.6350000	100%	0.6350000	0.0200000	100.00%	0.0200000																																																																																																
0.3853200	100%	0.3853200	0.3853200	100%	0.3853200																																																																																																			
0.2899500	100%	0.2899500	0.2899500	100%	0.2899500																																																																																																			
0.0500700	100%	0.0500700	0.0500700	100%	0.0500700																																																																																																			
0.0077300	100%	0.0077300	0.0077300	100%	0.0077300																																																																																																			
0.0039400	100%	0.0039400	0.0039400	100%	0.0039400																																																																																																			
0.0383500	100%	0.0383500	0.0383500	100%	0.0383500																																																																																																			
1.2600000	100%	1.2600000	1.2600000	100%	1.2600000																																																																																																			
2.6703600		2.6703600	2.6703600		2.6703600																																																																																																			
REVENUE YEAR	BASE YEAR 2022	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	TOTALS																																																																	
BASE YEAR	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200	191,200																																																																	
TAXABLE VALUE	191,200	195,024	198,924	202,903	206,961	211,100	215,322	219,629	224,021	228,502	233,072	237,733	242,488	247,338	252,284	257,330	262,477	267,726	273,081	278,542	284,113	289,795	295,591	301,503	307,533	313,684	319,958	326,357	332,884	339,542	346,332	353,259	360,324	367,531	374,881	382,379	390,026	397,826																																																																		
TAXABLE VALUE INCREMENT	0	3,824	7,724	11,703	15,761	19,900	24,122	28,429	32,821	37,302	41,872	46,533	51,288	56,138	61,084	66,130	71,277	76,526	81,881	87,342	92,913	98,595	104,391	110,303	116,333	122,484	128,758	135,157	141,684	148,342	155,132	162,059	169,124	176,331	183,681	191,179	198,826																																																																			
REVENUE A	0	24	49	74	100	126	153	208	237	266	295	326	356	388	420	453	486	520	555	590	626	663	701	739	778	818	858	900	942	985	1,029	1,074	1,120	1,166	1,214	1,263	20,682	Bay City																																																																		
TAXABLE VALUE GROWTH	0	15	30	45	61	77	93	110	126	144	161	179	198	216	235	255	275	295	316	337	358	380	402	425	448	472	496	521	546	572	598	624	652	679	708	737	766	12,550	Matagorda County																																																																	
REVENUE #1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																	
TIRZ #4 - INCREMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																	
REAL PROPERTY TAX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																	
BUSINESS PERSONAL PROPERTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																
REVENUE A, 1	0	102	241,747	493,058	754,317	1,025,830	1,307,900	1,634,169	1,960,948	2,388,266	2,816,134	3,244,558	3,673,552	4,103,126	4,533,289	4,964,057	5,395,441	5,827,451	6,260,103	6,693,407	7,127,377	7,562,027	7,997,369	8,433,419	8,870,189	9,307,699	9,745,951	10,184,972	10,624,774	11,065,372	11,506,761	11,948,941	12,392,419	12,837,204	13,283,296	13,730,694	14,179,396	14,629,404	15,080,727	15,533,364																																																																
Running Total	0	102	241,849	734,904	1,489,221	2,515,050	3,822,950	5,157,110	6,518,055	7,906,321	9,322,455	10,767,013	12,240,565	13,743,689	15,276,979	16,841,036	18,436,476	20,063,928	21,724,030	23,411,437	25,144,814	26,926,841	28,759,210	30,642,829	32,577,718	34,564,387	36,603,326	38,694,145	40,837,554	43,033,163	45,281,672	47,583,791	50,000,000	52,532,000	55,180,400	57,945,600	60,828,400	63,830,400	66,953,200																																																																	
GROSS	58,001,207																																																																																																							
Bay City	0	24	49	74	100	126	153	208	237	266	295	326	356	388	420	453	486	520	555	590	626	663	701	739	778	818	858	900	942	985	1,029	1,074	1,120	1,166	1,214	1,263	20,682	Bay City																																																																		
Matagorda County	0	15	30	45	61	77	93	110	126	144	161	179	198	216	235	255	275	295	316	337	358	380	402	425	448	472	496	521	546	572	598	624	652	679	708	737	766	12,550	Matagorda County																																																																	
Port of Bay City	0	2	4	6	8	10	12	14	16	19	21	23	26	28	31	33	36	38	41	44	47	49	52	55	58	61	64	68	71	74	78	81	85	88	92	96	100	1,631	Port of Bay City																																																																	
Coastal Plains GW District	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																
Coastal Plains GW District #1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																																
Drainage District #1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																															
Bay City ISD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0																																																															
NPV @ 6%	0	0	241,540	492,742	753,896	1,025,298	1,307,256	1,633,401	1,960,069	2,387,270	2,814,015	3,241,316	3,668,272	4,095,888	4,524,165	4,953,104	5,382,704	5,812,964	6,243,884	6,675,464	7,107,704	7,540,604	7,974,164	8,408,394	8,843,204	9,278,604	9,714,604	10,151,204	10,588,404	11,026,204	11,464,604	11,903,604	12,343,204	12,783,404	13,224,204	13,665,604	14,107,604	14,550,204	14,993,804	15,438,404																																																																

Revenue Summary

Taxing Jurisdictions	Total Taxes Generated	Participation	Net Benefit
Bay City	\$13,771,753	\$6,896,217	\$6,875,536
Matagorda County	\$8,356,743	\$4,184,646	\$4,172,097
Matagorda County Hospital Dist	\$6,288,378	\$3,148,911	\$3,139,467
Port of Bay City	\$1,085,908	\$543,769	\$542,139
Cons & Recl District	\$167,647	\$0	\$167,647
Coastal Plains GW District	\$85,450	\$0	\$85,450
Drainage District #1	\$831,727	\$0	\$831,727
Bay City ISD	\$27,326,629	\$0	\$27,326,629
Total	\$57,914,235	\$14,773,544	\$43,140,691





Projects Cost Estimates:

All project costs listed in the project plan shall be considered estimates and shall not be considered a cap on expenditures.

Length of TIRZ #4 in Years:

The TIRZ has a 36-year term and is scheduled to end on December 31, 2058.

Powers and Duties of Board of Directors:

The Board shall have all powers granted to it by Chapter 311 of the Texas Tax Code, including powers of a municipality under Chapter 380, Local Government Code. The Board shall not be authorized to:

- issue bonds;
- impose taxes or fees;
- exercise the power of eminent domain; or
- give final approval to the Zone's project and financing plan.