

**ORDINANCE NO. 2021-20**

**DESIGNATION OF MEDIA PRODUCTION DEVELOPMENT ZONE #1**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, DESIGNATING AND RECOGNIZING AN AREA, THAT BEING APPROXIMATELY 546 ACRES LOCATED AT 1240 LOVER'S LANE, IN THE EXTRATERRITORIAL JURISDICTION OF BASTROP, TEXAS, AS A MEDIA PRODUCTION DEVELOPMENT ZONE; AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; PROVIDING FOR A REPEALING CLAUSE AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, Texas Government Code Chapter 485A (the "Act") allows for the designation of media production development zones in the State of Texas to maintain, strengthen, and promote the media production industry in Texas; and

**WHEREAS**, the Act provides that persons certified by the Texas Film Commission of the Office of the Governor of Texas may receive a two-year exemption from sales and use taxes on items used for the construction, maintenance, expansion, improvement, or renovation of a media production facility at a qualified media production location and the building housing that facility, as well as on items used to equip such a media production facility; and

**WHEREAS**, the Act authorizes the governing body of a municipality to designate and recognize a media production development zone under conditions outlined in the Act; and

**WHEREAS**, Authorized Business Representative, Alton Butler, CEO/Owner of Bastrop Colorado Bend, LLC (the "Requestor"), is the title holder of real property upon which a media production location is proposed, that being approximately 546 acres at 1240 Lovers Lane (the "Area"), which is located in the extraterritorial jurisdiction of the City of Bastrop (described in Exhibit "A"); and

**WHEREAS**, Requestor has applied seeking designation of the Area as Media Production Development Zone (see Exhibit "B"); and

**WHEREAS**, the Owner has submitted information to the City of Bastrop, Texas (the "City") that describes plans for Phase 1 of the Project (approximately 324 of the 546 acres) to include a media production facility consisting of approximately 6 studios, an office building, warehouse / mill shop, and supporting roadways, utilities, and infrastructure (the "Project"); and

**WHEREAS**, based on the information submitted to the City, including an Economic Impact Analysis, the City Council of the City of Bastrop, Texas (the "City Council") finds that the Project is reasonably anticipated to have a positive economic

impact on the community in the form of increased property tax valuations, a significant number of new jobs, and considerable regional financial investments and local spending (see Exhibit "C"); and

**WHEREAS**, the City Council concludes that the Area is in the City's extraterritorial jurisdiction, which is located in a metropolitan statistical area, the principal municipality of which has a population of more than 250,000; and has the adequate workforce, infrastructure, facilities, or resources to support the production and completion of moving image projects; and

**WHEREAS**, having reviewed the material submitted by to the City by the Requestor, the City Council determines that the Requestor has the ability to complete the Project within 18 months, and that the Area will be improved, renovated, or exclusively used to build or construct a media production facility; and

**WHEREAS**, the City Council determines that the proposed financial incentives related to the designation of the Area as a media production development zone are in the best interests of the City and the State of Texas; and

**WHEREAS**, the City Council has entered into a Chapter 380 Economic Development Agreement with Bastrop Colorado Bend, LLC, providing certain local financial incentives to the Requestor for the Project, including a partial Property Tax Reimbursement, a partial Sales Tax Reimbursement, a Rollback Tax Reimbursement, and certain Administrative Fee Waivers (see Exhibit "D"); and

**WHEREAS**, the City Council seeks to encourage the development of media production businesses in the City by designating and recognizing the Area as a media production development zone in accordance with the Act; and

**WHEREAS**, the City Council concludes that the Requestor's application, the Area, and the Project meet the criteria for recognition as a media production development zone.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:**

### **SECTION 1. LEGISLATIVE FINDINGS**

The City Council hereby deems the foregoing recitals above to be true and accurate legislative findings that are incorporated into this Ordinance for all purposes.

## **SECTION 2. DESIGNATION OF MPDZ #1**

The City Council hereby designates and recognizes the Area comprising the real property described on Exhibit "A" (attached) as *Media Production Development Zone Number One*.

## **SECTION 3. DESIGNATION OF REPRESENTATIVE**

The City Council hereby designates the City Manager to serve as the representative of the City for purposes of the Project, and authorizes the City Manager to execute all documentation on behalf of the City that the City Manager deems necessary to effectuate the purposes of this Ordinance, including (but not limited to) an application to the Texas Film Commission for exemptions pursuant to the Act.

## **SECTION 4. SEVERABILITY**

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, that invalidity or the unenforceability will not affect any other provisions or applications of this Ordinance that can be given effect without the invalid provision.

## **SECTION 5. EFFECTIVE DATE**

This Ordinance shall be effective immediately upon passage and be in full force and effect after its adoption.

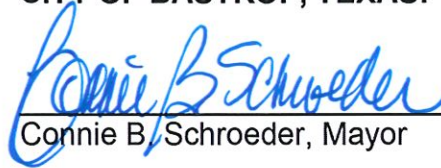
## **SECTION 6. OPEN MEETINGS**

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

**READ & APPROVED** on First Reading on this, the 14<sup>th</sup> day of December 2021.

**READ & ADOPTED** on the Second Reading on this, the 11<sup>th</sup> day of January 2022.

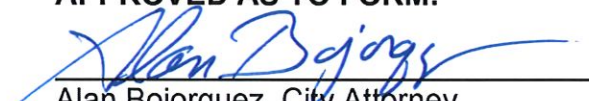
**CITY OF BASTROP, TEXAS:**

  
\_\_\_\_\_  
Connie B. Schroeder, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Ann Franklin, City Secretary

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Alan Bojorquez, City Attorney

## TABLE OF EXHIBITS

- A. Application:** Media Production Development Zone – Request for Exemption Form.
- B. Description of the Area:** 545 acres at 1240 Lovers Lane located in the extraterritorial jurisdiction of the City of Bastrop, Texas (324 of which is Phase 1).
- C. Economic Impact Analysis:** A Report of the Economic Impact of Line 204 Movie Studio Phase 1 in Bastrop, TX (August 30, 2021).
- D. Chapter 380 Agreement:** Local Financial Incentives

For Office of the Governor Use Only

Project: \_\_\_\_\_

Community: \_\_\_\_\_

Date: \_\_\_\_\_



# Media Production Development Zone

# Request for Exemption Form

Office of the Governor



## OFFICE OF THE GOVERNOR

GREG ABBOTT  
GOVERNOR

Governor Abbott is committed to keeping Texas No.1 in the nation for job creation, and to creating even more jobs and greater economic opportunity for all Texans. Month after month, the Lone Star State tops rankings for business climate and job growth. Texas is a leading state for Fortune 500 and 1000 corporate headquarters and remains the No. 1 exporting state in the country for the 13th year in a row. It's no wonder Texas was named by *Chief Executive* as the "Best State for Business" for the 11<sup>th</sup> year in a row and is also ranked as state with the No. 1 "Economic Climate" by *Forbes*.

The Media Production Development Zone Act (MPDZ), established by the Legislature in 2009 and administered by the Texas Film Commission (TFC), located in the Office of the Governor - Economic Development and Tourism, is designed to encourage development of more permanent moving image production sites to help strengthen Texas' economy. The MPDZ Exemption allows for a sales and use tax exemption for the construction, maintenance, expansion, improvement, or renovation of a media production facility at a qualified media production location over a two year period.

Before the MPDZ Exemption can be granted, a thorough application and evaluation process takes place in which the local municipality or county must certify the project for local benefits, the Texas Comptroller of Public Accounts must certify that the project will have a positive impact on state revenue, the Comptroller-appointed Media Production Advisory Committee must recommend the use of the exemption for the project, and finally, the Texas Film Commission must designate the location and certify the project to grant the exemption.

To be eligible for the MPDZ Exemption, a project must demonstrate a significant return on the state's investment and strong local support. The review process evaluates a variety of factors associated with each project, including capital investment, financial strength of the applicant, the applicant's business history, analysis of the relevant business sector, and public and private sector financial support.

If you have a project that can benefit from the MPDZ Exemption, the Texas Film Commission will provide you with information on how the exemption is to be utilized and how the proposed project meets the criteria of the program.

For more information and to see if the project meets the program criteria, contact TFC at (512) 463-9200 or (512) 936-0100, or visit [texasfilmcommission.com](http://texasfilmcommission.com).

## INSTRUCTIONS

Submit a fully completed digital and hard copy version of this *Media Production Development Zone Request for Exemption Form* with required attachments to the Community's Governing Body (Nominating Body) having jurisdiction over the proposed location.

The Nominating Body must then forward a digital copy of this application within seven days to the Texas Film Commission (TFC). If the application is submitted to the TFC through regular mail, mail the application to Office of the Governor, Attention Texas Film Commission, Post Office Box 13246, Austin, Texas 78711. If through overnight delivery, send to Office of the Governor, Attention Texas Film Commission, 1100 San Jacinto, Austin, Texas 78701.

The Requestor must include all requested information for all sections since any performance documents or State Agreements developed will use details represented in this application.

Be accurate and thorough to avoid delays in processing.

Where no response is possible, it should be marked N/A.

Attachments and additional pages are not required unless specifically requested in the MPDE Exemption Form. Any necessary supplemental information will be requested as a follow-up document.

Original signatures must accompany the completed MPDZ Exemption Form. Draft or incomplete forms will not be accepted. It is the applicant's encouraged to contact the Texas Film Commission prior to submission.

Note: Approximately 2-3 weeks is required for the due diligence of a complete application prior to Texas Comptroller of Public Accounts consideration. For an overview of the MPDZ Exemption application, nomination and certification process, please see Appendix A.



# CERTIFICATION OF APPLICATION – BUSINESS

Authorized Business Representative (This is a representative of the Business, AKA Requestor, which is the title holder of real property or lease holder of a non-residential lease with at least four years remaining in the current lease term, on or in which a media production location where the project is proposed)

First Name Alton Last Name Butler

Title CEO/Owner

Organization Bastrop Colorado Bend, LLC

Street Address 1240 Lovers Lane, Bastrop, TX 78602

Mailing Address 12224 Montague Street

City Pacoima State CA Zip 91331

Phone Number 323-960-0113 Fax Number \_\_\_\_\_

Mobile Number 323-842-4506 Website Line204.com

Email Address AltonButler@line204.com

## Authorized Consultant Representative

The following consultant is authorized to provide and obtain information related to this application. However, the State of Texas reserves the right to contact the applicant business directly at any time.

Consultant Name Steven Takoushian Phone Number 610-331-2870

Consultant Email Stakoushian@watchdogpm.com Company Watchdog REPM

I declare that the information contained in this Media Production Development Zone Request for Exemption Form and any attachments are true and correct to the best of my knowledge and belief, as evidenced by my signature below. I further certify that the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within the State of Texas.

Signature [Handwritten Signature] Date 10-19-21  
(Primary Requestor/Business Representative)

GIVEN under my hand and seal of office this 21<sup>st</sup> day of October, 2021

Tina Marie Rosas  
Notary Public, State of \_\_\_\_\_

(Notary Seal)



My commission expires November 19, 2023

## BUSINESS INFORMATION

Exact legal name of the business entity (Requestor) applying for the Media Production Development Zone Exemption  
Bastrop Colorado Bend, LLC

In addition to the entity applying, list all corporate subsidiaries under which jobs will be reported for this project.

N/A

Federal Tax ID number 86-2509417 Comptroller of Public Accounts number 803961356

NAICS Code 531120 Service / product produced Stages, equipment & office rental

Is the entity registered to do business in Texas with the Texas Secretary of State?  Yes  No

If "Yes," identify the exact name used by the business to register in Texas Bastrop Colorado Bend, LLC

Structure of business (private, public, LLP, LLC, etc.) LLC

Evidence of good standing under the laws of the state in which the business was formed or organized is required. Please attach a certificate issued by the secretary of state or the state official having custody of the records pertaining to entities formed under the laws of that state.

Articles of Incorporation attached  Yes  No

State of Incorporation: Texas

## BUSINESS EXPLANATION

Provide an introduction, history and description of the business, its product, services, total sales, etc. (do not attach additional documentation).

### Experienced Real Estate Owner and Studio Operator

CEO/Owner Alton Butler owns real estate in California, Iowa, Mississippi, Texas and Illinois through a holding entity, ASAS, LLC. Requestor Bastrop Colorado Bend, LLC is a subsidiary of ASAS, LLC. Certain properties are held for 3<sup>rd</sup> party tenant rentals in the healthcare, grocery and retail industry. Mr. Butler also operates 7 studios in Hollywood and Pacoima in California through an operating entity, Line 204, LLC ("Line 204"), along with equipment rentals for production in the film industry and for events production.

Line 204 is one of the top boutique studio and production rental companies in Los Angeles and has a reputation in the entertainment industry as a one-stop shop production and support company. The 40-employee (post pandemic re-org from 75) operating entity not only offers genuine Hollywood sound stages, but also production equipment rentals, and event production. The company has been successfully operating their studios in Hollywood for over 16 years. Some of the biggest names in the industry such as Hulu, Netflix, Amazon, Fox, Hollywood Reporter, and the NFL lease space with Line 204.

Real property revenue for the year ended 2020 was approximately \$2 million, and \$2.6 million forecasted for 2021. Revenue for stages and equipment/production rentals was 2020 was \$4.1 million with 5 months of mandated Covid-19 shutdown; 2021 revenue is forecasted at approximately \$7 million (with a slow start in Q1 due to Covid-19 concerns).

Number of Years in Business 21

Number of Employees Nation-wide 35 (as of 9/30/2021)

Number of Employees Worldwide N/A

CEO/President Alton Butler

### Corporate Family Tree

Please provide the family tree by listing Requestor's immediate and ultimate parent companies (if applicable), as well as all principal subsidiaries of Requestor. Use below as an example, and include an attachment if necessary.

Ultimate \_\_\_\_\_

Immediate Parent ASAS, LLC

REQUESTOR Bastrop Colorado Bend, LLC

Subsidiary A N/A

Subsidiary B N/A

Subsidiary C N/A

## BUSINESS FINANCIAL DATA

Provide a company financial statement and background information.

Requestor Bastrop Colorado Bend, LLC is a Single Purpose Entity (SPE) set up to hold the real property located at Bastrop for the development and construction in Phase 1 of 6 sound stages, 6 production offices and a warehouse facility. The parent company ASAS, LLC is a real estate holding company.

Attached:

- ASAS, LLC financial statement as of 12/31/2020 and 6/30/2021

## PROJECT SUMMARY

Provide a specific and detailed description of the Project including the site, the scope of planned operations, description type of jobs, etc. (do not attach additional documentation).

The overall site is approx. 545 acres with the phase 1 portion containing approx. 324 acres, The project will be built in multiple phases with phase 1 build consisting of approximately (6) studios totaling 108,000 sf, (1) office building at 46,000 sf, (1) warehouse/mill shop at 108,000 sf and all supporting roadways, utilities and infrastructure.

The operations anticipate a team of about 25 employees in this rental facility in the following areas of work and certain outsourced support as described below:

Employment areas: Operations Manager, Sales Team and sales administrative support, reception, Stage managers, Inventory management and support, janitorial

Outsourced areas: IT, Security guards, Landscaping maintenance, Electrical, HVAC and other building maintenance

In addition to the above type of jobs at the facility, the 6 studios and office space will be rented to film and commercial production companies that will have their own employees and/or contractors in the capacity of talent, producers, cameramen, grips, production managers, assistants etc.

## PROJECT FACILITY SUMMARY

**REQUIRED ATTACHMENT:** Project location site plan

**REQUIRED ATTACHMENT:** Project facility floor plan

Exact location of proposed Project's site (address or intersection) 1240 Lover's Lane

City, State, Zip Bastrop, TX 78602

County Bastrop

Will the Requestor company own the facility?

Yes  No

Is this facility to be located in a metropolitan statistical area where the principal municipality has a population of more than 250,000?

Yes  No

Is this facility to be located in an area that has adequate workforce, infrastructure, facilities, or resources to support moving image projects?

Yes  No

Provide an overview of the facility and characteristics of the lease or construction.

The overall site is approx. 545 acres with the phase 1 portion containing approx. 324 acres, The project will be built in multiple phases with phase 1 build consisting of approximately (6) studios totaling 108,000 sf, (1) 3-story office building at 46,000 sf, (1) warehouse/mill shop at 108,000 sf and all supporting roadways, utilities and infrastructure.

The proposed office building and warehouse/mill shop buildings support the production studios. Owner/Requestor will be developing the site including constructing the buildings and infrastructure for Tenants to lease and occupy.

## PROJECT CHARACTERISTICS

Identify all Project characteristics that apply.

- Consolidation
- Construct New Facility
- Expand Existing Facility
- Expand from Outside of Texas
- Expansion within Texas
- Lease Facility
- New Business/Start-up
- Purchase New Facility
- Relocation from Outside Texas
- Renovate Existing Facility
- Other: \_\_\_\_\_

## PROJECT FACILITY USE

Identify site specifications within which this Project falls (include amounts for all that apply).

- |                                     |                                   |                                       |
|-------------------------------------|-----------------------------------|---------------------------------------|
| <input type="checkbox"/>            | Animation/CGI                     | Approx. Square Footage _____          |
| <input type="checkbox"/>            | Construction Space                | Approx. Square Footage _____          |
| <input type="checkbox"/>            | Motion Capture Studio             | Approx. Square Footage _____          |
| <input type="checkbox"/>            | Post Production                   | Approx. Square Footage _____          |
| <input checked="" type="checkbox"/> | Production Office                 | Approx. Square Footage <u>46,000</u>  |
| <input type="checkbox"/>            | Scoring/Sound Studio              | Approx. Square Footage _____          |
| <input checked="" type="checkbox"/> | Sound Stage                       | Approx. Square Footage <u>108,000</u> |
| <input type="checkbox"/>            | Video Game Production             | Approx. Square Footage _____          |
| <input type="checkbox"/>            | Post-Production Facility          | Approx. Square Footage _____          |
| <input checked="" type="checkbox"/> | Other: <u>Warehouse/Mill Shop</u> | Approx. Square Footage <u>108,000</u> |
| <input checked="" type="checkbox"/> | Other: <u>Studio Support</u>      | Approx. Square Footage <u>34,800</u>  |
| <input checked="" type="checkbox"/> | Other: <u>Welcome Center</u>      | Approx. Square Footage <u>1400</u>    |

## PROJECTED CAPITAL INVESTMENT

**REQUIRED ATTACHMENT:** Itemized Budget

**REQUIRED ATTACHMENT:** Equipment Schedule

- Project is fully funded or financing is secured

**Capital Investment** are the items that the Company may capture as a capital investment on its financial reports, and includes, but is not limited to fixed-assets, real property and business personal property. Operational lease payments do not qualify as capital investment.

Land	<u>\$9,650,000</u>	
Site Improvement	<u>11,684,860</u>	
Building(s)	<u>35,354,000</u>	
Machinery & Equipment	<u>3,766,840</u>	Systems furniture, Network systems and cabling, A/V, Security, Signage, etc
Total	<u>\$60,455,700</u>	

## PROJECTED DATES & MILESTONES

Begin Construction	<u>Est June 2022</u>	Begin Hiring New Employees	<u>Est Sept 2023</u>
Construction Complete	<u>Est August 2023</u>	Fully Operational	<u>Est Nov 2023</u>
Purchase Machinery & Equipment	_____		

## **BENEFIT TO THE STATE**

**REQUIRED ATTACHMENT:** Independent Economic Impact Analysis - prepared by a person/firm independent of Requestor who is considered an expert with specialized knowledge, skill, experience, training or education in economics and state/local taxation

Independent Economic Impact Analysis prepared by: Impact DataSource

Analysis of proposed Project/activities to take place at the location must be conducted by a third-party entity not related to the Requestor, and must include the following:

A summary of the analysis highlighting the following data items (do not attach additional documentation aside from economic impact analysis).

1. Estimate of the revenue generated to the state and local governmental body by the Project
2. Estimate of any secondary economic benefits to be generated by the Project
3. Estimate of state taxes to be exempted

See Economic Impact Study dated 8-30-21

## **BENEFIT TO THE COMMUNITY**

Provide an economic impact estimate of the designation of the location as a Qualified Media Production Location on the revenues of the entities nominating the location, considering the financial incentives and benefits contemplated.

See Economic Impact Study dated 8-30-21

## COMMUNITY TAX RATES

(Represent tax rates to the 4<sup>th</sup> decimal per \$100 evaluation)

	<u>Entity</u>	<u>Tax Rate</u>
Tax Rate City	<u>City of Bastrop (C04)</u>	<u>0.5794 %</u>
Tax Rate County	<u>Bastrop County (G01)</u>	<u>0.4252 %</u>
Tax Rate School District	<u>Bastrop ISD (S04)</u>	<u>1.2730 %</u>
M&O Rate	_____	<u>0.8720 %</u>
Special Tax Districts	_____	_____
Other Taxing Entities	<u>County Road</u>	<u>0.0968 %</u>
<b>Total Combined Local Tax Rate</b> (Include all applicable taxing entities)		<u>3.2464 %</u>

(Note: M&O Rate is a part of the School District Tax Rate)

County depreciation schedule for personal property (attachment included)     Yes     No

## PERMITS

Pending                               Current                               No Permits Required

Estimated state and local fee related revenue generated by this Project \$460,000 (listed components below)

List any local or state permits that will be, or have been acquired, including the corresponding fees paid, issuing agency and the expected date of receipt, if applicable.

Site Development permit and Phase 1 building permits expected to be received on or before June 2022.

Estimated fees detail:  
 City Application & review fees related to Site Approvals: \$ 30,000  
 Phase 1 Building permit fees: 150,000  
 Phase 1 Water and Waste water tapping & impact fees: 280,000

## STATE SENATOR AND REPRESENTATIVE FOR PROJECT LOCATION

**State Senator**

District No.: 14                              Senator Name: Senator Sarah Eckhardt

**State Representative**

District No.: 17                              Representative Name: Representative John Cyrier



## **CONFIDENTIALITY NOTICE**

The Office of the Governor, Texas Film Commission, located within the Economic Development and Tourism division, as a state agency, must comply with the Texas Public Information Act (the "Act"). Under the Act the agency may have authority to maintain the confidentiality of the name of and other information related to a company seeking to locate in the state until after the location negotiations are completed. In the event that a public information request related to the company is submitted to the agency, the agency will (i) promptly notify the company of the request, (ii) if appropriate, take all possible and appropriate actions with the Attorney General of Texas to prevent release of the information, including asserting exemptions under the Act (including the Economic Development Negotiations exception of section 552.131 and the Trade Secrets/Commercial Information exception of section 552.110) and (iii) provide the company with full information and opportunity to participate in such process.

The applicants acknowledge that negotiations and information related to this application shall be treated as confidential, and that a full faith effort will be made to prevent the disclosure of any such negotiations. The applicants further agree that they will not disseminate information regarding any subsequent agreement except as directed by the Office of the Governor. Breach of confidentiality regarding this application may be grounds for termination of negotiations.

## **ON-SITE COMPLIANCE REVIEW NOTICE**

In the event that a Media Production Development Zone Exemption Agreement is executed between the State of Texas (the "State") and a grantee, the State reserves the right throughout the term of the agreement to conduct an on-site compliance review of the grantee's records relevant to the performance of the agreement. Grantees may be selected for on-site review based upon risk assessment criteria determined by the Office of the Governor.

## **DISCLOSURE OF INTERESTED PARTIES FORM NOTICE**

In the event that a Media Production Development Zone Exemption offer over \$1,000,000 is extended to an applicant, in accordance with Texas Government Code, Section 2252.908, the company must submit a "Disclosure of Interested Parties Form" to the Office of the Governor at the time the company submits the signed agreement.

The disclosure of interested parties must be submitted on a form, and in a manner, prescribed by the Texas Ethics Commission. The Disclosure of Interested Parties Form (Form 1295) and instructions may be found on the Texas Ethics Commission website: <https://www.ethics.state.tx.us/tec/1295-Info.htm>.

The Texas Ethics Commission has adopted administrative rules to implement the statute, found at [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=1&pt=2&ch=46&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=1&pt=2&ch=46&rl=Y).

## Submission Checklist of Required Documents:

	MPDZ Request for Exemption Submission Checklist	Check if Completed
1	Fully Completed MPDZ Request for Exemption Form	X
2	Certification of Application signed by Business/Requestor (pg. 3)	X
3	Requestor's Financial Statement (pg. 5)	X
4	Site Plan of Proposed Media Production Location for Project Facility Summary (p. 6) (include attachment)	X
5	Floor Plan of Proposed Media Production Facility for Project Facility Summary (p. 6) (include attachment)	X
6	Project's Itemized Budget (pg. 7) (include attachment)	X
7	Projects' Equipment Schedule (pg. 7) (include attachment)	N/A
8	Economic Impact Analysis (pg. 8) (include attachment)	X

MPDZ Exemption Extension Checklist	Check if Completed
Disclosure of Interested Parties Form 1295 <sup>2</sup> (pg. 10) (if applicable)	

<sup>1</sup> To search an entity's Franchise Tax Account Status please visit the website of the Texas Comptroller of Public Accounts (CPA) at <https://ourcpa.cpa.state.tx.us/coa/Index.html>. To resolve any issues regarding a company's status with the Texas CPA, please contact the CPA's Franchise Tax Division at (512) 463-4402.

<sup>2</sup> Form 1295 (Disclosure of Interested Parties) is provided by the Texas Ethics Commission at <https://www.ethics.state.tx.us/tec/1295-Info.htm>.



EXHIBIT C

A REPORT OF THE ECONOMIC IMPACT OF  
LINE 204 MOVIE STUDIO PHASE I  
IN BASTROP, TX

August 30, 2021



## PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by Impact DataSource, an Austin, TX based economic consulting firm. The analysis relies on prospective estimates of business activity that may not be realized. Impact DataSource and the Client made reasonable efforts to ensure that the project-specific data reflects realistic estimates of future activity.

The analysis presented in this report incorporates estimates, assumptions, and other information developed by the Impact DataSource from their independent research effort.

The Client and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.



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### Study Highlights

- This analysis presents the economic and fiscal impact of a possible movie studio to be developed in Bastrop County seeking a Media Production Development Zone (MPDZ) sales tax exemption from the Texas Film Commission.
- Although multiple phases are contemplated for the Project, this study analyzes the impacts resulting from the two-year construction/development of Phase I and the first 10 years of production activity facilitated by these structures.
- Phase I involves an investment of \$40.3 million to develop six sound stages as well as warehouse and office space plus other supporting facilities. Approximately 94% or \$37.8 million of the planned investment will be spent on qualifying production facilities eligible for the state MPDZ sales tax exemption.
- After the initial development of Phase I, the studio will facilitate on-going economic impacts through media production activities taking place on site. Although the specific projects that may utilize the studio facilities are not known at this time, this study estimates the impact of on-going production activities consistent with television projects receiving a grant from the Texas Moving Image Industry Incentive Program (TMIIP) from 2017 through 2020.
- The planned studio development will generate significant economic impacts in the State of Texas economy during (1) the initial construction phase and (2) during the on-going operations of the studio.

#### Initial Construction/Development Impacts

- \$105.5 million in economic impact during construction/development inclusive of secondary or indirect and induced economic impacts.
- 747 total construction "jobs years" of employment during construction phases.

#### On-going Production Activity Impacts

- \$177.8 million in annual economic impact.
- \$1.9 billion in economic impact over the first 10 years.
- 1,443 total jobs including direct, indirect, and induced.
- These economic activities have the potential to generate additional tax revenues for the State of Texas in the form of sales taxes, hotel occupancy taxes, franchise taxes, as well as other taxes and revenues collected from workers.
- The additional State of Texas tax revenues estimated to be collected during construction total \$1.43 million AFTER deducting the potential MPDZ sales tax exemption valued at \$1.12 million.
- On-going media production activity facilitated by the studio is estimated to generate \$47.45 million in tax revenues for the State of Texas over the first 10 years of operation.
- The estimated tax revenues for the State of Texas associated with this Project are summarized on the next page.

**Indirect and induced impacts** represent the spin-off economic activity resulting from the business-to-business expenditures initiated by the company and the consumer-to-business expenditures initiated by workers spending a portion of their earnings on goods and services in the economy. **Economic output** is gross output and is the sum of the intermediate inputs and final use. This is a duplicative total in that goods and services will be counted multiple times if they are used in the production of other goods and services. Economic output can be thought of as the value of goods and services sold in the economy or revenues for businesses in the economy. **Value added** is defined as the value of gross output less intermediate inputs. **Household earnings** or earnings consist of wages and salaries, employer provided benefits, and proprietors' income. For permanent or on-going activity, **Employment** consists of a count of jobs that include both full-time and part-time workers. For temporary construction impacts, a **Job Year** is defined as full employment for one person for 2080 hours in a 12-month span.

Table 1. State of Texas: Benefits Over the Next 12 Years

	Construction	Operations	Total
Sales Taxes, before exemption	\$1,822,344	\$29,075,302	\$30,897,646
Sales Tax Exemption on MPDZ Eligible Materials	(\$1,123,442)	\$0	(\$1,123,442)
Hotel Occupancy Taxes	\$0	\$1,855,983	\$1,855,983
Franchise Taxes	\$79,119	\$1,460,140	\$1,539,259
Other Taxes & Revenues from Workers	\$656,502	\$15,059,384	\$15,715,887
Total Benefits	\$1,434,523	\$47,450,810	\$48,885,333
<i>Present Value (5% discount rate)</i>	<i>\$1,315,461</i>	<i>\$32,929,557</i>	<i>\$34,245,018</i>

- The State of Texas is estimated to collect \$1.28 in tax revenue for every dollar exempted through the MPDZ sales tax during construction.
- Including both construction and operations tax revenue, the State of Texas is estimated to collect \$43.51 in tax revenue for every dollar exempted by the MPDZ program.

*Local Impact in Bastrop County*

- In addition to the impact details for the State of Texas, this analysis presents economic impact estimates and fiscal impact estimates for Bastrop County and other local taxing jurisdictions. The economic impact within Bastrop County is a subset of the statewide economic impact of the project presented above.
- This analysis assumes the proposed site of the studio will be annexed by the City of Bastrop before construction. Accordingly, the city will benefit from property taxes, sales taxes, and other direct activity taking place on site.
- The total economic impact of the construction/development of the studio is expected to be \$55.8 million in Bastrop County.
- The on-going production activity is estimated to create 993 direct, indirect, and induced jobs in the county.
- During the next 12 years - inclusive of two years of construction/development and 10 years of studio operations - the Project is estimated to generate a total of \$11.0 million in revenues for local taxing jurisdictions.
  - City of Bastrop: \$7.2 million
  - Bastrop County: \$2.7 million
  - Bastrop ISD: \$1.1 million
  - Total: \$11.0 million



## Introduction

This report presents the results of an analysis undertaken by Austin, TX based economic consulting firm, Impact DataSource. The report estimates the impact that a potential project in Bastrop County will have on the economy and estimates the costs and benefits for the state and local taxing districts over a 12-year period. This period covers a two-year construction/development period and 10 years of movie studio operations.

## Description of the Project

This project involves the development of movie studio seeking Media Production Development Zone Exemption from the Texas Film Commission. The proposed site is located in Bastrop County outside of the City of Bastrop. Although multiple phases are contemplated for the movie studio project, this study analyzes the impact resulting from the development and use of Phase I structures only. Phase I is planned to include the development of six sound stages as well as warehouse and office space. These structures represent the qualifying production facilities seeking benefit from the MPDZ sales tax exemption. In addition to the qualifying production facilities, Phase I is planned to include supporting facilities for the studio as detailed in the Project Details & Key Assumptions section.

## Methodology

Economic impacts are estimated during (1) the initial construction period and (2) during the on-going operation of the proposed movie studio in Bastrop County. This analysis focuses on Phase I development and associated operations.

Impact DataSource applied the Regional Input-Output Modeling System (RIMS II) economic input-output model to estimate the total impact - inclusive of indirect and induced effects. The economic impacts are then translated into additional revenues and costs for the city, county, school, and state.

This analysis presents two sets of economic impact estimates; one set of economic impacts are presented for the State of Texas and another set of impacts are presented for Bastrop County. The economic impact within the Bastrop economy represents a subset of the statewide economic impact of the project.

## Project Details & Key Assumptions

The table below summarizes the details and key assumptions used to estimate the impacts in this analysis related to Phase I of the movie studio project. The initial capital investment of \$40.3 million serves as the basis of the initial construction economic impact. Impact DataSource uses the RIMS II economic impact model to estimate the employment, earnings, and output associated with this spending.

Table 2. Phase I Development Details

	Qty	SF Per	SF Total	PHASE I Capital Investment		Total
				2022	2023	
Sound Stages*	6	19,200	115,200	\$4,608,000	\$16,128,000	\$20,736,000
Warehouse*	1	100,000	100,000	\$2,500,000	\$8,750,000	\$11,250,000
Offices*	6	10,800	64,800	\$1,296,000	\$4,536,000	\$5,832,000
Entry Gate	1	1,000	1,000	\$20,000	\$70,000	\$90,000
Accommodations	12	479	5,750	\$240,000	\$840,000	\$1,080,000
Flex Pad	1	40,000	40,000	\$50,000	\$175,000	\$225,000
Club House	1	10,000	10,000	\$250,000	\$875,000	\$1,125,000
<b>Total</b>			<b>336,750</b>	<b>\$8,964,000</b>	<b>\$31,374,000</b>	<b>\$40,338,000</b>

\* Investment eligible for Media Production Development Zone Program sales tax exemption.

After the initial development of Phase I, the studio will facilitate on-going economic impacts through media production activities taking place on site. Although the specific projects that may utilize the studio facilities are not known at this time, this study estimates the impact of on-going production activities based on a hypothetical in-state production budget of \$10.6 million. The hypothetical amount of \$10.6 million of in-state expenditures is consistent with the average television project receiving a grant from the Texas Moving Image Industry Incentive Program (TMIIP) from 2017 through 2020. The breakdown of the hypothetical television production budget is based on similar media projects analyzed by Impact DataSource.

Table 3. Hypothetical Television Production Spending

	In-State Spending	Percentage*
Crew	\$3,894,218	36.64%
Talent	\$1,310,472	12.33%
Studio/Office Rental	\$553,736	5.21%
Lodging	\$470,835	4.43%
Food	\$222,132	2.09%
Vehicle Rentals	\$139,231	1.31%
Rolling Equipment	\$416,630	3.92%
Equipment Rentals	\$733,354	6.90%
Construction	\$280,588	2.64%
Set Dressing	\$144,545	1.36%
Wardrobe	\$62,707	0.59%
Special FX	\$121,163	1.14%
Miscellaneous	\$2,278,713	21.44%
<b>Total</b>	<b>\$10,628,325</b>	<b>100.00%</b>

\* Distribution of spending is based on similar media production projects.

It is assumed that the Phase I facilities could support a total of 6 of these hypothetical television projects per year. The table below illustrates the spending associated with 6 television projects.

Table 4. Annual Television Production Spending

	In-State Spending	Percentage*
Crew	\$23,365,309	36.64%
Talent	\$7,862,835	12.33%
Studio/Office Rental	\$3,322,414	5.21%
Lodging	\$2,825,009	4.43%
Food	\$1,332,792	2.09%
Vehicle Rentals	\$835,386	1.31%
Rolling Equipment	\$2,499,782	3.92%
Equipment Rentals	\$4,400,126	6.90%
Construction	\$1,683,527	2.64%
Set Dressing	\$867,271	1.36%
Wardrobe	\$376,243	0.59%
Special FX	\$726,977	1.14%
Miscellaneous	\$13,672,277	21.44%
<b>Total</b>	<b>\$63,769,949</b>	<b>100.00%</b>

The economic impact of on-going operations facilitated by the movie studio will be based on the expenditures detailed above.

**Economic & Fiscal Impact**

The economic impact of the Project was measured in employment, household earnings (or compensation to employees), economic output and value added. The total economic impact of the Project extends beyond the initial spending and workers employed. The direct economic activity ripples through the local and state economies supporting additional economic impacts in the form of indirect and induced jobs, household earnings, and economic output. The economic impact estimates are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U.S. Department of Commerce, Bureau of Economic Analysis.

This section of the report focuses on the statewide economic impacts. Local Bastrop County impacts are addressed in a later section.

**Construction/Development**

*Economic Impact of Construction/Development*

The Phase I capital investment will be made over 2 years and a total of \$40.3 million will be spent to construct sound stages, warehouse space, offices, and other supporting structures on the site. This activity is expected to support 747 "job years" of employment and \$39.9 million in household earnings for these workers. A "job year" is defined as full employment for one person for 2080 hours in a 12-month span. Additionally, the activity will support \$105.5 million in total spending or economic output, and contribute \$58.0 million in value added or gross area product.

Table 5. Economic Impact of Construction/Development Statewide in Texas

	Statewide In Texas
Economic Output:	
Direct	\$40,338,000
Indirect & Induced	\$65,153,938
<u>Total Economic Output</u>	<u>\$105,491,938</u>
Value Added:	
<u>Total Value Added</u>	<u>\$57,973,774</u>
Employment:	
Direct	329.1
Indirect & Induced	418.3
<u>Total Employment</u>	<u>747.4</u>
Household Earnings:	
Direct	\$21,165,158
Indirect & Induced	\$18,773,495
<u>Total Household Earnings</u>	<u>\$39,938,654</u>

*Fiscal Impact During Construction/Development*

The initial capital investment in the studio and the secondary economic impact impacts it supports through indirect and induced impacts will generate revenues for the State of Texas. The table below summarizes the revenues or benefits for the State of Texas during F396. After deducting the potential MPDZ sales tax exemption valued at \$1.12 million, the state will receive \$1.43 million in total benefits (tax revenues).

Therefore, the construction/development activity will generate \$1.28 for every dollar in sales tax exemption.

Table 6. Revenues for the State of Texas During Construction/Development

	Amount
Sales Taxes, before exemption	\$1,822,344
Sales Tax Exemption on MPDZ Eligible Materials	(\$1,123,442)
Hotel Occupancy Taxes	\$0
Franchise Taxes	\$79,119
Other Taxes & Revenues from Workers	\$656,502
<b>Total Benefits</b>	<b>\$1,434,523</b>
<i>Present Value (5% discount rate)</i>	<i>\$1,315,461</i>

### On-Going Production Activity

#### *Economic Impact of On-Going Production Activity*

The on-going economic impact is estimated based on the anticipated expenditures associated with production activities taking place at the studio facilities. The economic impact results were estimated using industry-specific multipliers for each expenditure category. Detailed calculations and results are shown in Appendix B. In total, the production activities are anticipated to have an annual economic impact of \$177.8 million per year, support 1,443 permanent jobs and \$64.3 million in household earnings paid to workers. This economic activity has the potential to contribute \$66.4 million to the gross state product in Texas.

Table 7. Annual Economic Impact of On-Going Production Activity Statewide in Texas

	Statewide In Texas
<b>Economic Output:</b>	
Direct	\$63,769,949
Indirect & Induced	\$114,029,398
<b>Total Economic Output</b>	<b>\$177,799,348</b>
<b>Value Added:</b>	
<b>Total Value Added</b>	<b>\$66,430,641</b>
<b>Employment:</b>	
Direct	694.0
Indirect & Induced	748.6
<b>Total Employment</b>	<b>1,442.6</b>
<b>Household Earnings:</b>	
Direct	\$31,228,144
Indirect & Induced	\$33,081,991
<b>Total Household Earnings</b>	<b>\$64,310,135</b>

#### *Fiscal Impact of On-Going Production Activity Over the First 10 Years*

The on-going production activity will also generate revenues for the State of Texas. The table below summarizes the tax revenue generated over the first 10-years of Phase I studio operations.

Table 8. Revenues for the State of Texas Over the First 10 Years from Production Activity

	Amount
Sales Taxes, before exemption	\$29,075,302
Sales Tax Exemption on MPDZ Eligible Materials	\$0
Hotel Occupancy Taxes	\$1,855,983
Franchise Taxes	\$1,460,140
Other Taxes & Revenues from Workers	\$15,059,384
<b>Total Benefits</b>	<b>\$47,450,810</b>
<i>Present Value (5% discount rate)</i>	<i>\$32,929,557</i>

More details about the fiscal impact estimates are provided below.

The Project is expected to generate fiscal benefits for Texas. The fiscal benefit in this report includes estimates of (1) Sales Taxes, (2) Hotel Occupancy Taxes, (3) Franchise Taxes, and (4) Other Taxes and Revenues from Workers. These revenues account for a majority of the state's general fund revenue and are the main sources of benefit for the state from this Project.

Sales taxes were calculated based on the state's portion of the sales tax rate and the estimated taxable sales supported by the Project during construction and operations. Taxable sales supported by the Project include taxable purchases/sales occurring during the initial capital expenditure as well as taxable spending during production activity and taxable spending by direct, indirect, and induced workers. Importantly, this study calculates the potential sales tax exemption associated with an MPDZ designation which has the potential to exempt taxes on construction materials for sound stages, warehouses and offices at the studio.

Hotel occupancy taxes were calculated on the lodging spending during on-going production activities that are anticipated to require significant lodging or accommodation spending.

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations, then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin. A rate of 0.375% is used for taxable entities primarily engaged in retail or wholesale trade, and a 0.75% rate is used for all other entities.

This study assumes the direct, indirect, and induced economic output represents revenues and that the taxable margins of these businesses is equal to 10% of the revenues. The franchise tax rate of 0.75% is applied to these estimated taxable margins

Other taxes and revenues -- in addition to taxes listed above -- will be collected for the State's general fund. The estimated annual collections from each worker of these other taxes are the following:

Other Revenues for the State from Each Worker:

Gasoline taxes	\$38
Motor vehicle sales and use taxes	\$313
Cigarette and tobacco taxes	\$161
Alcohol beverage taxes	\$129
Net lottery proceeds	\$218

*See Appendix A for more details.*

The statewide impact on population from this project is expected to be negligible and therefore no additional government costs are estimated for Texas.

Local Economic Impact

The impact felt inside the local economy will be a subset of the statewide economic impact for both the initial capital investment impact as well as the on-going operations impact. This section illustrates the economic impact for the local Bastrop County economy.

*Local Economic Impact of Construction/Development*

The Phase I capital investment impact within Bastrop County will be a subset of the previously presented statewide Texas impact. Within Bastrop County, the Phase I capital investment is expected to support 320 "job years" of employment and \$20.4 million in household earnings for these workers. Additionally, the activity will support \$55.8 million in total spending or economic output, and contribute \$31.0 million in value added or gross area product.

Table 9. Economic Impact of Initial Capital Investment in Bastrop County

	Bastrop County
Economic Output:	
Direct	\$40,338,000
Indirect & Induced	\$15,449,454
	<u>Total Economic Output</u> \$55,787,454
Value Added:	
	<u>Total Value Added</u> \$30,987,652
Employment:	
Direct	233.9
Indirect & Induced	86.5
	<u>Total Employment</u> 320.4
Household Earnings:	
Direct	\$16,610,539
Indirect & Induced	\$3,744,016
	<u>Total Household Earnings</u> \$20,354,555

*Local Economic Impact of On-Going Production Activity*

The on-going economic impact is estimated based on the anticipated expenditures associated with production activities taking place at the studio facilities. The economic impact results were estimated using industry-specific multipliers for each expenditure category. Detailed calculations and results are shown in Appendix B. In total and at the local level, the production activities are anticipated to have an annual economic impact of \$105.3 million per year, support 993 permanent jobs and \$43.0 million in household earnings paid to workers. This economic activity has the potential to contribute \$28.7 million to the gross area product.

Table 10. Annual Economic Impact of On-Going Production Activity in Bastrop County

		Bastrop County
Economic Output:		
Direct		\$56,933,811
Indirect & Induced		\$48,403,700
	<u>Total Economic Output</u>	<u>\$105,337,511</u>
Value Added:		
	<u>Total Value Added</u>	<u>\$28,687,036</u>
Employment:		
Direct		694.0
Indirect & Induced		298.8
	<u>Total Employment</u>	<u>992.7</u>
Household Earnings:		
Direct		\$31,228,144
Indirect & Induced		\$11,785,238
	<u>Total Household Earnings</u>	<u>\$43,013,382</u>

*The Project's Taxable Property*

The studio's development will result in the addition of taxable property at the site. The taxable value of the property associated with Phase I is shown below. The analysis assumes the market value of the property is equal to 50% of the cost of buildings and other real property improvements.

Table 11. Value of Taxable Property Supported by the Project Over the Next 12 Years

Year	Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories	Total
1	\$0	\$4,482,000	\$0	\$0	\$4,482,000
2	\$0	\$20,258,640	\$0	\$0	\$20,258,640
3	\$0	\$20,663,813	\$0	\$0	\$20,663,813
4	\$0	\$21,077,089	\$0	\$0	\$21,077,089
5	\$0	\$21,498,631	\$0	\$0	\$21,498,631
6	\$0	\$21,928,603	\$0	\$0	\$21,928,603
7	\$0	\$22,367,176	\$0	\$0	\$22,367,176
8	\$0	\$22,814,519	\$0	\$0	\$22,814,519
9	\$0	\$23,270,809	\$0	\$0	\$23,270,809
10	\$0	\$23,736,226	\$0	\$0	\$23,736,226
11	\$0	\$24,210,950	\$0	\$0	\$24,210,950
12	\$0	\$24,695,169	\$0	\$0	\$24,695,169

*Population Impacts and Residential Property*

The studio operations will create a significant number of jobs in the local economy. This analysis assumes a small portion of the new jobs will be filled by new worker households moving to Bastrop County. Due to the project's proximity to the City of Bastrop, it is expected that many of the new households may choose to locate in the City of Bastrop.

A subset of those workers relocating to the area may build new residential properties. Additionally, the relocating workers may have spouses or school-aged children. A summary of the overall population impact over the 12-year period is shown below.

Table 12. Population Impacts Over the First 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	31.2	13.4	44.6
Number of new residents in the City	81.1	34.9	116.0
Number of new residential properties to be built in the City	4.7	2.0	6.7
Number of new students expected to attend local school district	15.6	6.7	22.3

The taxable value of new residential property will phase in according to the employment impacts associated with the project. The table below shows the market value of residential property constructed over the next 12 years.

Table 13. Value of New Residential Taxable Property Over the Next 12 Years

Year	Market Value
1	\$0
2	\$0
3	\$996,807
4	\$1,016,743
5	\$1,037,078
6	\$1,057,820
7	\$1,078,976
8	\$1,100,556
9	\$1,122,567
10	\$1,145,018
11	\$1,167,919
12	\$1,191,277

This analysis assumes residential real property will appreciation at a rate of 2.0% per year.



Local Fiscal Impact

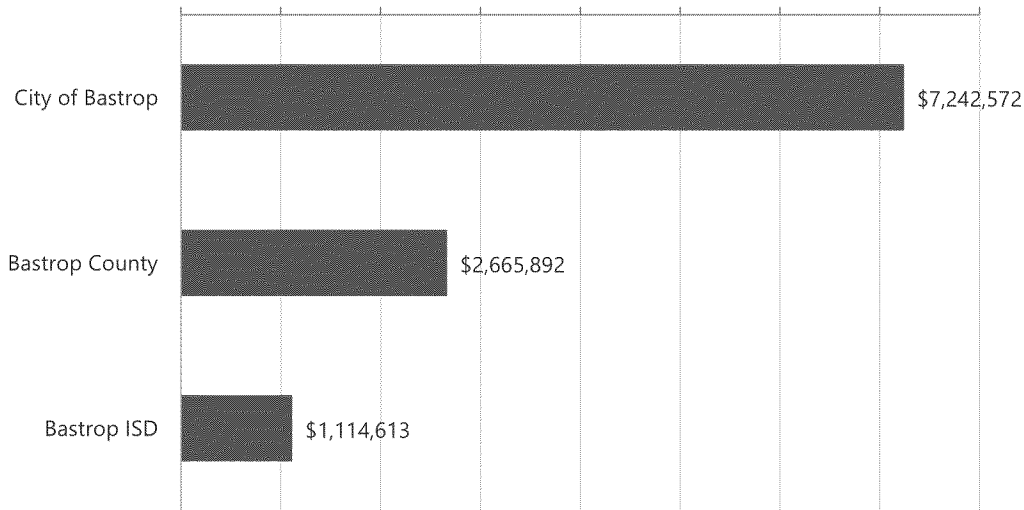
The Project will generate additional benefits and costs for local taxing districts, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages. Overall, the City will receive approximately \$7.2 million in net benefits over the 12-year period and the Project will generate \$11.0 million in total for all local taxing districts.

Table 14. Fiscal Net Benefits Over the Next 12 Years for Local Taxing Districts

	Benefits	Costs	Net Benefits	Present Value of Net Benefits*
City of Bastrop	\$12,237,222	(\$4,994,649)	\$7,242,572	\$5,161,445
Bastrop County	\$3,940,907	(\$1,275,015)	\$2,665,892	\$1,884,958
Bastrop ISD	\$4,649,882	(\$3,535,269)	\$1,114,613	\$796,373
Total	\$20,828,011	(\$9,804,933)	\$11,023,078	\$7,842,776

\* The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5% to make the dollars comparable.

Figure 1. Net Benefits Over the Next 12 Years for Local Taxing Districts



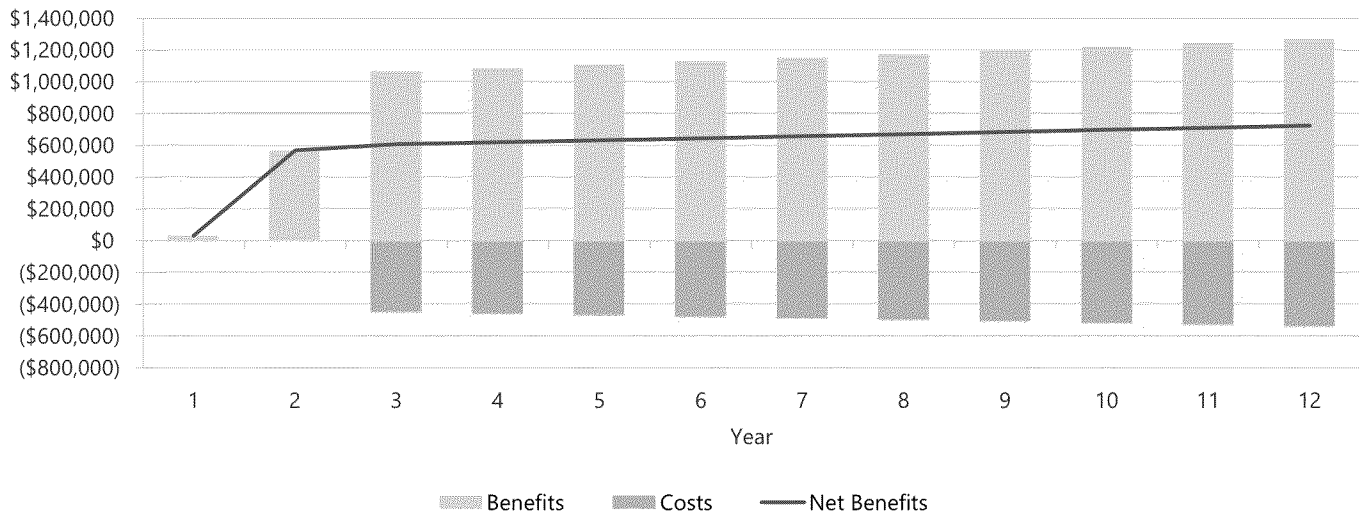
City of Bastrop

The table below displays the estimated additional benefits, costs, and net benefits to be received by the city over the next 12 years of the Project. Appendix C contains the year-by-year calculations.

Table 15. City of Bastrop: Benefits, Costs, and Net Benefits Over the Next 12 Years

	Amount
Sales Taxes	\$3,805,405
Sales Tax Exemption on MPDZ Eligible Materials	(\$121,332)
Real Property Taxes	\$1,454,315
FF&E Property Taxes	\$0
Inventory Property Taxes	\$0
New Residential Property Taxes	\$63,240
Utility Revenue	\$3,632,787
Utility Franchise Fees	\$267,878
Building Permits and Fees	\$150,000
Tap and Impact Fees	\$280,000
Hotel Occupancy Taxes	\$1,623,986
Miscellaneous Taxes & User Fees	\$1,080,943
<b>Subtotal Benefits</b>	<b><u>\$12,237,222</u></b>
Cost of Providing Municipal Services	(\$1,459,947)
Cost of Providing Utility Services	(\$3,534,702)
<b>Subtotal Costs</b>	<b><u>(\$4,994,649)</u></b>
Net Benefits	\$7,242,572
<i>Present Value (5% discount rate)</i>	<i>\$5,161,445</i>

Figure 2. Annual Fiscal Net Benefits for the City of Bastrop



The city will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 12 years are shown below for these two categories.

Table 16: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$3,785,562	\$19,842	\$3,805,405
Sales Tax Exemption on MPDZ Eligible Materials	(\$121,332)	\$0	(\$121,332)
Real Property Taxes	\$1,454,315	\$0	\$1,454,315
FF&E Property Taxes	\$0	\$0	\$0
Inventory Property Taxes	\$0	\$0	\$0
New Residential Property Taxes	\$0	\$63,240	\$63,240
Utility Revenue	\$3,106,917	\$525,870	\$3,632,787
Utility Franchise Fees	\$229,264	\$38,615	\$267,878
Building Permits and Fees	\$150,000	\$0	\$150,000
Tap and Impact Fees	\$280,000	\$0	\$280,000
Hotel Occupancy Taxes	\$1,623,986	\$0	\$1,623,986
Miscellaneous Taxes & User Fees	\$924,960	\$155,983	\$1,080,943
<u>Subtotal Benefits</u>	<u>\$11,433,671</u>	<u>\$803,550</u>	<u>\$12,237,222</u>
Cost of Providing Municipal Services	(\$1,249,091)	(\$210,856)	(\$1,459,947)
Cost of Providing Utility Services	(\$3,023,030)	(\$511,672)	(\$3,534,702)
<u>Subtotal Costs</u>	<u>(\$4,272,121)</u>	<u>(\$722,528)</u>	<u>(\$4,994,649)</u>
Net Benefits	\$7,161,550	\$81,022	\$7,242,572
<i>Percent of Total Net Benefits</i>	98.9%	1.1%	

Bastrop County

The table below displays the estimated additional benefits, costs, and net benefits to be received by the County over the next 12 years of the Project. Appendix C contains the year-by-year calculations.

Table 17. Bastrop County: Benefits, Costs, and Net Benefits Over the Next 12 Years

	Amount
Sale Taxes	\$1,268,468
Sales Tax Exemption on MPDZ Eligible Materials	(\$40,444)
Real Property Taxes	\$1,405,369
FF&E Property Taxes	\$0
Inventory Property Taxes	\$0
New Residential Property Taxes	\$122,223
Miscellaneous Taxes & User Fees	\$1,185,290
<u>Subtotal Benefits</u>	<u>\$3,940,907</u>
Cost of Providing County Services	(\$1,275,015)
<u>Subtotal Costs</u>	<u>(\$1,275,015)</u>
Net Benefits	\$2,665,892
<i>Present Value (5% discount rate)</i>	<i>\$1,884,958</i>

Bastrop ISD

The table below displays the estimated additional benefits, costs, and net benefits to be received by the school district over the next 12 years of the Project. Appendix C contains the year-by-year calculations.

Table 18. Bastrop ISD: Benefits, Costs, and Net Benefits Over the Next 12 Years

	Amount
Real Property Taxes	\$3,315,758
FF&E Property Taxes	\$0
Inventory Property Taxes	\$0
New Residential Property Taxes	\$144,184
Additional State and Federal Funding	\$1,189,940
<u>Subtotal Benefits</u>	<u>\$4,649,882</u>
Cost of Educating New Students	(\$1,127,191)
Reduction in State School Funding*	(\$2,408,078)
<u>Subtotal Costs</u>	<u>(\$3,535,269)</u>
Net Benefits	\$1,114,613
<i>Present Value (5% discount rate)</i>	<i>\$796,373</i>

\* Reduction in state school funding as a result of property being added to local tax rolls, see Methodology.

Overview of Methodology

This report presents the results of an analysis undertaken by Impact DataSource, an Austin, TX based economic consulting firm. The analysis relies on prospective estimates of business activity that may not be realized. Impact DataSource and the Client made reasonable efforts to ensure that the project-specific data reflects realistic estimates of future activity.

The Total Impact model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 12-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

None		City	County
Employment Multiplier	(Type II Direct Effect )	1.0000	1.0000
Earnings Multiplier	(Type II Direct Effect )	1.0000	1.0000

The fiscal impacts calculated in this report are detailed in Appendix C. Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach. This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

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

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

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

### About Impact DataSource

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Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

In addition, Impact DataSource has prepared and customized more than 50 economic impact models for its clients to perform their own analyses of economic development projects. These clients include the New Mexico Economic Development Department and the Tennessee Department of Economic and Community Development.

The New Mexico Department of Economic Development uses Impact DataSource's computer model to project the economic impact of new or expanding firms in the state, including costs and benefits for the State of New Mexico, as well as each local taxing district. The model also analyzes the amount of eligible state and local incentives and calculates a rate of return and payback period for these incentives.

Appendix A  
*Data and Rates*

Local Tax Rates

Sales tax rates

City of Bastrop	1.500%
Bastrop County	0.500%
State of Texas	6.250%

Property tax rates, per \$100 of valuation

City of Bastrop	0.5794
Bastrop County	0.5599
Bastrop ISD	1.3210

<i>M&amp;O Rate</i>	<i>0.9194</i>
<i>I&amp;S Rate</i>	<i>0.4016</i>

Hotel occupancy tax rates

City of Bastrop	7.00%
State of Texas	6.00%

City Data

Estimated additional annual miscellaneous taxes and user fees to be collected

Residential, per household	\$307
Businesses, per worker	\$117

Estimated utility franchise fees to be collected

Residential, per household	\$76
Businesses, per worker	\$29

Estimated city-owned utility revenue to be collected

Residential, per household	\$1,035
Businesses, per worker	\$393

Estimated additional annual operating expenditures to be incurred

Residential, per household	\$415
Businesses, per worker	\$158

The City's cost of providing city-owned utility service, as a percent of utility billings 97.3%

Rate of expected annual increase in

City-owned Utility bills	2.0%
City Miscellaneous Taxes and User Fees	2.0%
Cost of City Services	2.0%

Percent of new workers who will move to the City to take a job

Project's workers	4.5%
Spin-off workers	4.5%



Percent of workers who move to the area that will buy a new home or require that new residential property be built for them 15.0%

Average taxable value of a new single family residence constructed in the area \$143,000

Percent of taxable shopping by a typical new worker that will be in the City 25.0%

### County Data

Estimated additional annual miscellaneous taxes and user fees to be collected

Residential, per household	\$341
Businesses, per worker	\$106

Estimated additional annual operating expenditures to be incurred

Residential, per household	\$367
Businesses, per worker	\$114

Rate of expected annual increase in

County Miscellaneous Taxes and User Fees	2.0%
Cost of County Services	2.0%

Percent of new workers who will move to the County to take a job

Project's workers	9.0%
Spin-off workers	9.0%

### School District Data

Annual state aid and federal and other funding per child received by the district \$4,684

The school district's estimated annual marginal cost to educate new each new student \$4,437

Rate of expected annual increase in

State and Federal Aid	2.0%
Cost of educating students	2.0%

### State of Texas Data

Texas business franchise tax:

Texas franchise tax is a tax on "taxable margin," which is a concept similar to taxable income. Generally, an entity's taxable margin is its revenue less either its cost of goods sold or its compensation expense, but not both. If 70% of the entity's revenue is less than either of these calculations,

then 70% of revenue is the taxable margin. Taxable margin must then be apportioned to business done in Texas, measured by the ratio of gross receipts from business done in Texas to gross receipts from business done everywhere. The tax rate is then applied to the apportioned margin.

A rate of .375% is used for taxable entities primarily engaged in retail or wholesale trade, and a .75% rate is used for all other entities.

Sales and use tax rate	6.25%
Hotel occupancy tax rate	6.00%
Gasoline tax, per gallon	\$0.20
Percent of gasoline taxes going into state general revenues	25.00%
Motor vehicle sales and use tax	6.25%

Percent of total salaries that a typical worker spends on taxable goods and services 25.00%

Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

	Total Collections in 2017	Number of Households in the State (Estimated 2017)	Amount of Annual Collections Per Worker Household
Cigarette and tobacco taxes	\$1,522,827,788	9,430,419	\$161
Alcoholic beverage taxes	\$1,217,710,832	9,430,419	\$129
Net lottery proceeds	\$2,053,243,707	9,430,419	\$218
Total			\$508

Some assumptions used in this analysis:

Annual state gasoline tax collections per worker:

Miles driven per year by a typical worker	15,000
Miles per gallon	20
Number of gallons of gasoline purchased each year by a typical worker	750
Gasoline tax, per gallon	\$0.20
Gasoline taxes paid each year by a typical worker	\$150
Percent of gasoline taxes going into the general fund	25.0%
Gasoline taxes paid each year by a typical worker going to the general fund	\$37.50

Annual motor vehicle sales and use tax collections per worker:

Number of new or used automobiles purchased per 10 workers each year	2
Average value of new or used automobiles purchased by a typical worker who purchases an automobile	\$25,000
Motor vehicle sales and use tax	6.25%
Annual motor vehicle sales and use taxes paid by a typical worker	\$312.50

Estimated other taxes collected annually by the state for the general revenue fund for each worker household:

Summary of annual state taxes, other than sales taxes, collected from each worker:

Gasoline taxes	\$37.50
Motor vehicle sales and use taxes	\$312.50
Cigarette and tobacco taxes	\$161.48
Alcoholic beverage taxes	\$129.13
Net lottery proceeds	\$217.73
Total	\$858.33

Estimated annual increase in the above taxes per worker over each of the next ten years 3.0%

### Other Rates and Assumptions

Amount of building and improvements costs added to local tax rolls 50.0%

Percentages for computing depreciable or taxable values of the Project's furniture, fixtures, and equipment

Year	Percent of Market Value of FF&E Subject to Property Taxes
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	20%

Percent annual increase in the taxable value of real property

Commercial/Industrial	2.0%
Residential	2.0%

Household size of a typical new worker moving to the area 2.60

Number of school children in a typical worker's household 0.50

Percent of the gross salaries that workers will spend on taxable goods and services

New Workers	25.0%
Temporary Construction Workers	25.0%

Discount rate for calculating the present value of costs and benefits 5.0%

Expected average annual inflation rate 3.0%

Project Investments

The Project's capital investment each year

Year	Land	MPDZ Eligible Buildings and Other Real Property Improvements	MPDZ Ineligible Buildings and Other Real Property Improvements	MPDZ Eligible Furniture, Fixtures, and Equipment	MPDZ Ineligible Furniture, Fixtures, and Equipment	Total
1	\$0	\$8,404,000	\$560,000	\$0	\$0	\$8,964,000
2	\$0	\$29,414,000	\$1,960,000	\$0	\$0	\$31,374,000
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
11	\$0	\$0	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	\$0	\$37,818,000	\$2,520,000	\$0	\$0	\$40,338,000

\* Investment eligible for Media Production Development Zone Program sales tax exemption.

Percent of building and improvement costs for materials and labor

Materials	47.5%
Labor	52.5%

Percent of construction materials that will be purchased in the City and subject to sales taxes 45.0%

Percent of taxable spending by construction workers in the City and subject to sales taxes 25.0%

Percent of furniture, fixtures, and equipment to be purchased in the City and subject to sales taxes 25.0%

Building permits and fees and tap and impact fees to be paid to the City during construction, if applicable

Year	Total City Building Permits and Fees	Tap & Impact Fees
1	\$0	\$0
2	\$150,000	\$280,000
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
11	\$0	\$0
12	\$0	\$0
13	\$0	\$0
14	\$0	\$0
15	\$0	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0

The Project's taxable inventories

Year	Total Taxable Inventories
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
11	\$0
12	\$0
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0

Estimated spending for construction

Year	Spending on Construction
1	\$8,964,000
2	\$31,374,000
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
11	\$0
12	\$0
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0

Appendix B  
*Economic Impact Calculations*

LINE 204 MOVIE STUDIO PHASE I | APPENDIX B

On-going Production Activity - Production Spending

STATE OF TEXAS

	In-State Spending RIMS II Industry
Crew	\$23,365,309 H00000 Households
Talent	\$7,862,835 H00000 Households
Studio/Office Rental	\$3,322,414 531000 Real estate
Lodging	\$2,825,009 721000 Accommodation
Food	\$1,332,792 722A00 All other food and drinking places
Vehicle Rentals	\$835,386 532100 Automotive equipment rental and leasing
Rolling Equipment	\$2,499,782 532400 Commercial and industrial machinery and equipment rental and leasing
Equipment Rentals	\$4,400,126 532400 Commercial and industrial machinery and equipment rental and leasing
Construction	\$1,683,527 2332 Nonresidential structures
Set Dressing	\$867,271 532A00 General and consumer goods rental
Wardrobe	\$376,243 532A00 General and consumer goods rental
Special FX	\$726,977 512100 Motion picture and video industries
Miscellaneous	\$13,672,277 512100 Motion picture and video industries
<b>Total</b>	<b>\$63,769,949</b>

Indirect & Induced Impacts

	Output	Workers' Earnings	Employment	Value Added
Crew	\$35,475,549	\$10,617,197	236.5	\$20,482,030
Talent	\$11,938,142	\$3,572,872	79.6	\$6,892,561
Studio/Office Rental	\$5,861,736	\$1,257,202	33.2	\$3,932,410
Lodging	\$6,043,259	\$1,793,033	45.3	\$3,544,256
Food	\$3,181,108	\$1,182,320	35.0	\$1,896,296
Vehicle Rentals	\$1,873,855	\$512,844	9.9	\$1,041,476
Rolling Equipment	\$5,745,249	\$1,606,610	26.3	\$3,181,473
Equipment Rentals	\$10,112,811	\$2,827,961	46.2	\$5,600,041
Construction	\$4,402,759	\$1,666,860	28.3	\$2,419,565
Set Dressing	\$2,073,993	\$678,033	12.6	\$1,178,101
Wardrobe	\$899,747	\$294,147	5.5	\$511,088
Special FX	\$1,333,931	\$357,091	9.6	\$795,241
Miscellaneous	\$25,087,261	\$6,715,823	180.7	\$14,956,104
<b>Total Indirect &amp; Induced</b>	<b>\$114,029,398</b>	<b>\$33,081,991</b>	<b>748.6</b>	<b>\$66,430,641</b>

Annual Economic Impact of On-going Production Activity

	Statewide In Texas
Economic Output:	
Direct	\$63,769,949
Indirect & Induced	\$114,029,398
<b>Total Economic Output</b>	<b>\$177,799,348</b>
Value Added:	
<b>Total Value Added</b>	<b>\$66,430,641</b>
Employment:	
Direct	694.0
Indirect & Induced	748.6
<b>Total Employment</b>	<b>1,442.6</b>
Household Earnings:	
Direct	\$31,228,144
Indirect & Induced	\$33,081,991
<b>Total Household Earnings</b>	<b>\$64,310,135</b>



Number of jobs added and worker salaries to be paid each year in the State

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	0.0	0.0	0.0	\$0	\$0	\$0
2	0.0	0.0	0.0	\$0	\$0	\$0
3	694.0	748.6	1,442.6	\$31,228,144	\$33,081,991	\$64,310,135
4	0.0	0.0	0.0	\$31,852,707	\$33,743,631	\$65,596,338
5	0.0	0.0	0.0	\$32,489,761	\$34,418,503	\$66,908,264
6	0.0	0.0	0.0	\$33,139,556	\$35,106,873	\$68,246,429
7	0.0	0.0	0.0	\$33,802,347	\$35,809,010	\$69,611,357
8	0.0	0.0	0.0	\$34,478,394	\$36,525,190	\$71,003,584
9	0.0	0.0	0.0	\$35,167,962	\$37,255,694	\$72,423,656
10	0.0	0.0	0.0	\$35,871,322	\$38,000,809	\$73,872,131
11	0.0	0.0	0.0	\$36,588,748	\$38,760,825	\$75,349,573
12	0.0	0.0	0.0	\$37,320,523	\$39,536,041	\$76,856,564
13	0.0	0.0	0.0	\$0	\$0	\$0
14	0.0	0.0	0.0	\$0	\$0	\$0
15	0.0	0.0	0.0	\$0	\$0	\$0
16	0.0	0.0	0.0	\$0	\$0	\$0
17	0.0	0.0	0.0	\$0	\$0	\$0
18	0.0	0.0	0.0	\$0	\$0	\$0
19	0.0	0.0	0.0	\$0	\$0	\$0
20	0.0	0.0	0.0	\$0	\$0	\$0
Total	694.0	748.6	1,442.6	\$341,939,464	\$362,238,567	\$704,178,031

Economic Output & Value Added each year in the State

Year	Direct Economic Output	Indirect Economic Output	Total Economic Output	Total Value Added
1	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0
3	\$63,769,949	\$114,029,398	\$177,799,348	\$66,430,641
4	\$65,045,348	\$116,309,986	\$181,355,334	\$67,759,254
5	\$66,346,255	\$118,636,186	\$184,982,441	\$69,114,439
6	\$67,673,180	\$121,008,910	\$188,682,090	\$70,496,728
7	\$69,026,644	\$123,429,088	\$192,455,732	\$71,906,662
8	\$70,407,177	\$125,897,670	\$196,304,846	\$73,344,796
9	\$71,815,320	\$128,415,623	\$200,230,943	\$74,811,692
10	\$73,251,627	\$130,983,936	\$204,235,562	\$76,307,925
11	\$74,716,659	\$133,603,614	\$208,320,273	\$77,834,084
12	\$76,210,992	\$136,275,687	\$212,486,679	\$79,390,766
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0
Total	\$698,263,151	\$1,248,590,099	\$1,946,853,249	\$727,396,987

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Statewide taxable spending on which sales taxes will be collected

Year	Construction Materials Spending	Construction Workers' Spending	Furniture, Fixtures, and Equipment Spending	Direct and Indirect Workers' Spending	Production Related Taxable Spending	Indirect & Induced Taxable Spending	Total
1	\$4,260,631	\$2,218,814	\$0	\$0	\$0	\$0	\$6,479,446
2	\$14,912,210	\$7,765,849	\$0	\$0	\$0	\$0	\$22,678,060
3	\$0	\$0	\$0	\$16,077,534	\$15,005,069	\$11,402,940	\$42,485,543
4	\$0	\$0	\$0	\$16,399,085	\$15,305,170	\$11,630,999	\$43,335,254
5	\$0	\$0	\$0	\$16,727,066	\$15,611,274	\$11,863,619	\$44,201,958
6	\$0	\$0	\$0	\$17,061,607	\$15,923,499	\$12,100,891	\$45,085,998
7	\$0	\$0	\$0	\$17,402,839	\$16,241,969	\$12,342,909	\$45,987,717
8	\$0	\$0	\$0	\$17,750,896	\$16,566,809	\$12,589,767	\$46,907,472
9	\$0	\$0	\$0	\$18,105,914	\$16,898,145	\$12,841,562	\$47,845,621
10	\$0	\$0	\$0	\$18,468,033	\$17,236,108	\$13,098,394	\$48,802,534
11	\$0	\$0	\$0	\$18,837,393	\$17,580,830	\$13,360,361	\$49,778,585
12	\$0	\$0	\$0	\$19,214,141	\$17,932,446	\$13,627,569	\$50,774,156
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$19,172,842	\$9,984,663	\$0	\$176,044,508	\$164,301,319	\$124,859,010	\$494,362,342

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On-going Production Activity - Production Spending

BASTROP COUNTY

Bastrop County		
	Spending	RIMS II Industry
Crew	\$23,365,309	H00000 Households <i>100% of In-State Spending</i>
Talent	\$7,862,835	H00000 Households <i>100% of In-State Spending</i>
Studio/Office Rental	\$3,322,414	531000 Real estate <i>100% of In-State Spending</i>
Lodging	\$2,825,009	721000 Accommodation <i>100% of In-State Spending</i>
Food	\$1,332,792	722A00 All other food and drinking places <i>100% of In-State Spending</i>
Vehicle Rentals	\$835,386	532100 Automotive equipment rental and leasing <i>100% of In-State Spending</i>
Rolling Equipment	\$2,499,782	532400 Commercial and industrial machinery and equi <i>100% of In-State Spending</i>
Equipment Rentals	\$4,400,126	532400 Commercial and industrial machinery and equi <i>100% of In-State Spending</i>
Construction	\$1,683,527	2332 Nonresidential structures <i>100% of In-State Spending</i>
Set Dressing	\$867,271	532A00 General and consumer goods rental <i>100% of In-State Spending</i>
Wardrobe	\$376,243	532A00 General and consumer goods rental <i>100% of In-State Spending</i>
Special FX	\$726,977	512100 Motion picture and video industries <i>100% of In-State Spending</i>
Miscellaneous	\$6,836,139	512100 Motion picture and video industries <i>50% of In-State Spending</i>
<b>Total</b>	<b>\$56,933,811</b>	

Indirect & Induced Impacts

	Output	Workers' Earnings	Employment	Value Added
Crew	\$11,369,560	\$2,946,366	78.7	\$6,745,565
Talent	\$3,826,055	\$991,503	26.5	\$2,270,000
Studio/Office Rental	\$4,143,383	\$631,591	20.9	\$2,936,682
Lodging	\$3,574,201	\$781,115	22.5	\$2,123,842
Food	\$1,702,109	\$551,643	19.5	\$1,043,976
Vehicle Rentals	\$1,127,604	\$247,525	4.8	\$620,692
Rolling Equipment	\$3,304,212	\$742,185	10.1	\$1,799,843
Equipment Rentals	\$5,816,087	\$1,306,398	17.8	\$3,168,091
Construction	\$2,328,317	\$849,508	13.4	\$1,293,285
Set Dressing	\$1,158,241	\$350,464	6.4	\$654,616
Wardrobe	\$502,472	\$152,040	2.8	\$283,988
Special FX	\$918,100	\$214,822	7.2	\$552,357
Miscellaneous	\$8,633,359	\$2,020,079	68.2	\$5,194,098
<b>Total Indirect &amp; Induced</b>	<b>\$48,403,700</b>	<b>\$11,785,238</b>	<b>298.8</b>	<b>\$28,687,036</b>

Annual Economic Impact of On-going Production Activity

Bastrop County	
Economic Output:	
Direct	\$56,933,811
Indirect & Induced	\$48,403,700
<b>Total Economic Output</b>	<b>\$105,337,511</b>
Value Added:	
<b>Total Value Added</b>	<b>\$28,687,036</b>
Employment:	
Direct	694.0
Indirect & Induced	298.8
<b>Total Employment</b>	<b>992.7</b>
Household Earnings:	
Direct	\$31,228,144
Indirect & Induced	\$11,785,238
<b>Total Household Earnings</b>	<b>\$43,013,382</b>

Number of jobs added each year and worker salaries to be paid in the County

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	0.0	0.0	0.0	\$0	\$0	\$0
2	0.0	0.0	0.0	\$0	\$0	\$0
3	694.0	298.7	992.7	\$31,228,144	\$11,785,238	\$43,013,382
4	0.0	0.0	0.0	\$31,852,707	\$12,020,942	\$43,873,649
5	0.0	0.0	0.0	\$32,489,761	\$12,261,361	\$44,751,122
6	0.0	0.0	0.0	\$33,139,556	\$12,506,588	\$45,646,144
7	0.0	0.0	0.0	\$33,802,347	\$12,756,720	\$46,559,067
8	0.0	0.0	0.0	\$34,478,394	\$13,011,854	\$47,490,248
9	0.0	0.0	0.0	\$35,167,962	\$13,272,092	\$48,440,054
10	0.0	0.0	0.0	\$35,871,322	\$13,537,534	\$49,408,856
11	0.0	0.0	0.0	\$36,588,748	\$13,808,284	\$50,397,032
12	0.0	0.0	0.0	\$37,320,523	\$14,084,450	\$51,404,973
13	0.0	0.0	0.0	\$0	\$0	\$0
14	0.0	0.0	0.0	\$0	\$0	\$0
15	0.0	0.0	0.0	\$0	\$0	\$0
16	0.0	0.0	0.0	\$0	\$0	\$0
17	0.0	0.0	0.0	\$0	\$0	\$0
18	0.0	0.0	0.0	\$0	\$0	\$0
19	0.0	0.0	0.0	\$0	\$0	\$0
20	0.0	0.0	0.0	\$0	\$0	\$0
Total	694.0	298.7	992.7	\$341,939,464	\$129,045,063	\$470,984,527

Number of direct and indirect workers and their families who will move to the County and their children who will attend local public schools

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	0.0	0.0	0.0
2	0.0	0.0	0.0
3	89.4	232.4	44.7
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0
10	0.0	0.0	0.0
11	0.0	0.0	0.0
12	0.0	0.0	0.0
13	0.0	0.0	0.0
14	0.0	0.0	0.0
15	0.0	0.0	0.0
16	0.0	0.0	0.0
17	0.0	0.0	0.0
18	0.0	0.0	0.0
19	0.0	0.0	0.0
20	0.0	0.0	0.0
Total	89.4	232.4	44.7

Number of new residential properties that may be built in the County for direct and indirect workers who will move to the County and the taxable value over time

Year	New Residential Properties	Taxable Value of New County Residential Property
1	0.0	\$0
2	0.0	\$0
3	13.4	\$1,993,614
4	0.0	\$2,033,487
5	0.0	\$2,074,157
6	0.0	\$2,115,640
7	0.0	\$2,157,952
8	0.0	\$2,201,111
9	0.0	\$2,245,134
10	0.0	\$2,290,036
11	0.0	\$2,335,837
12	0.0	\$2,382,554
13	0.0	\$0
14	0.0	\$0
15	0.0	\$0
16	0.0	\$0
17	0.0	\$0
18	0.0	\$0
19	0.0	\$0
20	0.0	\$0
Total	13.4	

Economic Output & Value Added each year in Bastrop County

Year	Direct Economic Output	Indirect Economic Output	Total Economic Output	Total Value Added
1	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0
3	\$56,933,811	\$48,403,700	\$105,337,511	\$28,687,036
4	\$58,072,487	\$49,371,774	\$107,444,261	\$29,260,777
5	\$59,233,936	\$50,359,210	\$109,593,146	\$29,845,992
6	\$60,418,615	\$51,366,394	\$111,785,009	\$30,442,912
7	\$61,626,988	\$52,393,722	\$114,020,710	\$31,051,770
8	\$62,859,527	\$53,441,596	\$116,301,124	\$31,672,806
9	\$64,116,718	\$54,510,428	\$118,627,146	\$32,306,262
10	\$65,399,052	\$55,600,637	\$120,999,689	\$32,952,387
11	\$66,707,033	\$56,712,650	\$123,419,683	\$33,611,435
12	\$68,041,174	\$57,846,903	\$125,888,077	\$34,283,663
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0
Total	\$623,409,341	\$530,007,015	\$1,153,416,356	\$314,115,040

Number of direct and indirect workers and their families who will move to the City and their children who will attend local public schools

Year	New Workers Moving to the Area	Total New Residents	Total New Students
1	0.0	0.0	0.0
2	0.0	0.0	0.0
3	44.6	116.0	22.3
4	0.0	0.0	0.0
5	0.0	0.0	0.0
6	0.0	0.0	0.0
7	0.0	0.0	0.0
8	0.0	0.0	0.0
9	0.0	0.0	0.0
10	0.0	0.0	0.0
11	0.0	0.0	0.0
12	0.0	0.0	0.0
13	0.0	0.0	0.0
14	0.0	0.0	0.0
15	0.0	0.0	0.0
16	0.0	0.0	0.0
17	0.0	0.0	0.0
18	0.0	0.0	0.0
19	0.0	0.0	0.0
20	0.0	0.0	0.0
Total	44.6	116.0	22.3



Number of new residential properties that may be built in the City for direct and indirect workers who will move to the City and the taxable value over time

Year	New Residential Properties	Taxable Value of New City Residential Property
1	0.0	\$0
2	0.0	\$0
3	6.7	\$996,807
4	0.0	\$1,016,743
5	0.0	\$1,037,078
6	0.0	\$1,057,820
7	0.0	\$1,078,976
8	0.0	\$1,100,556
9	0.0	\$1,122,567
10	0.0	\$1,145,018
11	0.0	\$1,167,919
12	0.0	\$1,191,277
13	0.0	\$0
14	0.0	\$0
15	0.0	\$0
16	0.0	\$0
17	0.0	\$0
18	0.0	\$0
19	0.0	\$0
20	0.0	\$0
Total	6.7	

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Local taxable spending on which sales taxes will be collected

Year	Construction Materials Spending	Construction Workers' Spending	Furniture, Fixtures, and Equipment Spending	Direct and Indirect Workers' Spending	Production Related Taxable Spending	Indirect & Induced Taxable Spending	Total
1	\$1,917,284	\$293,961	\$0	\$0	\$0	\$0	\$293,961
2	\$6,710,495	\$1,028,862	\$0	\$0	\$0	\$0	\$1,028,862
3	\$0	\$0	\$0	\$2,688,336	\$8,168,930	\$11,402,940	\$22,260,207
4	\$0	\$0	\$0	\$2,742,103	\$8,332,309	\$11,630,999	\$22,705,411
5	\$0	\$0	\$0	\$2,796,945	\$8,498,955	\$11,863,619	\$23,159,519
6	\$0	\$0	\$0	\$2,852,884	\$8,668,934	\$12,100,891	\$23,622,709
7	\$0	\$0	\$0	\$2,909,942	\$8,842,313	\$12,342,909	\$24,095,164
8	\$0	\$0	\$0	\$2,968,141	\$9,019,159	\$12,589,767	\$24,577,067
9	\$0	\$0	\$0	\$3,027,503	\$9,199,543	\$12,841,562	\$25,068,608
10	\$0	\$0	\$0	\$3,088,054	\$9,383,533	\$13,098,394	\$25,569,980
11	\$0	\$0	\$0	\$3,149,815	\$9,571,204	\$13,360,361	\$26,081,380
12	\$0	\$0	\$0	\$3,212,811	\$9,762,628	\$13,627,569	\$26,603,008
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$8,627,779	\$1,322,822	\$0	\$29,436,533	\$89,447,510	\$124,859,010	\$245,065,875

Spending on lodging

Year	Spending on Lodging
1	\$0
2	\$0
3	\$2,825,009
4	\$2,881,509
5	\$2,939,139
6	\$2,997,922
7	\$3,057,880
8	\$3,119,038
9	\$3,181,419
10	\$3,245,047
11	\$3,309,948
12	\$3,376,147
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
Total	\$30,933,058

Taxable value of the Project's property on local tax rolls

Year	The Project's Property				Total Taxable Property
	Land on Local Tax Rolls	Buildings and Other Real Property on Local Tax Rolls	Furniture, Fixtures, & Equipment on Local Tax Rolls	Inventories on Local Tax Rolls	
1	\$0	\$4,482,000	\$0	\$0	\$4,482,000
2	\$0	\$20,258,640	\$0	\$0	\$20,258,640
3	\$0	\$20,663,813	\$0	\$0	\$20,663,813
4	\$0	\$21,077,089	\$0	\$0	\$21,077,089
5	\$0	\$21,498,631	\$0	\$0	\$21,498,631
6	\$0	\$21,928,603	\$0	\$0	\$21,928,603
7	\$0	\$22,367,176	\$0	\$0	\$22,367,176
8	\$0	\$22,814,519	\$0	\$0	\$22,814,519
9	\$0	\$23,270,809	\$0	\$0	\$23,270,809
10	\$0	\$23,736,226	\$0	\$0	\$23,736,226
11	\$0	\$24,210,950	\$0	\$0	\$24,210,950
12	\$0	\$24,695,169	\$0	\$0	\$24,695,169
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0

Appendix C  
*Fiscal Impact Calculations*

Fiscal Impact: City of Bastrop

Sales tax collections

Year	On Construction Materials Spending	On Construction Workers' Spending	On Furniture, Fixtures, and Equipment Spending	On Direct and Indirect Workers' Spending	On Production Related Taxable Spending	On Indirect & Induced Taxable Spending	Total
1	\$28,759	\$4,409	\$0	\$0	\$0	\$0	\$33,169
2	\$100,657	\$15,433	\$0	\$0	\$0	\$0	\$116,090
3	\$0	\$0	\$0	\$40,325	\$122,534	\$171,044	\$333,903
4	\$0	\$0	\$0	\$41,132	\$124,985	\$174,465	\$340,581
5	\$0	\$0	\$0	\$41,954	\$127,484	\$177,954	\$347,393
6	\$0	\$0	\$0	\$42,793	\$130,034	\$181,513	\$354,341
7	\$0	\$0	\$0	\$43,649	\$132,635	\$185,144	\$361,427
8	\$0	\$0	\$0	\$44,522	\$135,287	\$188,847	\$368,656
9	\$0	\$0	\$0	\$45,413	\$137,993	\$192,623	\$376,029
10	\$0	\$0	\$0	\$46,321	\$140,753	\$196,476	\$383,550
11	\$0	\$0	\$0	\$47,247	\$143,568	\$200,405	\$391,221
12	\$0	\$0	\$0	\$48,192	\$146,439	\$204,414	\$399,045
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$129,417	\$19,842	\$0	\$441,548	\$1,341,713	\$1,872,885	\$3,805,405

Fiscal Impact: City of Bastrop

Potential Sales Tax Exemption if Media Production Development Zone is approved

Year	On Eligible Construction Materials Spending	Total
1	(\$26,963)	(\$26,963)
2	(\$94,369)	(\$94,369)
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
11	\$0	\$0
12	\$0	\$0
13	\$0	\$0
14	\$0	\$0
15	\$0	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0
Total	(\$121,332)	(\$121,332)

Exemption represents sales tax on purchases of construction materials associated with the following investments:

- Sound Stages
- Warehouse
- Offices

Fiscal Impact: City of Bastrop

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	\$0
2	\$0
3	\$5,776
4	\$5,891
5	\$6,009
6	\$6,129
7	\$6,252
8	\$6,377
9	\$6,504
10	\$6,634
11	\$6,767
12	\$6,902
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
<b>Total</b>	<b>\$63,240</b>

Fiscal Impact: City of Bastrop

Property tax collections on the Project's Real Property

Year	<u>Land</u>		<u>Buildings &amp; Other Real Property Improvements</u>		Total Real Property Taxes Collected after Abated
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	
1	\$0	\$0	\$25,969	\$0	\$25,969
2	\$0	\$0	\$117,379	\$0	\$117,379
3	\$0	\$0	\$119,726	\$0	\$119,726
4	\$0	\$0	\$122,121	\$0	\$122,121
5	\$0	\$0	\$124,563	\$0	\$124,563
6	\$0	\$0	\$127,054	\$0	\$127,054
7	\$0	\$0	\$129,595	\$0	\$129,595
8	\$0	\$0	\$132,187	\$0	\$132,187
9	\$0	\$0	\$134,831	\$0	\$134,831
10	\$0	\$0	\$137,528	\$0	\$137,528
11	\$0	\$0	\$140,278	\$0	\$140,278
12	\$0	\$0	\$143,084	\$0	\$143,084
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$1,454,315	\$0	\$1,454,315



Fiscal Impact: City of Bastrop

Property tax collections on the Project's Furniture, Fixtures, and Equipment and Inventories

Year	<u>Furniture, Fixtures, &amp; Equip.</u>		<u>Inventories</u>		Total FF&E and Inventory Property Taxes Collected after
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	Abated
1	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0
11	\$0	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

Fiscal Impact: City of Bastrop

Utility revenue, utility franchise fees collected by the City from new residents and from the Project, and Permits

Year	Utility Revenue <i>New Residents</i>	Utility Revenue <i>Project</i>	Utility Franchise Fees <i>New Residents</i>	Utility Franchise Fees <i>Project</i>	Building Permits and Fees	Tap & Impact Fees	Total
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$150,000	\$280,000	\$430,000
3	\$48,026	\$283,744	\$3,527	\$20,938	\$0	\$0	\$356,234
4	\$48,986	\$289,419	\$3,597	\$21,357	\$0	\$0	\$363,359
5	\$49,966	\$295,207	\$3,669	\$21,784	\$0	\$0	\$370,626
6	\$50,965	\$301,111	\$3,742	\$22,219	\$0	\$0	\$378,039
7	\$51,985	\$307,134	\$3,817	\$22,664	\$0	\$0	\$385,599
8	\$53,024	\$313,276	\$3,894	\$23,117	\$0	\$0	\$393,311
9	\$54,085	\$319,542	\$3,971	\$23,579	\$0	\$0	\$401,178
10	\$55,167	\$325,933	\$4,051	\$24,051	\$0	\$0	\$409,201
11	\$56,270	\$332,451	\$4,132	\$24,532	\$0	\$0	\$417,385
12	\$57,395	\$339,100	\$4,215	\$25,023	\$0	\$0	\$425,733
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$525,870</b>	<b>\$3,106,917</b>	<b>\$38,615</b>	<b>\$229,264</b>	<b>\$150,000</b>	<b>\$280,000</b>	<b>\$4,330,665</b>

Fiscal Impact: City of Bastrop

Other revenues including hotel occupancy taxes, airport fees, and miscellaneous taxes and user fees collected from new residents and the Project

Year	Hotel Occupancy Taxes*	Miscellaneous Taxes and User Fees <i>New Residents</i>	Miscellaneous Taxes and User Fees <i>Project</i>	Total Other Revenues
1	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0
3	\$148,313	\$14,245	\$84,473	\$247,032
4	\$151,279	\$14,530	\$86,163	\$251,972
5	\$154,305	\$14,821	\$87,886	\$257,012
6	\$157,391	\$15,117	\$89,644	\$262,152
7	\$160,539	\$15,420	\$91,437	\$267,395
8	\$163,749	\$15,728	\$93,265	\$272,743
9	\$167,024	\$16,043	\$95,131	\$278,198
10	\$170,365	\$16,363	\$97,033	\$283,762
11	\$173,772	\$16,691	\$98,974	\$289,437
12	\$177,248	\$17,025	\$100,954	\$295,226
13	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0
Total	\$1,623,986	\$155,983	\$924,960	\$2,704,928

\* Assumes only 75% of lodging spending takes place in the City of Bastrop

Fiscal Impact: City of Bastrop

Costs of providing municipal services and city-owned utility services to new residents and the Project

Year	Cost of Services <i>New Residents</i>	Cost of Services <i>Project</i>	Costs of Utilities <i>New Residents</i>	Costs of Utilities <i>Project</i>	Total Costs
1	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0
3	(\$19,257)	(\$114,075)	(\$46,729)	(\$276,083)	(\$456,144)
4	(\$19,642)	(\$116,357)	(\$47,664)	(\$281,604)	(\$465,267)
5	(\$20,035)	(\$118,684)	(\$48,617)	(\$287,237)	(\$474,572)
6	(\$20,435)	(\$121,057)	(\$49,589)	(\$292,981)	(\$484,064)
7	(\$20,844)	(\$123,479)	(\$50,581)	(\$298,841)	(\$493,745)
8	(\$21,261)	(\$125,948)	(\$51,593)	(\$304,818)	(\$503,620)
9	(\$21,686)	(\$128,467)	(\$52,625)	(\$310,914)	(\$513,692)
10	(\$22,120)	(\$131,037)	(\$53,677)	(\$317,132)	(\$523,966)
11	(\$22,562)	(\$133,657)	(\$54,751)	(\$323,475)	(\$534,445)
12	(\$23,014)	(\$136,330)	(\$55,846)	(\$329,945)	(\$545,134)
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	(\$210,856)	(\$1,249,091)	(\$511,672)	(\$3,023,030)	(\$4,994,649)

Fiscal Impact: City of Bastrop

Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$32,175	\$0	\$32,175	\$32,175
2	\$569,100	\$0	\$569,100	\$601,275
3	\$1,062,671	(\$456,144)	\$606,527	\$1,207,801
4	\$1,083,924	(\$465,267)	\$618,657	\$1,826,458
5	\$1,105,603	(\$474,572)	\$631,030	\$2,457,489
6	\$1,127,715	(\$484,064)	\$643,651	\$3,101,140
7	\$1,150,269	(\$493,745)	\$656,524	\$3,757,664
8	\$1,173,274	(\$503,620)	\$669,654	\$4,427,318
9	\$1,196,740	(\$513,692)	\$683,048	\$5,110,366
10	\$1,220,675	(\$523,966)	\$696,709	\$5,807,074
11	\$1,245,088	(\$534,445)	\$710,643	\$6,517,717
12	\$1,269,990	(\$545,134)	\$724,856	\$7,242,572
13	\$0	\$0	\$0	\$7,242,572
14	\$0	\$0	\$0	\$7,242,572
15	\$0	\$0	\$0	\$7,242,572
16	\$0	\$0	\$0	\$7,242,572
17	\$0	\$0	\$0	\$7,242,572
18	\$0	\$0	\$0	\$7,242,572
19	\$0	\$0	\$0	\$7,242,572
20	\$0	\$0	\$0	\$7,242,572
Total	\$12,237,222	(\$4,994,649)	\$7,242,572	

Fiscal Impact: Bastrop County

Sales tax collections

Year	On Construction Materials Spending	On Construction Workers' Spending	On Furniture, Fixtures, and Equipment Spending	On Direct and Indirect Workers' Spending	On Production Related Taxable Spending	On Indirect & Induced Taxable Spending	Total
1	\$9,586	\$1,470	\$0	\$0	\$0	\$0	\$11,056
2	\$33,552	\$5,144	\$0	\$0	\$0	\$0	\$38,697
3	\$0	\$0	\$0	\$13,442	\$40,845	\$57,015	\$111,301
4	\$0	\$0	\$0	\$13,711	\$41,662	\$58,155	\$113,527
5	\$0	\$0	\$0	\$13,985	\$42,495	\$59,318	\$115,798
6	\$0	\$0	\$0	\$14,264	\$43,345	\$60,504	\$118,114
7	\$0	\$0	\$0	\$14,550	\$44,212	\$61,715	\$120,476
8	\$0	\$0	\$0	\$14,841	\$45,096	\$62,949	\$122,885
9	\$0	\$0	\$0	\$15,138	\$45,998	\$64,208	\$125,343
10	\$0	\$0	\$0	\$15,440	\$46,918	\$65,492	\$127,850
11	\$0	\$0	\$0	\$15,749	\$47,856	\$66,802	\$130,407
12	\$0	\$0	\$0	\$16,064	\$48,813	\$68,138	\$133,015
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$43,139	\$6,614	\$0	\$147,183	\$447,238	\$624,295	\$1,268,468

Fiscal Impact: Bastrop County

Potential Sales Tax Exemption if Media Production Development Zone is approved

Year	On Eligible Construction Materials Spending	Total
1	(\$8,988)	(\$8,988)
2	(\$31,456)	(\$31,456)
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
11	\$0	\$0
12	\$0	\$0
13	\$0	\$0
14	\$0	\$0
15	\$0	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0
Total	(\$40,444)	(\$40,444)

Exemption represents sales tax on purchases of construction materials associated with the following investments:

- Sound Stages
- Warehouse
- Offices

Fiscal Impact: Bastrop County

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	\$0
2	\$0
3	\$11,162
4	\$11,385
5	\$11,613
6	\$11,845
7	\$12,082
8	\$12,324
9	\$12,571
10	\$12,822
11	\$13,078
12	\$13,340
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
<b>Total</b>	<b>\$122,223</b>



Fiscal Impact: Bastrop County

Property tax collections on the Project's Real Property

Year	<u>Land</u>		<u>Buildings &amp; Other Real Property Improvements</u>		Total Real Property Taxes Collected after Abated
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	
1	\$0	\$0	\$25,095	\$0	\$25,095
2	\$0	\$0	\$113,428	\$0	\$113,428
3	\$0	\$0	\$115,697	\$0	\$115,697
4	\$0	\$0	\$118,011	\$0	\$118,011
5	\$0	\$0	\$120,371	\$0	\$120,371
6	\$0	\$0	\$122,778	\$0	\$122,778
7	\$0	\$0	\$125,234	\$0	\$125,234
8	\$0	\$0	\$127,738	\$0	\$127,738
9	\$0	\$0	\$130,293	\$0	\$130,293
10	\$0	\$0	\$132,899	\$0	\$132,899
11	\$0	\$0	\$135,557	\$0	\$135,557
12	\$0	\$0	\$138,268	\$0	\$138,268
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$1,405,369	\$0	\$1,405,369

Fiscal Impact: Bastrop County

Property tax collections on the Project's Furniture, Fixtures, and Equipment and Inventories

Year	<u>Furniture, Fixtures, &amp; Equip.</u>		<u>Inventories</u>		Total FF&E and Inventory Property Taxes Collected after Abated
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	Abated
1	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0
11	\$0	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

Fiscal Impact: Bastrop County

Other revenues including miscellaneous taxes and user fees collected from new residents and the Project

Year	Miscellaneous Taxes and User Fees <i>New Residents</i>	Miscellaneous Taxes and User Fees <i>Project</i>	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	\$31,717	\$76,531	\$108,248
4	\$32,351	\$78,062	\$110,413
5	\$32,998	\$79,623	\$112,622
6	\$33,658	\$81,216	\$114,874
7	\$34,332	\$82,840	\$117,172
8	\$35,018	\$84,497	\$119,515
9	\$35,719	\$86,187	\$121,905
10	\$36,433	\$87,911	\$124,343
11	\$37,162	\$89,669	\$126,830
12	\$37,905	\$91,462	\$129,367
13	\$0	\$0	\$0
14	\$0	\$0	\$0
15	\$0	\$0	\$0
16	\$0	\$0	\$0
17	\$0	\$0	\$0
18	\$0	\$0	\$0
19	\$0	\$0	\$0
20	\$0	\$0	\$0
Total	\$347,292	\$837,998	\$1,185,290

Fiscal Impact: Bastrop County

Costs of providing County services to new residents

Year	Cost of Services <i>New Residents</i>	Cost of Services <i>Project</i>	Total
1	\$0	\$0	\$0
2	\$0	\$0	\$0
3	(\$34,135)	(\$82,307)	(\$116,443)
4	(\$34,818)	(\$83,954)	(\$118,772)
5	(\$35,514)	(\$85,633)	(\$121,147)
6	(\$36,225)	(\$87,345)	(\$123,570)
7	(\$36,949)	(\$89,092)	(\$126,041)
8	(\$37,688)	(\$90,874)	(\$128,562)
9	(\$38,442)	(\$92,691)	(\$131,133)
10	(\$39,211)	(\$94,545)	(\$133,756)
11	(\$39,995)	(\$96,436)	(\$136,431)
12	(\$40,795)	(\$98,365)	(\$139,160)
13	\$0	\$0	\$0
14	\$0	\$0	\$0
15	\$0	\$0	\$0
16	\$0	\$0	\$0
17	\$0	\$0	\$0
18	\$0	\$0	\$0
19	\$0	\$0	\$0
20	\$0	\$0	\$0
Total	(\$373,772)	(\$901,243)	(\$1,275,015)

Fiscal Impact: Bastrop County

Net Benefits

Year	Benefits	Costs	Cumulative	
			Net Benefits	Net Benefits
1	\$27,163	\$0	\$27,163	\$27,163
2	\$120,669	\$0	\$120,669	\$147,832
3	\$346,408	(\$116,443)	\$229,966	\$377,798
4	\$353,337	(\$118,772)	\$234,565	\$612,363
5	\$360,403	(\$121,147)	\$239,256	\$851,619
6	\$367,611	(\$123,570)	\$244,041	\$1,095,660
7	\$374,964	(\$126,041)	\$248,922	\$1,344,583
8	\$382,463	(\$128,562)	\$253,901	\$1,598,483
9	\$390,112	(\$131,133)	\$258,979	\$1,857,462
10	\$397,914	(\$133,756)	\$264,158	\$2,121,620
11	\$405,873	(\$136,431)	\$269,441	\$2,391,062
12	\$413,990	(\$139,160)	\$274,830	\$2,665,892
13	\$0	\$0	\$0	\$2,665,892
14	\$0	\$0	\$0	\$2,665,892
15	\$0	\$0	\$0	\$2,665,892
16	\$0	\$0	\$0	\$2,665,892
17	\$0	\$0	\$0	\$2,665,892
18	\$0	\$0	\$0	\$2,665,892
19	\$0	\$0	\$0	\$2,665,892
20	\$0	\$0	\$0	\$2,665,892
Total	\$3,940,907	(\$1,275,015)	\$2,665,892	

Fiscal Impact: Bastrop ISD

Property tax collections on new residential property

Year	New Residential Property Tax Collections
1	\$0
2	\$0
3	\$13,168
4	\$13,431
5	\$13,700
6	\$13,974
7	\$14,253
8	\$14,538
9	\$14,829
10	\$15,126
11	\$15,428
12	\$15,737
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
<b>Total</b>	<b>\$144,184</b>

Fiscal Impact: Bastrop ISD

Property tax collections on the Project's Real Property

Year	<u>Land</u>		<u>Buildings &amp; Other Real Property Improvements</u>		Total Real Property Taxes Collected after Abated
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	
1	\$0	\$0	\$59,207	\$0	\$59,207
2	\$0	\$0	\$267,617	\$0	\$267,617
3	\$0	\$0	\$272,969	\$0	\$272,969
4	\$0	\$0	\$278,428	\$0	\$278,428
5	\$0	\$0	\$283,997	\$0	\$283,997
6	\$0	\$0	\$289,677	\$0	\$289,677
7	\$0	\$0	\$295,470	\$0	\$295,470
8	\$0	\$0	\$301,380	\$0	\$301,380
9	\$0	\$0	\$307,407	\$0	\$307,407
10	\$0	\$0	\$313,556	\$0	\$313,556
11	\$0	\$0	\$319,827	\$0	\$319,827
12	\$0	\$0	\$326,223	\$0	\$326,223
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$3,315,758	\$0	\$3,315,758

Fiscal Impact: Bastrop ISD

Property tax collections on the Project's Furniture, Fixtures, and Equipment and Inventories

Year	<u>Furniture, Fixtures, &amp; Equip.</u>		<u>Inventories</u>		Total FF&E and Inventory Property Taxes Collected after
	Taxes Collected	Taxes Abated	Taxes Collected	Taxes Abated	Abated
1	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0
11	\$0	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0



Fiscal Impact: Bastrop ISD

Additional state and federal funding for additional students

Year	Additional State and Federal Funding
1	\$0
2	\$0
3	\$108,673
4	\$110,847
5	\$113,064
6	\$115,325
7	\$117,631
8	\$119,984
9	\$122,384
10	\$124,831
11	\$127,328
12	\$129,874
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
<b>Total</b>	<b>\$1,189,940</b>

Fiscal Impact: Bastrop ISD

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

Year	Cost of Educating New Students
1	\$0
2	\$0
3	(\$102,942)
4	(\$105,001)
5	(\$107,101)
6	(\$109,243)
7	(\$111,428)
8	(\$113,657)
9	(\$115,930)
10	(\$118,249)
11	(\$120,614)
12	(\$123,026)
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
Total	(\$1,127,191)

Fiscal Impact: Bastrop ISD

Reduction in state aid to the school district as a result of new residential property for the Project's employees and the Project's property being added to the school district's tax rolls

Year	Reduction in State Funding For M&O Portion of Taxes
1	(\$41,208)
2	(\$186,258)
3	(\$199,148)
4	(\$203,131)
5	(\$207,193)
6	(\$211,337)
7	(\$215,564)
8	(\$219,875)
9	(\$224,273)
10	(\$228,758)
11	(\$233,333)
12	(\$238,000)
13	\$0
14	\$0
15	\$0
16	\$0
17	\$0
18	\$0
19	\$0
20	\$0
Total	(\$2,408,078)

Fiscal Impact: Bastrop ISD

Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$59,207	(\$41,208)	\$18,000	\$18,000
2	\$267,617	(\$186,258)	\$81,359	\$99,358
3	\$394,810	(\$302,090)	\$92,720	\$192,078
4	\$402,706	(\$308,132)	\$94,574	\$286,652
5	\$410,760	(\$314,295)	\$96,466	\$383,118
6	\$418,975	(\$320,581)	\$98,395	\$481,513
7	\$427,355	(\$326,992)	\$100,363	\$581,875
8	\$435,902	(\$333,532)	\$102,370	\$684,245
9	\$444,620	(\$340,203)	\$104,417	\$788,663
10	\$453,512	(\$347,007)	\$106,506	\$895,169
11	\$462,583	(\$353,947)	\$108,636	\$1,003,804
12	\$471,834	(\$361,026)	\$110,809	\$1,114,613
13	\$0	\$0	\$0	\$1,114,613
14	\$0	\$0	\$0	\$1,114,613
15	\$0	\$0	\$0	\$1,114,613
16	\$0	\$0	\$0	\$1,114,613
17	\$0	\$0	\$0	\$1,114,613
18	\$0	\$0	\$0	\$1,114,613
19	\$0	\$0	\$0	\$1,114,613
20	\$0	\$0	\$0	\$1,114,613
Total	\$4,649,882	(\$3,535,269)	\$1,114,613	

Fiscal Impact: State of Texas

Sales tax collections (before possible exemptions)

Year	On Construction Materials Spending	On Construction Workers' Spending	On Furniture, Fixtures, and Equipment Spending	On Direct and Indirect Workers' Spending	On Production Related Taxable Spending	On Indirect & Induced Taxable Spending	Total
1	\$266,289	\$138,676	\$0	\$0	\$0	\$0	\$404,965
2	\$932,013	\$485,366	\$0	\$0	\$0	\$0	\$1,417,379
3	\$0	\$0	\$0	\$1,004,846	\$937,817	\$712,684	\$2,655,346
4	\$0	\$0	\$0	\$1,024,943	\$956,573	\$726,937	\$2,708,453
5	\$0	\$0	\$0	\$1,045,442	\$975,705	\$741,476	\$2,762,622
6	\$0	\$0	\$0	\$1,066,350	\$995,219	\$756,306	\$2,817,875
7	\$0	\$0	\$0	\$1,087,677	\$1,015,123	\$771,432	\$2,874,232
8	\$0	\$0	\$0	\$1,109,431	\$1,035,426	\$786,860	\$2,931,717
9	\$0	\$0	\$0	\$1,131,620	\$1,056,134	\$802,598	\$2,990,351
10	\$0	\$0	\$0	\$1,154,252	\$1,077,257	\$818,650	\$3,050,158
11	\$0	\$0	\$0	\$1,177,337	\$1,098,802	\$835,023	\$3,111,162
12	\$0	\$0	\$0	\$1,200,884	\$1,120,778	\$851,723	\$3,173,385
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$1,198,303	\$624,041	\$0	\$11,002,782	\$10,268,832	\$7,803,688	\$30,897,646

Fiscal Impact: State of Texas

Potential Sales Tax Exemption if Media Production Development Zone is approved

Year	On Eligible Construction Materials Spending	Total
1	(\$249,654)	(\$249,654)
2	(\$873,788)	(\$873,788)
3	\$0	\$0
4	\$0	\$0
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$0	\$0
10	\$0	\$0
11	\$0	\$0
12	\$0	\$0
13	\$0	\$0
14	\$0	\$0
15	\$0	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0
Total	(\$1,123,442)	(\$1,123,442)

Exemption represents sales tax on purchases of construction materials associated with the following investments:

- Sound Stages
- Warehouse
- Offices

Fiscal Impact: State of Texas

Hotel Occupancy Taxes

Year	Hotel Occupancy Tax On Lodging Spending	Total
1	\$0	\$0
2	\$0	\$0
3	\$169,501	\$169,501
4	\$172,891	\$172,891
5	\$176,348	\$176,348
6	\$179,875	\$179,875
7	\$183,473	\$183,473
8	\$187,142	\$187,142
9	\$190,885	\$190,885
10	\$194,703	\$194,703
11	\$198,597	\$198,597
12	\$202,569	\$202,569
13	\$0	\$0
14	\$0	\$0
15	\$0	\$0
16	\$0	\$0
17	\$0	\$0
18	\$0	\$0
19	\$0	\$0
20	\$0	\$0
Total	\$1,855,983	\$1,855,983

Fiscal Impact: State of Texas

Franchise Taxes - Construction

Year	<i>Estimated Taxable Margin</i>			<i>Franchise Taxes</i>		
	<i>On</i>	<i>On Indirect &amp; Induced</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	<i>Direct Revenues</i>	<i>Revenues</i>				
1	\$896,400	\$1,447,865	\$2,344,265	\$6,723	\$10,859	\$17,582
2	\$3,137,400	\$5,067,528	\$8,204,928	\$23,531	\$38,006	\$61,537
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
11	\$0	\$0	\$0	\$0	\$0	\$0
12	\$0	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$4,033,800</b>	<b>\$6,515,394</b>	<b>\$10,549,194</b>	<b>\$30,254</b>	<b>\$48,865</b>	<b>\$79,119</b>



Fiscal Impact: State of Texas

Franchise Taxes - Operations

Year	<u>Estimated Taxable Margin</u>			<u>Franchise Taxes</u>		
	<i>On</i>	<i>On Indirect &amp; Induced</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	<i>Direct Revenues</i>	<i>Revenues</i>				
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$6,376,995	\$11,402,940	\$17,779,935	\$47,827	\$85,522	\$133,350
4	\$6,504,535	\$11,630,999	\$18,135,533	\$48,784	\$87,232	\$136,017
5	\$6,634,626	\$11,863,619	\$18,498,244	\$49,760	\$88,977	\$138,737
6	\$6,767,318	\$12,100,891	\$18,868,209	\$50,755	\$90,757	\$141,512
7	\$6,902,664	\$12,342,909	\$19,245,573	\$51,770	\$92,572	\$144,342
8	\$7,040,718	\$12,589,767	\$19,630,485	\$52,805	\$94,423	\$147,229
9	\$7,181,532	\$12,841,562	\$20,023,094	\$53,861	\$96,312	\$150,173
10	\$7,325,163	\$13,098,394	\$20,423,556	\$54,939	\$98,238	\$153,177
11	\$7,471,666	\$13,360,361	\$20,832,027	\$56,037	\$100,203	\$156,240
12	\$7,621,099	\$13,627,569	\$21,248,668	\$57,158	\$102,207	\$159,365
13	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$69,826,315</b>	<b>\$124,859,010</b>	<b>\$194,685,325</b>	<b>\$523,697</b>	<b>\$936,443</b>	<b>\$1,460,140</b>

Fiscal Impact: State of Texas

Other Taxes & Revenues from Workers

Year	Motor Vehicle			Alcoholic	Net Lottery Proceeds	Total Other Taxes and Revenues
	Gasoline Taxes	Sales and Use Taxes	Cigarette and Tobacco Taxes	Beverage Taxes		
1	\$6,228	\$51,904	\$26,821	\$21,447	\$36,163	\$142,563
2	\$22,454	\$187,114	\$96,689	\$77,316	\$130,367	\$513,939
3	\$57,392	\$478,267	\$247,138	\$197,621	\$333,219	\$1,313,638
4	\$59,114	\$492,615	\$254,553	\$203,550	\$343,216	\$1,353,047
5	\$60,887	\$507,393	\$262,189	\$209,656	\$353,512	\$1,393,638
6	\$62,714	\$522,615	\$270,055	\$215,946	\$364,118	\$1,435,447
7	\$64,595	\$538,294	\$278,156	\$222,424	\$375,041	\$1,478,511
8	\$66,533	\$554,443	\$286,501	\$229,097	\$386,292	\$1,522,866
9	\$68,529	\$571,076	\$295,096	\$235,970	\$397,881	\$1,568,552
10	\$70,585	\$588,208	\$303,949	\$243,049	\$409,817	\$1,615,609
11	\$72,703	\$605,854	\$313,067	\$250,341	\$422,112	\$1,664,077
12	\$74,884	\$624,030	\$322,460	\$257,851	\$434,775	\$1,713,999
13	\$0	\$0	\$0	\$0	\$0	\$0
14	\$0	\$0	\$0	\$0	\$0	\$0
15	\$0	\$0	\$0	\$0	\$0	\$0
16	\$0	\$0	\$0	\$0	\$0	\$0
17	\$0	\$0	\$0	\$0	\$0	\$0
18	\$0	\$0	\$0	\$0	\$0	\$0
19	\$0	\$0	\$0	\$0	\$0	\$0
20	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$686,618</b>	<b>\$5,721,813</b>	<b>\$2,956,674</b>	<b>\$2,364,269</b>	<b>\$3,986,513</b>	<b>\$15,715,887</b>

Fiscal Impact: State of Texas

Net Benefits

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$315,456	\$0	\$315,456	\$315,456
2	\$1,119,067	\$0	\$1,119,067	\$1,434,523
3	\$4,271,834	\$0	\$4,271,834	\$5,706,358
4	\$4,370,407	\$0	\$4,370,407	\$10,076,765
5	\$4,471,346	\$0	\$4,471,346	\$14,548,111
6	\$4,574,709	\$0	\$4,574,709	\$19,122,820
7	\$4,680,558	\$0	\$4,680,558	\$23,803,377
8	\$4,788,954	\$0	\$4,788,954	\$28,592,331
9	\$4,899,962	\$0	\$4,899,962	\$33,492,293
10	\$5,013,647	\$0	\$5,013,647	\$38,505,940
11	\$5,130,076	\$0	\$5,130,076	\$43,636,015
12	\$5,249,318	\$0	\$5,249,318	\$48,885,333
13	\$0	\$0	\$0	\$48,885,333
14	\$0	\$0	\$0	\$48,885,333
15	\$0	\$0	\$0	\$48,885,333
16	\$0	\$0	\$0	\$48,885,333
17	\$0	\$0	\$0	\$48,885,333
18	\$0	\$0	\$0	\$48,885,333
19	\$0	\$0	\$0	\$48,885,333
20	\$0	\$0	\$0	\$48,885,333
Total	\$48,885,333	\$0	\$48,885,333	

**DEVELOPMENT AND ANNEXATION AGREEMENT**

This Development Agreement and Annexation Agreement (this “**Agreement**”) is made, entered into, and effective, as of the 22<sup>nd</sup> day of June, 2021 (the “**Effective Date**”) by and between the City of Bastrop, a Texas home-rule municipal corporation (the “**City**”), and Bastrop Colorado Bend, LLC, a Texas limited liability company (“**Owner**”). The City and the Owner are sometimes referred to herein collectively as the “**Parties**” or individually as a “**Party**.” The Parties hereby contract, covenant and agree as follows.

**RECITALS**

**WHEREAS**, Owner owns approximately 546.36 acres of land, more or less, located in Bastrop County, Texas, described in the attached **Exhibit “A”** (the “**Property**”). The Property is located within the City’s extraterritorial jurisdiction (“**ETJ**”) and not within the ETJ or corporate limits of any other municipality; and,

**WHEREAS**, Owner, or its successors, will develop the Property as a high-quality, mixedcommercial development project that will include a multi-faceted film studio, lodging, restaurants, event space, recreational facilities, parks and greenbelt areas, as provided in this Agreement, and in accordance with the Concept Plan attached hereto as **Exhibit “B”**, which shows the general locations of the land use areas as currently configured, a permitted land use chart, a table establishing development standards, and cross-section of proposed roadways; and,

**WHEREAS**, The City holds a Certificate of Convenience and Necessity for water service and a Certificate of Convenience and Necessity for sewer service issued by the Texas Commission on Environmental Quality (the “**TCEQ**”) or a predecessor agency, recognizing the City’s right to provide retail water and sewer service to the Property, and the City is the exclusive retail provider of water and wastewater service to the Property; and,

**WHEREAS**, The Property is not currently served by water, wastewater, drainage facilities, roads, or parks and recreation facilities, and, although there are parks and recreation facilities within the City and roads abutting the Property, there are no such facilities located upon the Property; and,

**WHEREAS**, The Parties desire to establish the agreed components of the land use, water, wastewater, streets, parks, drainage and other infrastructure required for the development of the Property pursuant to the Concept Plan and the Applicable Regulations, as defined below, and the agreed process for the construction, conveyance, and financing thereof on the terms and conditions set forth in this Agreement; and,

**WHEREAS**, Owner shall request annexation of the Property into the corporate boundaries of the City in phases to enable the Owner to obtain the benefits of this Agreement, to secure the City’s agreement to provide certain reimbursements to Owner in connection with the conveyance and financing of certain improvements, and to define, protect, and clarify approvals to be granted with respect to development of the Property pursuant to the Concept Plan and this Agreement; and,

**WHEREAS**, The Parties desire to establish certain restrictions and commitments to be imposed and made in connection with the development of the Property; to provide increased certainty to the City and Owner concerning development rights, entitlements, arrangements, and commitments, including the obligations and duties of the Owner and the City, for a period of years; and to identify planned land uses and permitted intensity of development of the Property before and after annexation as provided in this Agreement, which is promulgated under the City of Bastrop's Home Rule Charter ("**City Charter**"), and state law, including, but not limited to Section 212.172 of the Texas Local Government Code.

**NOW, THEREFORE**, in exchange for the mutual promises and consideration herein expressed, other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, and subject to the terms and conditions of this Agreement, the Parties agree as follows:

**ARTICLE I.  
Incorporation of Recitals**

**1.01 Recitals Incorporated.** The above and foregoing recitals are incorporated herein and made a part of this Agreement for all purposes.

**ARTICLE II.  
Purposes, Consideration, Term and Termination**

**2.01 Property and Concept Plan.** The Property is proposed for development as a unique mixed-use commercial subdivision, with approximately 286 acres of multi-faceted film studio facilities, including production facilities, sound stages, backlots, storage, and other ancillary and support spaces, approximately 40 acres of lodging or similar uses with associated amenities, and approximately 220 acres of restaurants, event space and recreational facilities, including a golf course, working dude ranch, campground, club house, parks and greenbelt areas, or similar uses as further contemplated by the City and Owner (the "**Project**"). The proposed Project is further illustrated by the detailed land plan, attached hereto as **Exhibit "C"**, which depicts buildings, structures, internal roadways, and other improvements for informational purposes only ("**Informational Land Plan**"). Owner will develop the Property and construct necessary infrastructure at the Owner's expense in accordance with this Agreement (with the Owner being eligible for reimbursements as provided in this Agreement), the plans and specifications approved by the City, good engineering practices, and the Applicable Regulations, as defined in Section 4.01(b) of this Agreement.

**2.02 General Benefits.** Owner will benefit from the certainty and assurance of the development regulations applicable to the development of the Property and by virtue of the services that will be made available to the Property pursuant to the terms of this Agreement. The City will provide water and wastewater service to the Property on the same terms and conditions as such services are provided to similarly situated properties within the City. Owner has voluntarily elected to enter into and accept the benefits of this Agreement and will benefit from: (a) the certainty and assurance of the development and use of the Property in accordance with this Agreement; (b) the

establishment of regulations applicable to the development of the Property; and (c) the water and wastewater services that will be made available to the Property pursuant to the terms of this Agreement. The City will benefit from this Agreement by virtue of its control over the development standards for the Property and by virtue of extension of its water and wastewater systems by Owner as herein provided with the City reimbursing expenses associated with water and wastewater infrastructure as provided by separate agreement to offset the cost incurred by Owner. The Parties expressly confirm and agree that development of the Property will be best accomplished through this Agreement and will substantially advance the legitimate interests of the City.

**2.03 Acknowledgement of Consideration.** The benefits to the Parties set forth above, plus the mutual promises expressed herein, are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by the Parties. The City acknowledges that Owner will, during the term of this Agreement, proceed with the development of the Property in reliance upon the terms of this Agreement.

**2.04 Authority.** This Agreement is entered into, in part, under the statutory authority of Section 212.172 of the Texas Local Government Code, which authorizes the City to make written contracts with the owners of land establishing lawful terms and considerations that the parties agree to be reasonable, appropriate, and not unduly restrictive of business activities. The Parties intend that this Agreement authorize certain land uses and development of the Property, provide for the uniform review and approval of plats and development plans for the Property, provide exceptions to certain code provisions and ordinances, and provide other terms and consideration including the continuation of current land uses and zoning after annexation of each portion of the Property from the City's ETJ.

**2.05 Term of Agreement; Termination.** The term of this Agreement shall be forty-five (45) years from the Effective Date. Upon the expiration of this Agreement any and all rights pursuant to this Agreement shall expire; provided, this Agreement will terminate and expire earlier if: (a) Owner defaults in the performance of this Agreement and the default is not timely cured as provided in this Agreement, or (b) Owner defaults in the performance of any other contract or agreement between the Parties regarding or applicable to the development of the Property and the default is not timely cured within the time provided for cure in this Agreement.

### **ARTICLE III. Annexation; Sequence of Events**

**3.01 Annexation.** Owner consents, and City hereby agrees, to the annexation of the Property into the City's corporate city limits, as permitted by Section 212.172(b)(7) of the Texas Local Government Code, on a phased basis as outlined in this Section, and the intent of this Agreement is to provide for the annexation of the Property for all purposes and shall constitute the Owner's vote for annexation. An annexation petition for any particular portion of the Property in a form substantially similar to that set forth in **Exhibit "D" ("Annexation Petition")** requesting annexation in accordance with Subchapter C-3, Chapter 43 of the Texas Local Government Code, of such portion of the Property will be executed by the Owner and submitted to the City within ten (10) days after Owner files an application for site plan, building permit or other development

approval for the Property, any one or more of such actions being referred to herein as “**Development Commencement**”. The City acknowledges that the Property will be developed in phases and that annexation of the Property shall occur in contiguous sections defined by metes and bounds, starting with a section of the Property contiguous with the City limits boundary located across the Colorado River, as Development Commencement occurs on each portion of the Property. Following receipt of the written request to annex, the Owner and City shall execute the negotiated municipal services agreement attached as **Exhibit “E”** (the “**Municipal Services Agreement**”). The Property will be annexed into the corporate limits of the City in accordance with the provisions of this Agreement, subject to the discretion of the City Council of the City and in compliance with the applicable notice and hearing requirements of Chapter 43 of the Texas Local Government Code. Owner requests annexation and zoning of the Property on a parcel-by-parcel basis as defined by metes and bounds within one-hundred twenty (120) days after Development Commencement. The City shall not charge an application fee for the annexation or zoning request. If Owner fails to present to the City an Annexation Petition signed by the landowner of the Property as provided in this Section or fails to actively support the annexation, the City may terminate this Agreement. The City agrees to not annex any portion of the Property until such time as Development Commencement occurs over the portion of the Property, at which time the annexation of such portion of the Property shall occur as described in this Article.

**3.02 Contemplated Sequence of Events.** The sequence of events contemplated by this Agreement is as follows:

(a) Approval of this Agreement by the City and Owner and City approval of Concept Plan as part of this Agreement;

(b) Owner to submit application for a single-lot final plat, in accordance with the Concept Plan, this Agreement, and Applicable Regulations, that provides for the platting of the Property as a single lot and for the dedication of the perimeter road pursuant to Section 4.12(b) of this Agreement;

(c) City to take any and all appropriate actions to ensure that a request for annexation is in full compliance with Chapter 43 of the Texas Local Government Code, including, but not limited to, annexation of portions of the Colorado River as might be necessary to create contiguity of parcels and extension of ETJ boundaries to include areas of the Property not currently recognized as part of the City’s ETJ;

(d) Execution of the Municipal Service Agreement and submission of the Annexation Petition and the zoning application, which will include the Concept Plan, by Owner within ten (10) days after Development Commencement of a particular phase, such submission may be made in sections as defined by metes and bounds;

(e) City acceptance of the Annexation Petition and beginning of notification, public hearings, and first reading for adoption of the annexation and zoning ordinance concurrently; and

(f) Second and final reading of ordinance annexing the submitted portion of Property, and second and final reading of an ordinance zoning the submitted portion of Property in accordance with this Agreement.

**3.03 Initial Storage Structure.** Notwithstanding the foregoing, City acknowledges that Owner intends to build a metal building of up to 40,000 square feet and a barn with stables (referred to herein as the “Initial Improvements”) for purposes of storage, property management and maintenance and the existing farm/ranch operation on the Property, which Owner intends to continue on the Property until such time as the Project is fully built out. Provided that the Initial Improvements are related to such purposes, they may be constructed on the Property through the permit process and will not be considered Development Commencement triggering the annexation provisions of Section 3.01. The Initial Improvements shall only require those City approvals, if any, that are otherwise normally required for agricultural projects for a Property located within the ETJ.

**3.04 Continuation of Land Use.** The provisions of the Chapter 43.002 of the Texas Local Government Code shall continue to apply and shall remain in effect as to the Property after the Property is annexed and zoned in accordance with this Article. Owner shall not be prohibited from using the Property for any of the planned for land uses established in the Land Use Chart of the Concept Plan.

**3.05 Continuation of Agricultural Use.** The City and Owner agree and acknowledge that the Property is currently used for agricultural purposes and subject to a property tax exemption under Chapter 23 of the Texas Tax Code. It is the Owner’s intent to continue use of the Property for agricultural or wildlife preservation purposes until such time as it is developed. As portions of the Property are developed and taken out of agricultural use, Owner intends to continue use of the remaining, undeveloped portions of the Property for agricultural or wildlife preservation purposes. Notwithstanding anything herein to the contrary, the City agrees that such undeveloped portions of the Property shall be permitted to continue such agricultural use or wildlife preservation use.

#### **ARTICLE IV. Development of the Property**

##### **4.01 Applicable Regulations.**

(a) Owner shall plan, plat, build-out and complete development and infrastructure on the Property in compliance with the Applicable Regulations and the Project Approvals, as those terms are defined in subsection (b), and this Agreement. The Property shall additionally be developed in compliance with the land uses and development standards as set forth in the Concept Plan. The specific sizes and configurations of buildings, street layouts and other project details as depicted on the Informational Land Plan are intended for illustrative purposes only and may be modified by the Owner on the site plans for the Property, provided that the Owner complies with the land use designations indicated on the Concept Plan and with the Project Approvals.

(b) In this Agreement, “**Applicable Regulations**” means and includes the federal, state, and local laws, rules and regulations, including, but not limited to, environmental regulations,



as they exist from time to time, subject to the provisions of Section 4.02 below, that are applicable to the development of the Property, and the City Code, as modified by the Project Approvals. The “**City Code**” are the City’s ordinances and duly adopted regulations in effect and existing on the Effective Date, portions of which may be amended from time to time as authorized by Chapter 245 of the Texas Local Government Code governing subdivision, zoning and site development of land that are applicable to the Property. The “**Project Approvals**” are all approvals, warrants, variances, waivers and exceptions to the City Code as set forth on the attached **Exhibit “F”**, and hereby approved by the City, that are necessary or required for the development of the Property with the densities and land uses proposed in this Agreement. If there is any conflict between this Agreement and the City Code, this Agreement will control.

**4.02 Uniformity of Requirements.** The Concept Plan, attached as **Exhibit “B”** and approved as of the Effective Date of this Agreement, constitutes an application by the Owner for the subdivision and development of the Property, and initiates the zoning, subdivision (if any), and development permit process for the Property. The Concept Plan shall be considered a development plan as provided in Section 212.172 of the Texas Local Government Code; however, under no circumstances shall the Concept Plan constitute a site plan as defined by the City Code. Subject to the terms and conditions of this Agreement, the City confirms, acknowledges and agrees that Owner has vested authority to develop the Property in accordance with the City Code, as modified by the Project Approvals, notwithstanding subsequently adopted ordinances, rules or regulations, or changes or modifications to the City’s ordinances, rules and regulations which will only be applicable to the extent allowed by Chapter 245 of the Texas Local Government Code (the “**Vested Rights**”). The Vested Rights shall terminate and expire in the event that: (1) the Owner, or its successors or assigns with respect to each affected parcel, agrees in writing to such modification or revocation; (2) Owner fails to complete and obtain final City acceptance of one or more sections of the subdivision for the Property within fifteen years after the Effective Date, or thereafter abandons development of the Property; (3) an application for a major change to the Concept Plan is submitted by the Owner which substantially changes the density, land uses, parkland or transportation improvements from that approved by this Agreement and the Project Approvals; or (4) state law or court order mandates otherwise. If there is any conflict between the City Code and the terms of this Agreement, the terms of this Agreement will control. The foregoing notwithstanding, the Owner agrees that its Vested Rights will terminate if the Owner does not submit an Annexation Petition to the City requesting the annexation of the Property as required by Section 3.01 of this Agreement.

**4.03 Approval of Concept Plan.**

(a) The Owner is entitled to develop the Property in compliance with this Agreement, the Applicable Regulations, and the Concept Plan, which has been reviewed and is hereby approved by the City as of the Effective Date of this Agreement.

(b) The Concept Plan hereby approved by the City is also approved for use as an exhibit for the Zoning Concept Scheme required by the City Code. To complete the zoning application to be submitted to the City for final zoning of the Property upon annexation, the Zoning Concept Scheme shall include details regarding the public frontage plan along the Perimeter Road, defined in Section 4.12(b) below (“Public Frontage Plan”). When determining the base standards, the Public Frontage Plan shall align with the intent of the City Code and B3 Technical Manual Standards,

and include the proposed privacy fencing to be constructed adjacent to the Perimeter Road as shown on **Exhibit "B"**. The Public Frontage Plan detailing the wall shall describe the extent that native stone materials and landscaping will be incorporated into the design.

(c) The Property may have final plats submitted by the Owner in multiple phases or as a single-lot final plat, provided that such final plat(s) is not for use of the Property as a single-family residential subdivision and otherwise in accordance with the Concept Plan, this Agreement, and Applicable Regulations.

(d) Due to the fact that the Property comprises a significant land area and its development will occur in phases over a number of years, modification to the Concept Plan may become desirable due to changes in market conditions or other factors. Minor variations of a final plat or site plan from the Concept Plan, such as minor changes to the driveway alignments or land use designation boundaries, will not require a formal amendment to the Concept Plan, and will be defined as "minor changes" in this Agreement. Subject to Section 4.05 below, major changes to the Concept Plan (which are any changes that are not defined as minor changes in this subsection) must be consistent with the terms of this Agreement and will be subject to review and approval by the Planning Department of the City, which will not be unreasonably withheld, conditioned or delayed.

**4.04 Phased Development.** Owner intends to develop the Property in phases. City consents to such phased development and agrees that portions of the Property not under active development may remain in use for agricultural and wildlife management as provided in this Agreement.

**4.05 Land Uses and Densities.** The City hereby confirms its approval of the Concept Plan, and specifically approves the land uses, exceptions, utility and roadway alignments and width of the rights-of-way and other matters shown on the Concept Plan and the Project Approvals. The Concept Plan depicts general land use designations. Notwithstanding anything in the City Code to the contrary, the Owners shall be entitled to develop the Property in accordance with the Applicable Regulations and the Concept Plan. Each general land use category may be increased by up to ten percent (10%) without requiring a Major Amendment. The approved land uses for the Project do not include a helipad.

**4.06 Comprehensive Plan Amendment.** Concurrently with consideration of the Annexation Petition by the City Council, the City will approve an amendment to the City Comprehensive Plan to modify the Future Land Use Map ("FLUM"). The amendment provides that the use indicated in the FLUM for the Property is changed from "Rural Residential" to "Industry" as reflected by the large single-owner site with uses established in this Agreement and depicted on the Concept Plan.

**4.07 Zoning.** The application for zoning of the Property will be to zone the Property, consistent with the Comprehensive Plan, as amended. It is the intent of the City to zone the Property consistent with the zoning designation appropriate for the Project. The zoning of the Property as provided herein concurrently with the annexation of the Property shall be incorporated into the Municipal Services Agreement pursuant to Section 43.0672 of the Texas Local Government Code and shall be subject to the process, notices, hearings and procedures applicable to all other

properties within the City. The zoning process shall be commenced following execution of the Municipal Services Agreement where the parties agree to the terms of services to be provided as described in Section 3.01 and upon receipt of a zoning application that complies with this Agreement and the Applicable Regulations, provided that the City Council will not take final action on the zoning application until the Property is annexed into the City limits. Pursuant to Section 212.172(b)(8) of the Texas Local Government Code, the City agrees that the uses, development, and development intensity shown on and allowed in the Concept Plan, the Project Approvals, and in this Agreement shall be allowed for the Property after annexation. If the City does not zone the Property with a designation which allows the Property to be legally developed in a manner which aligns with the described Project, Concept Plan, and this Agreement, then the Owner, in addition to the rights and remedies it may have under any other agreement with the City, shall have the right to enforce the obligations of the City under this Section pursuant to remedies that are available under applicable law, and Owner shall be allowed to request, and granted by the City, de-annexation of the Property.

**4.08 Plat Approvals.** Approval of a final plat and site plans shall be deemed to also be an update of the Concept Plan. Final Plats shall be approved if they are consistent with this Agreement and meet the Applicable Regulations.

**4.09 Design and Construction.** Owner will finance (if applicable), design, construct and install all required water facilities, wastewater facilities, streets (subject to Section 4.12), drainage facilities and other amenities and improvements required to develop the Property and the Project Facilities described in Article V below required to serve the Property (collectively the “**Public Improvements**”) at Owner’s sole cost and expense, subject to the reimbursements provided for in this Agreement or by separate agreement. Owner shall design and construct and install the Public Improvements to the Property in compliance with the Applicable Regulations (including, but not limited to, the posting of fiscal security and payment for fee-in-lieu as appropriate), the plans and specifications approved by the City, and good engineering practices. All lighting within the Project shall comply with applicable City Code.

**4.10 Review/Submittal Fees.** Except as otherwise provided in this Agreement, the City’s standard application, review and development fees associated with annexation and zoning shall be waived.

**4.11 Open Space.** In recognition of the character of the Project as a unique development and in acknowledgement of the substantial open space, recreational areas, greenbelts, trails and recreational facilities (“Open Space”) to be owned and maintained by Owner or by a property owners’ association (“POA”) and that will be provided by the Owners, the City agrees that no public parkland dedication, dedicated civic space, or fees in lieu of dedication will be required from Owner. On an overall Project basis, the Owners shall provide an amount of Open Space to be owned and maintained by Owner or by a POA that is equal to or in excess of the amount 220 acres shown in the Concept Plan. Owner shall have the right to modify the location and configuration of the Open Space to be owned and maintained by Owner or by a POA as a Minor Amendment provided that the total amount of such Open Space currently shown on the Concept Plan is not decreased more than ten (10) percent. Owner, or a POA established by Owners, shall be obligated to construct, operate and maintain such the Open Space provided in this Section. In the event Owner fails to construct the Open Space as provided on the Concept Plan, Owner shall

be obligated to pay the applicable fee-in-lieu as required pursuant to the City Code and as offset by the Open Space actually constructed. Owner shall make reasonable efforts to preserve and protect the current trees and vegetation to maintain the overall natural character of the site.

#### **4.12 Transportation**

(a) **Internal Roadways.** City approves an internal private roadway network within the Property. Roadway and streets within the Project shall be designated as private for the exclusive use of the Project's users, residents, owners, tenants and guests. Such Owner or the POA shall be responsible for the maintenance and operation of the private streets. The Property may be divided by subdivision, metes and bounds (if exempt from platting requirements under the Texas Local Government Code), or condominium regime with primary frontage and access to a public street or roadway. The private access driveways within the Project will not be required to meet the City's public street standards such driveways will only be required to meet the requirements of the Applicable Regulations.

(b) **Public Right of Way.** Owner shall dedicate, by a single-lot subdivision plat, (i) a fifty-five and half (55.5) foot wide public right of way along the boundary of the Property ("**Perimeter Roadway**") and (ii) the width of right of way necessary to total forty (40) feet from the center line of Lovers Lane along Lovers Lane adjacent to the Property, as depicted in **Exhibit "G"** (collectively, "**Dedicated ROW**"). Owner shall also pay fee-in-lieu to the City Transportation Fund in an amount equivalent to 100% of the estimated cost of construction of the northern portion of the Perimeter Roadway running from Lovers Lane parallel to Margies Way as a Local Collector: Rural Street (such portion being shown on Exhibit "G" as "**Segment 1**"), and an amount roughly proportional to the impact of the development upon the public transportation system based on a traffic impact analysis for the southern portion of the Perimeter Roadway running from Margies Way to El Camino River Road (such portion being shown on Exhibit G as "**Segment 2**") (collectively, "**Monetary Obligation**"). Notwithstanding the forgoing, the Monetary Obligation shall not include any costs associated with a bridge over the Colorado River or any roadway or other infrastructure associated with such bridge, provided that that the project developed on the Property is substantially similar to that depicted on the Concept Plan. The Owner will have the option to either construct the Perimeter Roadway as a Local Connector Street: Rural Street or provide the Monetary Obligation for the Perimeter Roadway. Depending on the Owner's selected option, the portion of the Monetary Obligation paid or the portion of the Perimeter Roadway built will be determined by the City based on the portion of the Property being developed at the time of submitting a revised site plan. The Monetary Obligation may be paid over time with the submittal of a site plan application in payments corresponding with the phase of the Project submitted with that certain site plan application. Primary access points shall be on Lovers Lane as shown on the Concept Plan. Once Segment 1 of the Perimeter Road is constructed, any primary access points supplemental to those on Lovers Lane shall be taken from the Perimeter Roadway. If Segment 2 of the Perimeter Road is constructed, it will serve as access to the portions of the Project adjoining it. Owner reserves the right to choose the official name of the Perimeter Roadway, subject to Applicable Regulations and addressing requirements.

(c) **Related Agreements.** The City agrees to work in good faith with Bastrop County and Owner to negotiate and execute a Public Improvement Agreement, as may be necessary, that

describes the nature and scope of offsite roadway infrastructure improvements as identified by the traffic impact analysis in order to accommodate the Project.

(d) **Transportation Master Plan.** Concurrently with consideration of the Annexation Petition by the City Council, the City will approve an amendment to the City Transportation Master Plan. The amendment is reflective of roadways depicted on the Concept Plan and specifically includes provisions that (1) the proposed bridge across the Colorado River on the west side of the Property be relocated to outside the boundaries of the Property; (2) the main throughfare through the center of the Property be relocated to align with the eastern Property boundary, starting at the intersection of Lovers Lane and Margies Way, heading west parallel to Margies Way, and south down to El Camino River Road; (3) the roadway grids shown with the Property shall be eliminated in favor of private internal roadway network as provided by this Agreement. The internal roadways cannot be used to subdivide the property into smaller parcels without public street access or a Major Amendment to the Agreement.

## **ARTICLE V. Project Facilities**

**5.01 Project Facilities.** The Project Facilities consists of the Water Line Project and the Wastewater Line Project described in Section 5.02 and 5.03 below (the “**Project Facilities**”).

**5.02 Water Line Project.** The Water Line Project consists of an extension of an offsite water transmission main (eight (8) inches in diameter) from the existing water line located at the City limits on Lovers Lane, along a route generally shown on **Exhibit “H”** (the “**Water Line**”), and all appurtenant facilities and equipment reasonably required to operate the Water Line (the “**Water Line Project**”). The construction of the Water Line Project will comply with the Applicable Regulations, plans and specifications approved by the City, this Agreement, and good engineering practices.

**5.03 Wastewater Line Project.** The Wastewater Line Project consists of an extension of an offsite wastewater transmission/collector lines (four (4) inch diameter forcemain and eight (8) inch diameter gravity) from an existing wastewater line, along a route generally shown on **Exhibit “H”** (the “**Wastewater Line**”), and all the appurtenant facilities and equipment reasonably required to operate the Wastewater Line (the “**Wastewater Line Project**”). The construction of the Wastewater Line Project will comply with the Applicable Regulations, plans and specifications approved by the City, this Agreement, and good engineering practices.

**5.04 Oversizing.** At the City’s request, Owner shall increase the size of the Water Line Project and/ or the Wastewater Line Project to a size determined by the City in order to accommodate a capacity in excess of that necessary to serve the Project (“**Oversized Project Facilities**”). Notification of such request by the City shall be in writing and provided to the Owner at the time the application for construction plans is submitted.

**5.05 Water Tower.** Owner may construct a water tower on the Property to be used as a functional water storage device. The maximum height of the water tower shall be one hundred and thirty (130) feet. At Owner’s discretion, the water tower may be (1) used privately to

supplement fire flow requirements within the Property or (2) dedicated to the City (along with necessary easements) for public water storage purposes. The Owner shall have the absolute right, without a need for a permit, to use the water tower as signage (no obscene images or offensive language) for the Project if the water tower is for private functional use.. If the water tower is not constructed to serve a functional purpose, the water tower will be permitted with the City as a sign.

**5.06 Timely Construction of Project Facilities.** Owner shall design, construct, install and obtain City acceptance of the Project Facilities in accordance with the terms and conditions of this Agreement. Such Project Facilities shall be completed by Owner on or before the expiration of seven (7) years after the annexation of the entirety of the Property. No final plat (if applicable) of land out of the Property will be recorded until the Project Facilities for that portion of the Property are completed by the Owner.

**5.07 Eminent Domain.** The Project Facilities are necessary and required improvements for the City's water and wastewater system. The City will provide use of all necessary City lands, rights-of-way and easements (as appropriate) and will provide further required easements or lands in fee simple as may be necessary for construction of that part or portion of the Project Facilities that is located outside the boundaries of the Property. It is acknowledged there is and exists a public necessity for the Project Facilities. City agrees to use its power of eminent domain to acquire such lands or easements as may be necessary for the construction of the Project Facilities. The reasonable costs and expenses of the City obtaining any easements and land required for the Project Facilities only and located outside the boundaries of the Property shall be paid by Owner, subject to the Owner's right to be reimbursed for such costs and expenses through the Incentives Agreement, as defined below.

## ARTICLE VI.

### Costs and Reimbursement of the Project Facilities

**6.01 Project Facilities Costs and Expenses.** All costs and expenses for designing, bidding, constructing, and installing the Project Facilities to be constructed by the Owner shall be paid by Owner. Owner shall be eligible for reimbursement via a separate incentives agreement with the City to be negotiated and executed prior to annexation of the first phase ("Incentives Agreement").

**6.02 Reimbursable Costs.** Owner shall contract for, fund and pay for the design, contract negotiation, installation and construction of the Project Facilities ("Reimbursable Costs") and shall be entitled to reimbursement of one hundred percent (100%) of the Reimbursable Costs from the City pursuant to the Incentives Agreement. In the event the City requests the Oversized Project Facilities, Owner shall be entitled to dollar-for-dollar reimbursement for the design, contract negotiation, installation and construction of the Oversized Project Facilities, as provided in a mutually agreeable agreement providing for such reimbursement which will be negotiated by the parties at a later date. Owner shall not receive or be entitled to receive any waivers or reimbursements from the City for any of the costs attributable to any portion of the Project Facilities that are not constructed in accordance with this Agreement, or that are not installed and constructed by Owner.

**6.03 Surviving Obligation to Reimburse.** If the City elects to terminate this Agreement because of a default by the Owner that remains uncured after expiration of the Cure Period in accordance with this Agreement, or if this Agreement expires of its own terms, such termination will not terminate the obligation of the City to reimburse the Owner for Reimbursable Costs or Oversizing Costs actually incurred by the Owner prior to the date of termination and that obligation will expressly survive any such termination. If the City terminates this Agreement after commencement of the Project Facilities by the Owner but prior to completion and acceptance of the Project Facilities, the City will nevertheless reimburse the Owner under this Agreement for Reimbursable Costs and/or Oversizing Costs incurred by the Owner up to the date of termination only if the City is able to use the portion of the Project Facilities that have been constructed to complete the Project Facilities.

**6.04 City's Option to Complete Project Facilities.**

(a) In the event that the Owner fails to complete and obtain City acceptance of the Project Facilities, the City will have the right but not the obligation to complete the Project Facilities and to draw on any fiscal security guaranteeing the completion of the Project Facilities.

(b) In the event the City elects to complete the Project Facilities, the Owner agrees that all of Owner's right, title, and interest in the plans and specifications, designs, easements, real and personal property, and improvements acquired, produced or installed in aid of or necessary for completing such Project Facilities by the Owner or its engineers or contractors before such default shall become the property of the City and, in such event, the Owner will provide all necessary documentation to the City within five (5) business days of the City's request. To ensure that the City has all necessary rights to the plans and specifications for the Project Facilities and any other engineering services in the event of a default, Owner hereby assigns all its rights, title, and interest in the professional services agreements necessary for completion of the Project Facilities, expressly conditioned on Owner's default. The Owner agrees that the City will have the right to use such plans and specifications to complete the Project Facilities.

**ARTICLE VII.  
Additional Agreements and Performance**

**7.01 Additional City Agreements.** The City hereby agrees:

(a) The Owner agrees to waive the the 30-day mandated timeline in Section 212.009 of the Texas Local Government Code. The City shall cooperate with Owner to expeditiously process and review all development applications related to the Project. . Review comments and determinations from the City for any development application shall be provided in 21 business days or less. . The City will appoint a designated staff liaison for any development related matters.

(b) To reserve and ensure availability of three hundred twenty-five (325) LUE of water service for the Project during the term of this Agreement.

(c) To reserve and ensure availability of three hundred twenty-five (325) LUE of wastewater service shall be required for the Project during the term of this Agreement.

(d) After Owner completes construction and obtains City acceptance of the Project Facilities and upon Owner completing construction of a phase or section of the Property in compliance with the Applicable Regulations and the City giving final acceptance of that phase or section, the City will approve connections to the water and wastewater system and provide such services within the completed phase or section of the Property on the same terms and conditions as then provided within other areas of the City.

(e) To timely perform and complete each task, duty and responsibility of the City set forth in this Agreement and that, whenever the City's consent or approval is required under this Agreement, such approval will not be unreasonably withheld, conditioned or delayed, subject to the City's discretion with respect to exercising its legislative authority.

**7.02 Additional Owner Agreements.** Owner hereby agrees:

(a) To develop the Property and construct all infrastructure required for the Project in compliance with the Applicable Regulations.

(b) To establish one or more POA, as may be necessary or appropriate at the discretion of the Owner, to maintain open space, parkland, private roadways, and common areas pursuant to appropriate articles and bylaws.

(c) The City's fees and charges currently provided for in the Applicable Regulations may be amended by the City from time to time, and Owner, its grantees, successors and assigns, shall pay to the City such fees and charges, as amended, for or with respect to the development of the Property, including, but not limited to, subdivision application fees, building permit fees, and water and wastewater impact, tap and use fees, except as may be otherwise provided in this Agreement.

(d) Pursuant to the Professional Service Agreement dated March 24, 2021, Owner shall pay to the City the reasonable costs and expenses incurred by the City for legal services in connection with the negotiation and implementation of this Agreement.

(e) To timely perform and complete each task, duty and responsibility of Owner set forth in this Agreement.

(f) Each lot, tract, parcel, or building site within the Property shall be required to pay the Impact Fees in the amount that is established by City ordinance as of the application submittal date for site plan for that certain phase of the Project. If Owner wishes to retain the reservation of LUE's as provided herein, the City reserves the right to require Owner to pay reservation fees or impose a deadline for the payment of impact fees to retain such LUE's. The parties will enter into a mutually agreeable utility service agreement with the terms for payment of such fees and other provisions related to service.

**ARTICLE VIII.**  
**Assignment of Commitments and Obligations**



**8.01 Owner Assignment of Agreement.** Owner's rights and obligations under this Agreement may be assigned by Owner with prior written consent of the City, which shall not be unreasonably withheld, to a POA and/or to one (1) or more purchasers of all or part of the Property.

**8.02 Binding Obligations.** This Agreement shall be binding upon and inure to the benefit of the Parties, their successors, and assigns. This Agreement shall be recorded by the Owner in the Official Public Records of Bastrop County, Texas within sixty (60) days after the Effective Date. If Owner fails to record this Agreement within sixty (60) days after the Effective Date, such failure shall be a default by Owner.

**8.03 Not Binding on End Users.** As provided in Section 212.172(f) of the Texas Local Government Code, this Agreement is not binding on, and does not create any encumbrance to title as to, any end-buyer of a fully developed and improved lot within the Property, except for land use and development regulations that may apply to a specific lot.

#### **ARTICLE IX.**

##### **Default; Reservation of Rights; Attorney's Fees; Waiver**

**9.01 Default.** Notwithstanding anything herein to the contrary, no Party shall be deemed to be in default hereunder until the passage of sixty (60) business days after receipt by such Party of notice of default from the other Party ("**Cure Period**"). Upon the passage of the Cure Period without cure of the default, such Party shall be deemed to have defaulted for purposes of this Agreement; provided that, if the nature of the default is such that it cannot reasonably be cured within the Cure Period, the Party receiving the notice of default may during such Cure Period give the other Party written notice that it has commenced cure within the Cure Period and will diligently and continuously prosecute the cure to completion as reasonably soon as possible, and such written notice together with diligent and continuous prosecution of the cure shall extend the Cure Period for up to an additional ninety (90) calendar days so long as the cure is being diligently and continuously pursued during such time; and provided further that, if the cure cannot be reasonably accomplished within the additional ninety (90) calendar day period but the applicable facts, circumstances and progress establish that a cure will be obtained within a reasonable period of time following the expiration of the ninety (90) calendar day period, the time for cure will be extended for an additional period of time as mutually agreed by the Parties (such agreement not to be unreasonably withheld); provided, further, that if a default is not cured within the applicable Cure Period, or, as applicable, written notice having been given and cure being commenced and diligently and continuously prosecuted, within the additional ninety (90) calendar days after the giving of the written notice, or, as otherwise applicable, within the time mutually agreed by the Parties due to the defaulting Party not being able to obtain a cure within the additional ninety (90) calendar days after the defaulting Party gives written notice that it is commencing cure, then the non-defaulting Party may pursue the remedies set forth in this Agreement. Notwithstanding any provision contained herein to the contrary, nothing herein shall prevent the City from calling a letter of credit or other fiscal surety if such letter of credit or fiscal surety will expire and the infrastructure that is guaranteed thereunder has not been constructed within the timeframes required by the City Code.

**9.02 Default and Termination.** Notwithstanding any other term or provision of this Agreement, if Owner defaults in the performance of a duty or obligation of Owner provided in this Agreement, and such default is not timely cured after notice and expiration of the Cure Period, the City may terminate and cancel this Agreement, seek to specifically enforce the obligations of the City under this Agreement, or seek other available remedy at law or equity. If the City defaults in the performance of a duty or obligation of the City provided in this Agreement, and such default is not timely cured after notice and expiration of the Cure Period, Owner may terminate and cancel this Agreement (in which event the City shall be obligated to disannex the Property), seek to specifically enforce the obligations of the City under this Agreement, or seek other available remedy at law or equity.

**9.03 Reservation of Rights; Limited Immunity Waiver.**

(a) To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws, and neither Party waives any legal right or defense available under law or in equity. Except as specifically provided in Section 9.03(b), nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to either the City or its officers and employees, and neither the City, nor its officers and employees waive, modify or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas.

(b) By its execution of this Agreement, the City does not waive or surrender any of its governmental powers, immunities, or rights, except as specifically provided in this Section 9.03(b). The City waives governmental immunity from suit and immunity from liability as to any action brought by the Owner to enforce the terms, provisions and conditions of this Agreement, but only to the extent necessary to pursue such remedies if the City fails to reimburse the Reimbursable Costs as required under this Agreement. Nothing in this Section shall waive any claims, defenses or immunities that the City may have with respect to suits filed by persons or entities other than a party to this Agreement.

**9.04 Attorney's Fees.** A Party shall be liable to the other Party for attorney fees or costs incurred in connection with any litigation between the parties, in which a Party seeks to obtain a remedy from the other party, including appeals and post judgment awards.

**9.05 Waiver.** Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement will not, regardless of length of time during which that failure continues, be deemed a waiver of that Party's right to insist upon strict compliance with all terms of this Agreement. In order to be effective as to a Party, any waiver of default under this Agreement must be in writing, and a written waiver will only be effective as to the specific default and as to the specific period of time set forth in the written waiver. A written waiver will not constitute a waiver of any subsequent default, or of the right to require performance of the same or any other provision of this Agreement in the future.

**9.06 Remedies Cumulative.** The remedies described in this Article are in addition to and not in replacement of any other remedies at law or in equity that a Party may have as a result of any breach.

**ARTICLE X.  
Force Majeure**

**10.01 Definition.** The term “force majeure” as employed herein shall mean and refer to acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemies, orders of any kind of the government of the United States, the State of Texas or any civil or military authority; insurrections; riots; epidemic; landslides; lightning, earthquakes; fires, hurricanes; storms, floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery, pipelines, or canals; or other causes not reasonably within the control of the Party claiming such inability.

**10.02 Notice of Default.** If, by reason of force majeure, any party hereto shall be rendered wholly or partially unable to carry out its obligations under this Agreement, then such Party shall give written notice of the full particulars of such force majeure to the other party within ten (10) days after the occurrence thereof. The obligations of the Party giving such notice, to the extent effected by the force majeure, shall be suspended during the continuance of the inability claimed, except as hereinafter provided, but for no longer period, and the Party shall endeavor to remove or overcome such inability with all reasonable dispatch.

**10.03 Settlements and Strikes.** It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require that the settlement be unfavorable in the judgment of the Party having the difficulty.

**ARTICLE XI.  
Notices**

**11.01 Method of Notice.** Any notice to be given hereunder by a Party to another Party shall be in writing and may be effected by personal delivery or by sending said notices by registered or certified mail, return receipt requested or by e-mail, to the addresses set forth below. Notice shall be deemed given when deposited with the United States Postal Service with sufficient postage affixed or when delivered by e-mail.

Any notice mailed to the City shall be addressed:

City of Bastrop  
Attn: City Manager  
1311 Chestnut Street  
Bastrop, Texas 78602  
Phone: (512) 332-8800  
E-mail: phofmann@cityofbastrop.org

with copy to:

Bojorquez Law Firm, PC

Attn: Alan Bojorquez  
11675 Jollyville Road, Suite 300  
Austin, Texas 78746  
Telephone: (512) 250-0411  
Email: alan@texasunicipallawyers.com

Any notice mailed to Owner shall be addressed:

Bastrop Colorado Bend, LLC  
Attn: Alton Butler  
12224 Montague Street  
Pacoima, California 91331  
Email: altonbutler@line204.com

With copy to:

McLean & Howard, LLP  
Attn: Bill McLean  
901 S. Mopac Expressway  
Building II, Suite 225  
Austin, Texas 78746  
Telephone: (512) 328-2008  
Email: bmclean@mcleanhowardlaw.com

and

David Heckler  
2218 Race Street  
Philadelphia, PA 19103  
Telephone: 610.937.0077  
Email: dheckler@watchdogpm.com

Any party may change the address for notice to it by giving notice of such change in accordance with the provisions of this section.

## **ARTICLE XII. Miscellaneous Provisions**

**12.01 Waiver of Alternative Benefits.** The Parties acknowledge the mutual promises and obligations of the Parties expressed herein are good, valuable and sufficient consideration for this Agreement. The Parties further acknowledge the City and Owner voluntarily elected the benefits and obligations of this Agreement, as opposed to the benefits available were Owner to have elected to develop the Property without the benefits and obligations of this Agreement, pursuant to and in compliance with the applicable City Code. Therefore, save and except the right to enforce the

obligations of the City to perform each and all of the City's duties and obligations under this Agreement, Owner hereby waives any and all claims or causes of action Owner may have for or with respect to any duty or obligation undertaken by Owner pursuant to this Agreement, including any benefits that may have been otherwise available to Owner but for this Agreement. Owner specifically releases any equitable or legal claim that it may have against the City regarding, or with respect to, the duty or obligation of the Owner to install or construct any project or obligation undertaken by Owner pursuant to this Agreement. The foregoing notwithstanding, the Owner specifically does not waiver or release any claim or cause of action that Owner may have as a result of the City's breach of its agreements hereunder, including its agreement to reimburse the Reimbursable Costs as provided herein.

**12.02 Entire Agreement and Amendment.** This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties and may not be amended except by a writing approved by the City Council of the City that is signed by all Parties and dated subsequent to the date hereof.

**12.03 Resolution of Conflicts.** Notwithstanding anything in this Agreement to the contrary, the following hierarchy shall apply in resolving conflicts between development requirements: (i) the Project Approvals, (ii) the Concept Plan, (iii) this Agreement, and (iv) the Applicable Regulations and City Code.

**12.04 No Joint Venture.** The terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the Parties. The City, its past, present and future officers, elected officials, employees and agents, do not assume any responsibilities or liabilities to any third party in connection with the development of the Property. The City enters into this Agreement in the exercise of its public duties and authority to provide for development of property within the City's ETJ pursuant to its police powers and for the benefit and protection of the public health, safety, and welfare.

**12.05 No Third Party Beneficiary.** This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a party, unless expressly provided otherwise herein, or in a written instrument executed by both the City and the third party. Absent a written agreement between the City and third party providing otherwise, if a default occurs with respect to an obligation of the City under this Agreement, any notice of default or action seeking a remedy for such default must be made by the Owner.

**12.06 Severability.** The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement, or the application thereof to any person or circumstance, shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances shall be not be affected thereby.

**12.07 Effective Date.** The Effective Date of this Agreement is the defined date set forth in the first paragraph.

**12.08 Texas Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Bastrop County, Texas. Venue shall lie exclusively in the State District Courts of Bastrop County, Texas.

**12.09 Timely Performance.** It is acknowledged and agreed by the Parties that time is of the essence in the performance of this Agreement.

**12.10 Exhibits.** The following Exhibits to this Agreement are incorporated herein by reference for all purposes:

- |           |                                                |
|-----------|------------------------------------------------|
| Exhibit A | Property                                       |
| Exhibit B | Concept Plan                                   |
| Exhibit C | Informational Land Plan                        |
| Exhibit D | Annexation Petition                            |
| Exhibit E | Municipal Services Agreement                   |
| Exhibit F | Project Approvals                              |
| Exhibit G | Dedicated ROW                                  |
| Exhibit H | Water Line Project and Wastewater Line Project |

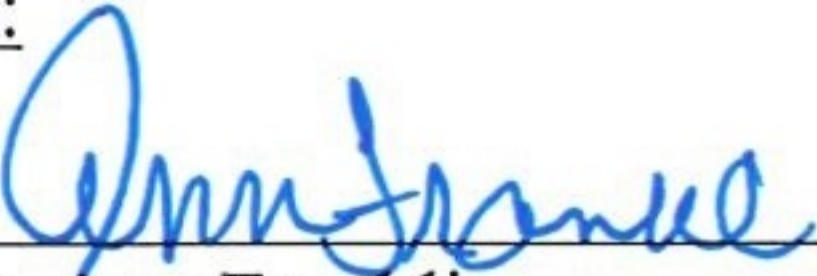
*[Signature pages follow]*

EXECUTED in multiple originals, and in full force and effect as of the Effective Date.

**CITY:**

**City of Bastrop, Texas**  
a Texas home-rule municipal corporation

Attest:

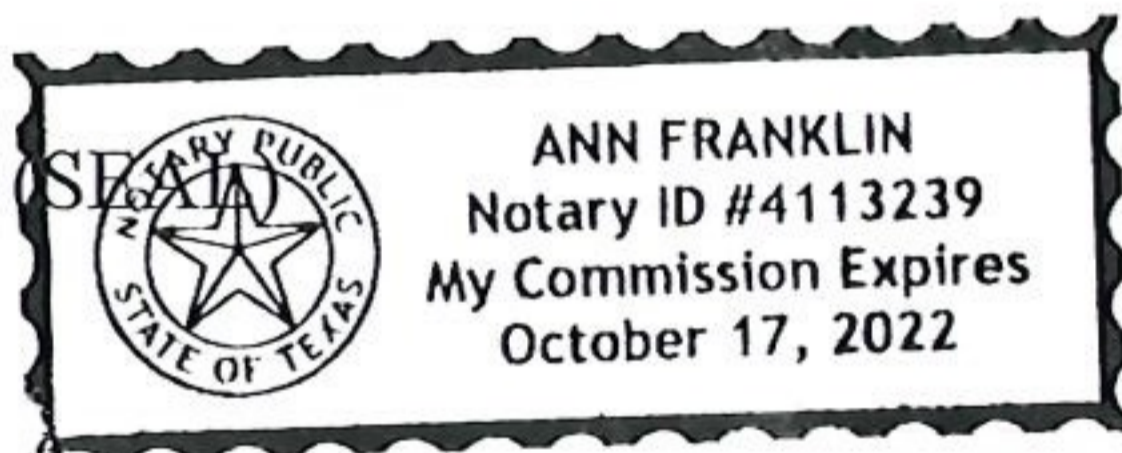
By:   
Name: Ann Franklin  
Title: City Secretary

By:   
Name: Paul A. Hofmann  
Title: City Manager

THE STATE OF TEXAS §

COUNTY OF BASTROP §

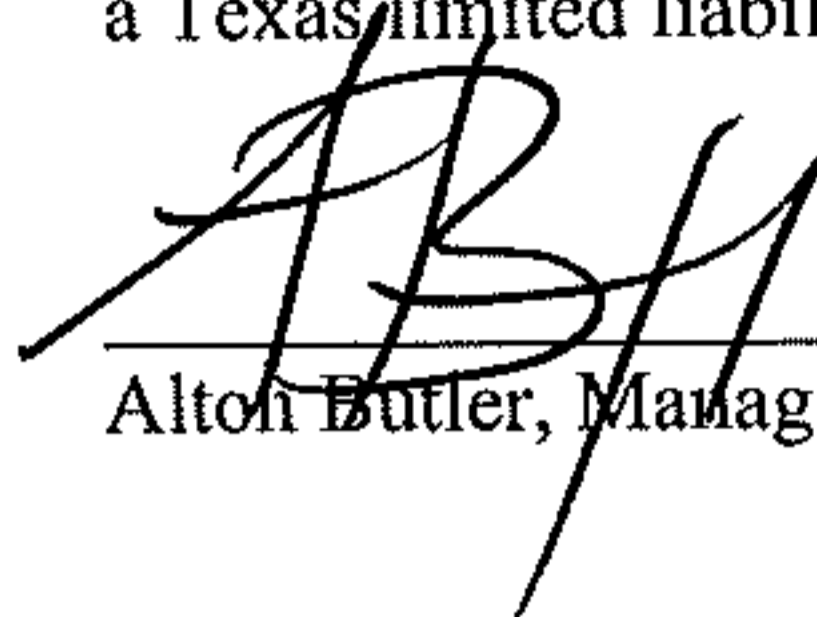
This instrument was acknowledged before me on this 2<sup>nd</sup> day of July, 2021, by Paul A. Hofmann, City Manager of the City of Bastrop, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.



  
Notary Public, State of Texas

**OWNER:**

BASTROP COLORADO BEND, LLC,  
a Texas limited liability company

  
\_\_\_\_\_  
Alton Butler, Manager

THE STATE OF CALIFORNIA §

COUNTY OF Los Angeles §

This instrument was acknowledged before me on the 16<sup>th</sup> day of June 2021,  
by Alton Butler, Manager of Bastrop Colorado Bend, LLC, a Texas limited liability company, on  
behalf of said limited liability company for the purposes set forth herein.

  
\_\_\_\_\_  
Notary Public, State of California

(SEAL)





**EXHIBIT A**  
**PROPERTY**

## EXHIBIT A - PROPERTY

546.364 ACRES  
STEPHEN F. AUSTIN SURVEY, ABSTRACT NUMBER 2  
BASTROP COUNTY TEXAS  
TITLE SURVEY

### FIELD NOTES

BEING ALL OF THAT CERTAIN 546.364 ACRE TRACT OF LAND SITUATED IN THE STEPHEN F. AUSTIN SURVEY, ABSTRACT NUMBER 2, BASTROP COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS BEING ALL OF A CALLED 551.957 ACRE TRACT OF LAND CONVEYED TO BASTROP 552, LLLP. IN VOLUME 1694, PAGE 31, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS, SAID 546.364 ACRE TRACT OF LAND, BEING MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**BEGINNING**, at a 1/2 inch iron rod found at an eastern corner of said 551.957 acre tract, being at the intersection of the north right-of-way line of Margie's Way (60' R.O.W.) and the west right-of-way line of Lovers Lane (R.O.W. Varies), for an easter corner and the **POINT OF BEGINNING** for the herein described tract,

**THENCE**, N77°48'10"W, with a southern line of said 551.957 acre tract, the north line of said Margie's Way, the north line of River Meadows, Phase 1, a subdivision recorded in Cabinet 4, Slide 16-B, Plat Records of Bastrop County, Texas, and the north line of River Meadows, Phase 2, a subdivision recorded in Cabinet 4, slide 89-B, Plat Records of Bastrop County, Texas, a distance of 3012.19 feet to a 1/2 inch iron rod found at an interior corner of said 551.957 acre tract, being at the northwest corner of Lot 34, said River Meadows, Phase 2, for an interior corner of the herein described tract of land,

**THENCE**, S12°59'16"W, with an eastern line of said 551.957 acre tract, the west line of said River Meadows, Phase 2, the west line of a called 45.088 acre tract of land conveyed to Palm Properties, LLC. in Document Number 201700307, Official Public Records of Bastrop County, Texas, the west line of a called 9.00 acre tract of land conveyed to Stephanie and Christopher Kennedy in Document Number 201711276, Official Public Records of Bastrop County, Texas, and the west line of El Camino Real Estates, a subdivision recorded in Cabinet 1, Slide 139-B, Plat Records of Bastrop County, Texas, passing at a distance of 3881.20 feet a 1/2 inch iron rod found at the southwest corner of said 9.00 acre tract of land, being at the northern terminus of El Camino River Road (50' R.O.W.), passing at a distance of 4554.28 feet a 1/2 inch iron rod found for reference in the east line of said 551.957 acre tract, being in the west line of Lot 1, said El Camino Real Estates, and continuing for a total distance of 4594.87 feet to a calculated point at the southeast corner of said 551.957 acre tract, being at the top of low bank of the Colorado River as located on March 1, 2021, for the southeast corner of the herein described tract of land,

**THENCE**, with the common line of said 551.957 acre tract and the top of low bank of the Colorado River, the following thirty-four (34) courses and distances, numbered 1 through 34,

- 1) N89°46'39"W, a distance of 230.10 feet to a calculated point for corner,
- 2) N86°00'39"W, a distance of 389.82 feet to a calculated point for corner,
- 3) N85°51'37"W, a distance of 322.79 feet to a calculated point for corner,
- 4) N79°11'56"W, a distance of 129.30 feet to a calculated point for corner,
- 5) N60°38'48"W, a distance of 240.72 feet to a calculated point for corner,
- 6) N49°55'01"W, a distance of 211.62 feet to a calculated point for corner,
- 7) N39°18'26"W, a distance of 218.23 feet to a calculated point for corner,
- 8) N18°32'25"W, a distance of 310.28 feet to a calculated point for corner,
- 9) N17°16'22"W, a distance of 618.43 feet to a calculated point for corner,
- 10) N10°50'27"W, a distance of 1006.85 feet to a calculated point for corner,
- 11) N03°26'28"E, a distance of 374.96 feet to a calculated point for corner,
- 12) N19°02'44"W, a distance of 590.19 feet to a calculated point for corner,
- 13) N08°20'37"W, a distance of 445.61 feet to a calculated point for corner,
- 14) N04°27'12"W, a distance of 972.32 feet to a calculated point for corner,

- 15) N23°56'49"E, a distance of 405.92 feet to a calculated point for corner,
- 16) N31°55'03"E, a distance of 492.65 feet to a calculated point for corner,
- 17) N42°19'52"E, a distance of 761.71 feet to a calculated point for corner,
- 18) N24°20'02"E, a distance of 76.48 feet to a calculated point for corner,
- 19) N76°42'21"E, a distance of 215.54 feet to a calculated point for corner,
- 20) S82°26'37"E, a distance of 136.05 feet to a calculated point for corner,
- 21) S71°34'16"E, a distance of 245.56 feet to a calculated point for corner,
- 22) S84°53'14"E, a distance of 113.77 feet to a calculated point for corner,
- 23) S82°27'35"E, a distance of 66.95 feet to a calculated point for corner,
- 24) S76°43'02"E, a distance of 57.36 feet to a calculated point for corner,
- 25) S57°42'57"E, a distance of 45.23 feet to a calculated point for corner,
- 26) S41°47'14"E, a distance of 98.85 feet to a calculated point for corner,
- 27) S86°03'31"E, a distance of 334.43 feet to a calculated point for corner,
- 28) S89°43'45"E, a distance of 427.61 feet to a calculated point for corner,
- 29) N85°04'35"E, a distance of 461.81 feet to a calculated point for corner,
- 30) N81°27'34"E, a distance of 508.87 feet to a calculated point for corner,
- 31) N73°46'29"E, a distance of 913.85 feet to a calculated point for corner,
- 32) N58°31'45"E, a distance of 629.23 feet to a calculated point for corner,
- 33) N71°38'34"E, a distance of 1234.21 feet to a calculated point for corner, and
- 34) N70°58'40"E, a distance of 849.49 feet to a calculated point at the northeast corner of said 551.957 acre tract, being at the top of low bank of the Colorado River, same being at the apparent northwest corner of a called 5.098 acre tract of land conveyed to James and Cindy Mikulenska in Volume 2336, Page 69, Official Public Records of Bastrop County, Texas, for the northeast corner of the herein described tract of land,

**THENCE**, S10°27'05"W, with the common line of said 5.098 acre tract and said 551.957 acre tract, passing at a distance of 100.00 feet a capped 1/2 inch iron rod set stamped "CBD SETSTONE" for reference, and continuing for a total distance of 465.77 feet to a 1/2 inch iron rod found at the southwest corner of said 5.098 acre tract, being in a northern line of said Lovers Lane,

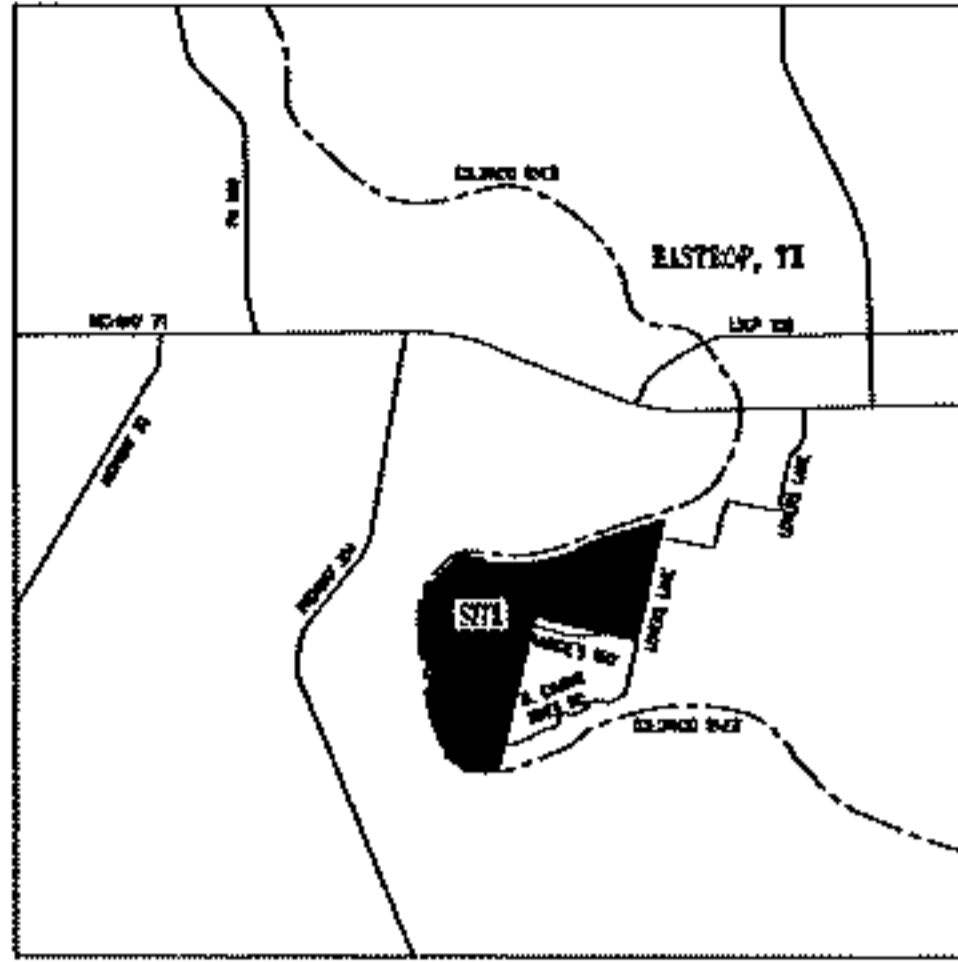
**THENCE**, S10°55'05"W, with the common line of said 551.957 acre tract and said Lovers Lane, a distance of 3056.71 feet to the **POINT OF BEGINNING** and containing 546.364 acres of land.

Surveyed by: \_\_\_\_\_

AARON V. THOMASON, RPLS NO. 6214  
*Carlson, Brigance and Doering, Inc.*  
5501 West William Cannon  
Austin, TX 78749  
Ph: 512-280-5160      Fax: 512-280-5165  
[aaron@cbdeng.com](mailto:aaron@cbdeng.com)

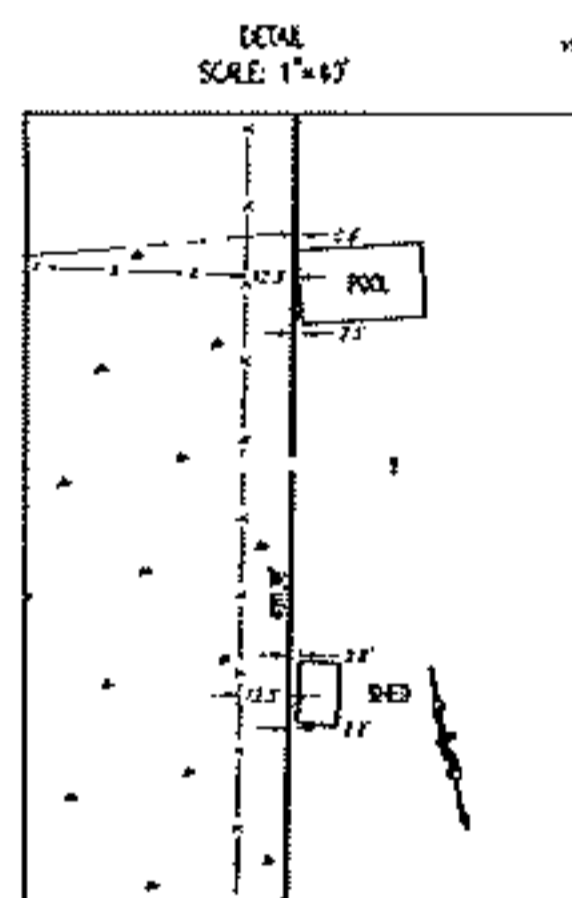
BEARING BASIS: TEXAS STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE (4203)

ALTA SURVEY OF 546.364 ACRES SITUATED IN THE STEPHEN F. AUSTIN SURVEY, ASSTRACT NUMBER 2, BASTROP COUNTY, TEXAS, BEING ALL OF THAT CALLED 551.957 ACRE TRACT OF LAND CONVEYED TO BASTROP 552, L.L.P. IN VOLUME 1694, PAGE 31, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS.

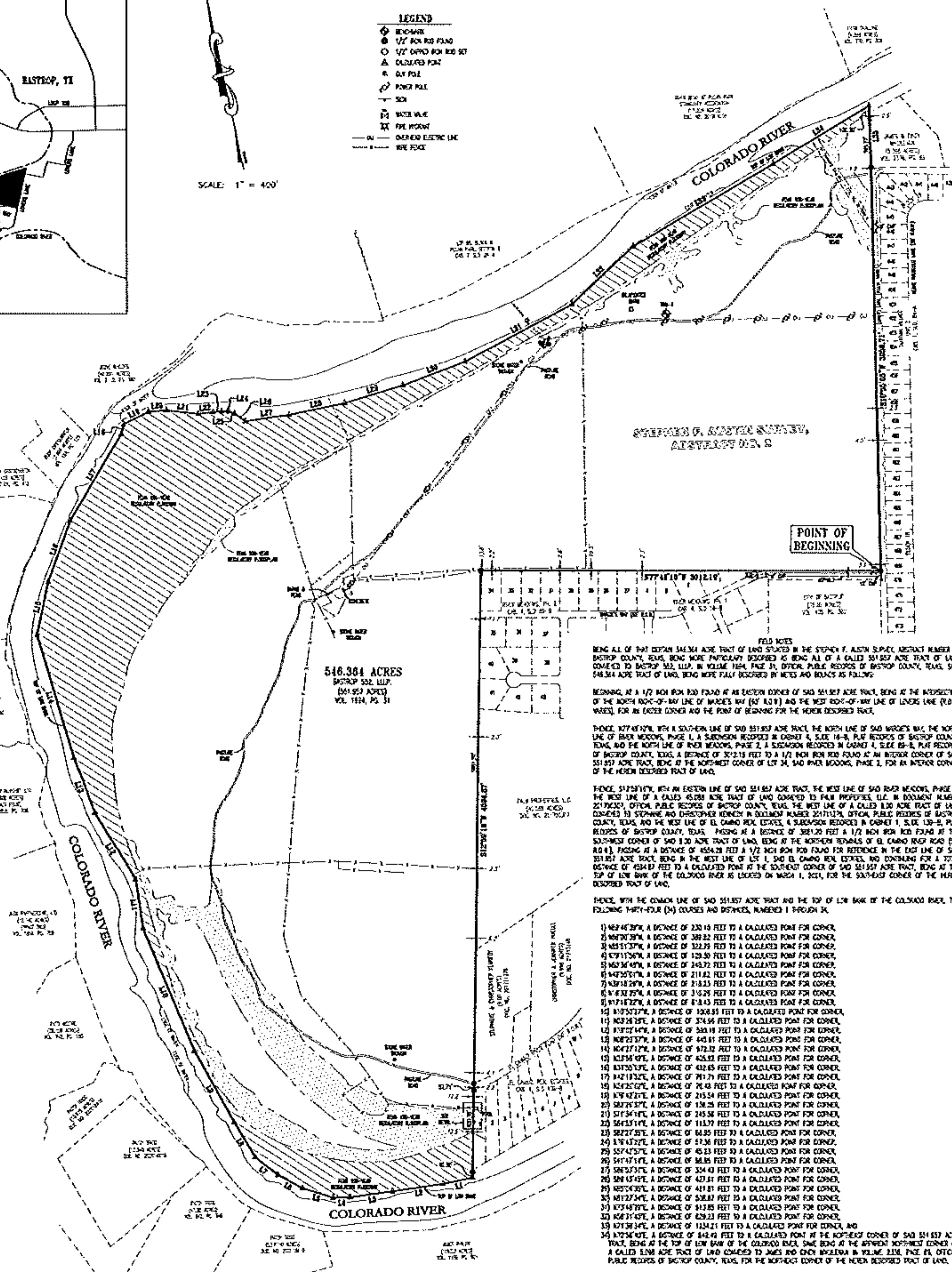


SCALE: 1" = 400'

- LEGEND**
- BENCHMARK
  - 1/2" NON ROD END SET
  - 1/2" ODDED NON ROD SET
  - △ CALCULATED POINT
  - GUY POLE
  - POWER POLE
  - SOI
  - WATER VALVE
  - FIVE FOOT
  - OTHER ELECTRIC LINE
  - WIRE FENCE



Line #	Length	Bearing
L1	180.10	N89°42'37"W
L2	388.85	N46°07'57"W
L3	227.78	N85°53'37"W
L4	128.20	S77°15'47"W
L5	240.72	N62°27'47"W
L6	71.87	N49°27'57"W
L7	174.23	N08°27'57"W
L8	310.28	N48°27'57"W
L9	418.43	S77°27'57"W
L10	153.38	S72°27'57"W
L11	376.86	N62°27'57"W
L12	398.18	S72°27'57"W
L13	465.81	N62°27'57"W
L14	172.32	N67°27'57"W
L15	65.87	N27°27'57"W
L16	86.26	N27°27'57"W
L17	70.71	N47°27'57"W
L18	8.16	N47°27'57"W



**FEES NOTES**

BEING ALL OF THAT CERTAIN 546.364 ACRE TRACT OF LAND SITUATED IN THE STEPHEN F. AUSTIN SURVEY, ASSTRACT NUMBER 2, BASTROP COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED AS BEING ALL OF A CALLED 551.957 ACRE TRACT OF LAND CONVEYED TO BASTROP 552, L.L.P. IN VOLUME 1694, PAGE 31, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS, SAID 546.364 ACRE TRACT OF LAND, BEING MORE FULLY DESCRIBED BY NOTES AND RECORDS AS FOLLOWS:

**BEGINNING**, AT A 1/2" NON ROD END FOUND AT AN INTERIOR CORNER OF SAID 551.957 ACRE TRACT, BEING AT THE INTERSECTION OF THE NORTH SIDE-OF-WAY LINE OF MARSHES WAY (BY 1811) AND THE WEST SIDE-OF-WAY LINE OF LONGS LANE (BY R. WALKER), FOR AN INTERIOR CORNER AND THE POINT OF BEGINNING FOR THE HEREIN DESCRIBED TRACT;

**THENCE**, 107°48'50"W, WITH A SOUTH-WEST CORNER OF SAID 551.957 ACRE TRACT, THE NORTH LINE OF SAID MARSHES WAY, THE NORTH LINE OF BROWN MEADOWS, PHASE 1, A SUBDIVISION RECORDED IN CARNETT 5, SLIDE 16-8, PLAT RECORDS OF BASTROP COUNTY, TEXAS, AND THE NORTH LINE OF BROWN MEADOWS, PHASE 2, A SUBDIVISION RECORDED IN CARNETT 4, SLIDE 16-8, PLAT RECORDS OF BASTROP COUNTY, TEXAS, A DISTANCE OF 302.13 FEET TO A 1/2" NON ROD END FOUND AT AN INTERIOR CORNER OF SAID 551.957 ACRE TRACT, BEING AT THE NORTHWEST CORNER OF LOT 24, SAID BROWN MEADOWS, PHASE 2, FOR AN INTERIOR CORNER OF THE HEREIN DESCRIBED TRACT OF LAND;

**THENCE**, S17°21'17"W, WITH AN INTERIOR CORNER OF SAID 551.957 ACRE TRACT, THE WEST LINE OF SAID BROWN MEADOWS, PHASE 2, THE WEST LINE OF A CALLED 45.028 ACRE TRACT OF LAND CONVEYED TO PAUL PROFFER, LLC, IN DOCUMENT NUMBER 20170023, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS, THE WEST LINE OF A CALLED 1.80 ACRE TRACT OF LAND CONVEYED TO STEPHEN AND CHRISTOPHER KENNEDY IN DOCUMENT NUMBER 20171171, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS, AND THE WEST LINE OF EL CAMINO REAL, LOTS 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, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 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722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000;

BY: ARON V. THOMSON, R.P.L.S. NO. 8214  
CARLSON, BRIGANCE & DOERING  
5521 WEST BELLEVUE CANYON  
AUSTIN, TX 78748  
PH: 512-282-0770  
ARON@CARLSON.COM



ACCORDING TO THE TITLE COMMITMENT 6.F, NO. 1-141364, EFFECTIVE DATE DECEMBER 28, 2020.

THIS TRACT OF LAND IS SUBJECT TO THE FOLLOWING:

1. A DEED (AGREEMENT GRANTED TO THE CITY OF BASTROP AS DESCRIBED IN DOCUMENT NUMBER 20150614, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS (5-COM HEREIN).

ACCORDING TO THE TITLE COMMITMENT 6.F, NO. 1-141364, EFFECTIVE DATE DECEMBER 28, 2020.

THIS TRACT OF LAND IS ALSO SUBJECT TO THE FOLLOWING:

1. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS:

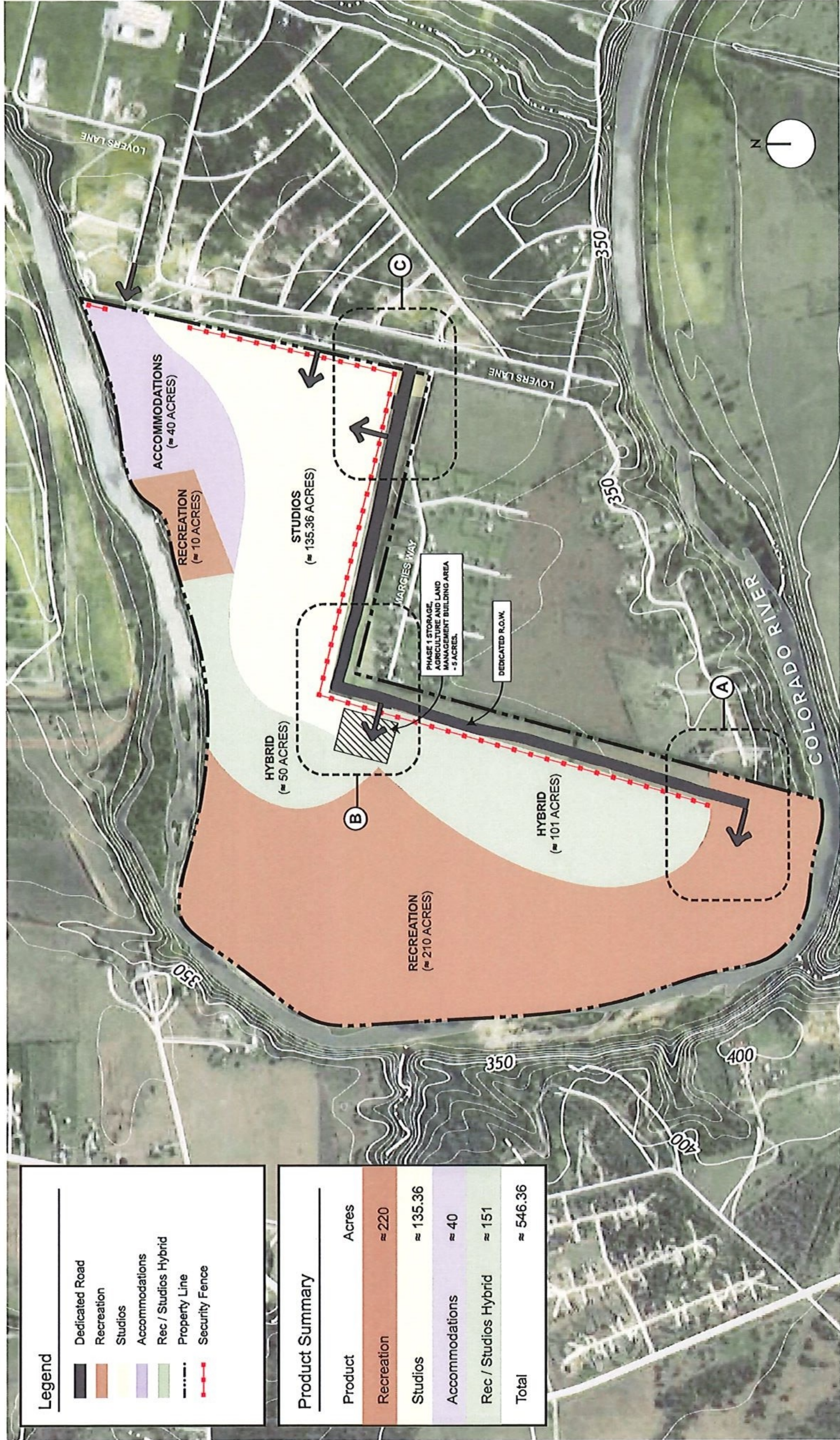
1. AN ELECTRIC POLICIES AGREEMENT GRANTED TO BLUEGRASS ELECTRIC COOPERATIVE, INC. AS DESCRIBED IN VOLUME 1114, PAGE 311, OFFICIAL PUBLIC RECORDS OF BASTROP COUNTY, TEXAS (NORTH OF PROPERTY).

BEARING BASIS: TEXAS COORDINATE SYSTEM, CENTRAL ZONE (4203), NAD83

**Carlson, Brigrance & Doering, Inc.**  
P.L.L.C. NO. 8214

1511 West Willow Canyon  
Austín, Texas 78748  
Phone No. (512) 282-0770 • Fax No. (512) 282-5118

**EXHIBIT B**  
**CONCEPT PLAN**



**Legend**

- Dedicated Road
- Recreation
- Studios
- Accommodations
- Rec / Studios Hybrid
- Property Line
- Security Fence

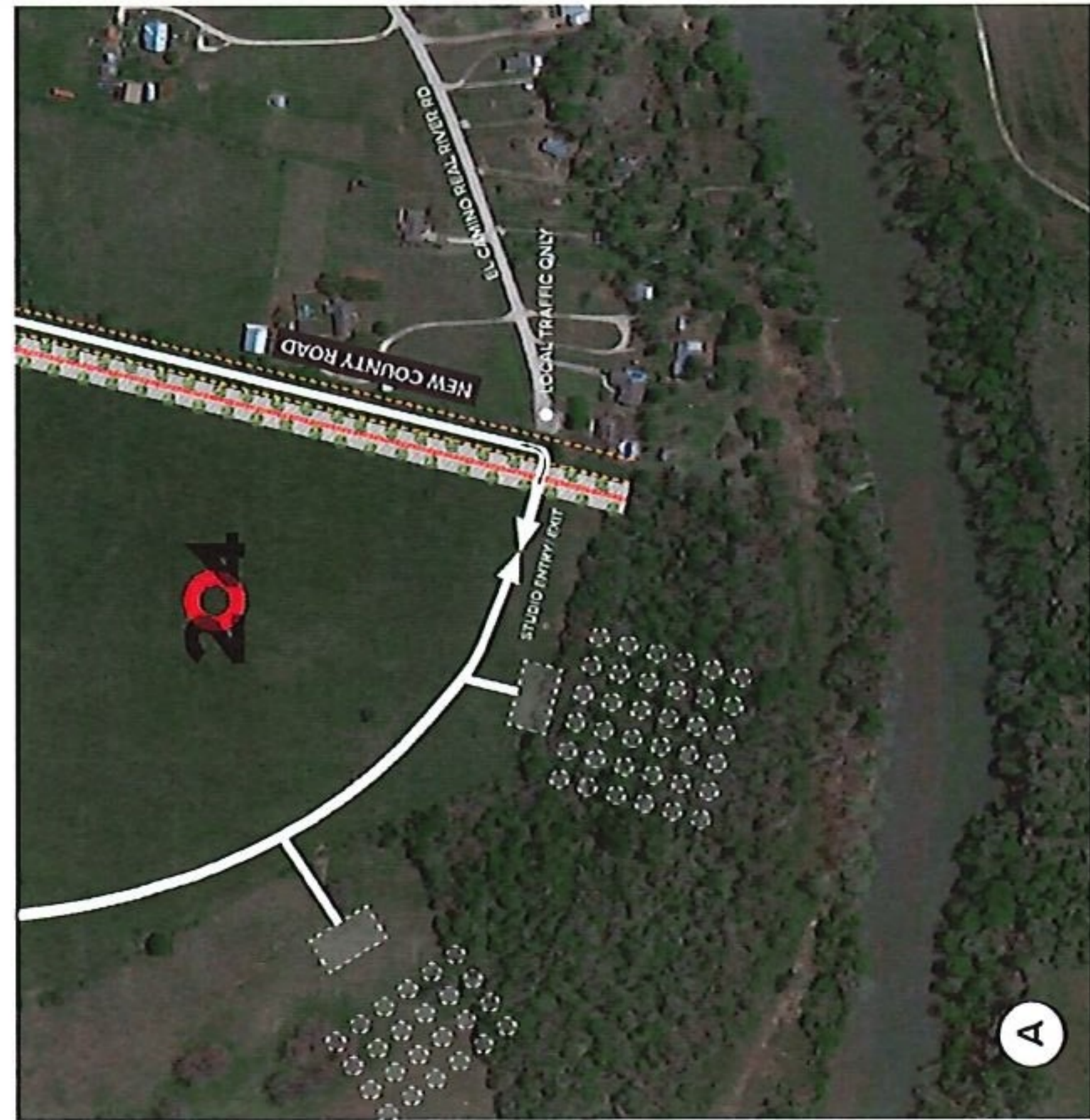
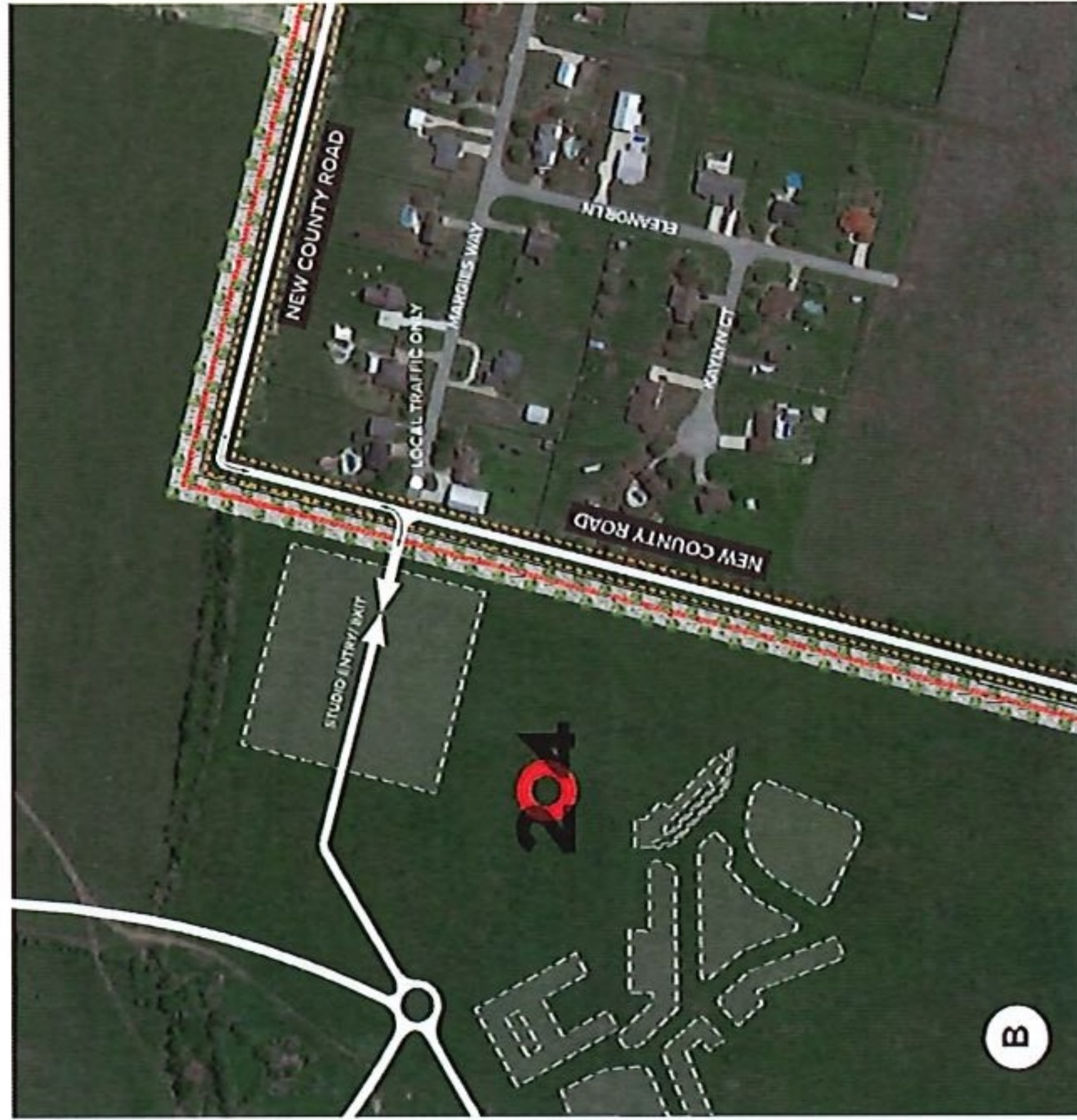
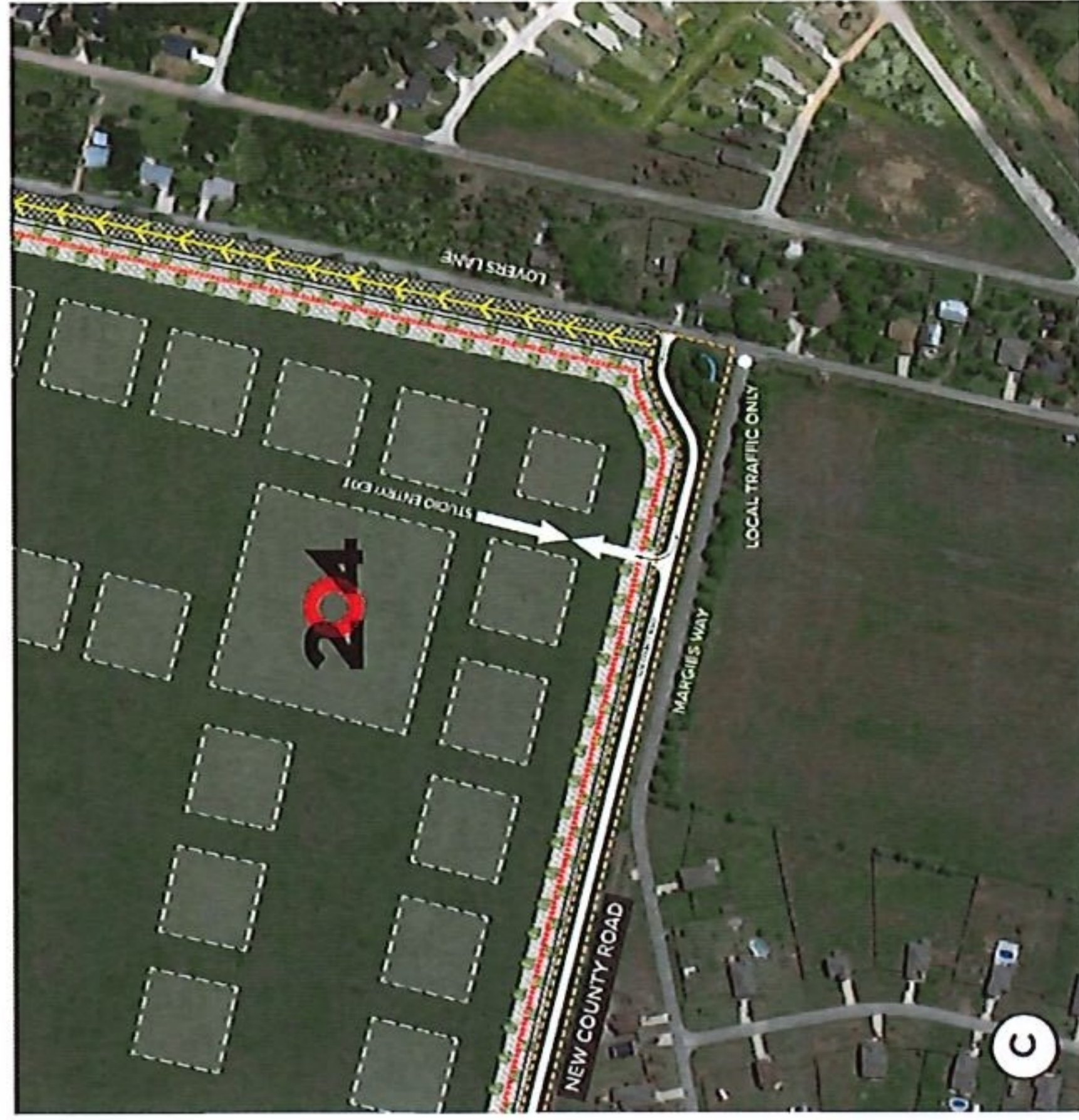
**Product Summary**

Product	Acres
Recreation	≈ 220
Studios	≈ 135.36
Accommodations	≈ 40
Rec / Studios Hybrid	≈ 151
<b>Total</b>	<b>≈ 546.36</b>

**204**

**LEGEND**

-  NEW LANDSCAPE BAND:  
TREES, SHRUBS, GRASS
-  MONUMENT SIGN
-  NEWLY DEDICATED 55'-6" R.O.W.
-  NEW BERM + PROPERTY WALL
-  60' UTILITY/ DRAINAGE EASEMENT
-  RANCH FENCE



**IM+**

EXHIBIT B - CONCEPT PLAN

PERMITTED LAND USES

\* All uses below are permitted in support of the Project

STUDIO	HOUSING	RECREATION	HYBRID
Accessory Building (non-residential)	Caretaker's / Guard's Residence	Alcoholic Beverage Establishment (beer/wine/liquor)	Agricultural: Farm, Ranch, Crops / Orchard
Auto Laundry / Car Wash	Garage / Accessory Dwelling	Amusement Arcade (outdoor)	Emergency Services
Flex Space	Multi-family Dwelling (apartment, quadraplex)	Baker / Confectionary Shop (Commissary)	Nature Conservation
Heavy Machinery Sales Storage	Patio Homes	Campground	All allowable uses in Studio
Offices	Short-term rental units	Country Club	All allowable uses in Recreation
Parking Lot / Structure	Single-family Dwelling (attached and detached)	Dude Ranch	
Parking Lot Truck / Trailers	Townhomes	Fairgrounds / Exhibition Area	
Radio/TV broadcasting without Tower		Food/Beverage Sales	
Sound Stages		Food Trucks	
Studio / Decorator / Artist		Golf Course	
Studio / Health / Reducing Service		Hotel/Motel	
Studio / Music / Dance / Drama		Indoor Entertainment	
Tool / Light Equipment Rental (indoor)		Market	
Warehousing / Storage Facilities		Outdoor Entertainment	
Welding / Machine Shop		Park / Playground	
		Private Club	
		Restaurant / Cafeteria (no drive-thru)	
		Retail Shop / Apparel / Gift / Accessory similar	
		RV Park	
		Stable	
		Swimming Pools	
		Theater (open drive-in)	
		Theater / Playhouse (indoor)	

DEVELOPMENT STANDARDS

STREETS

Local Connector: Rural (perimeter \*)  
 \* Aligned along property boundary

PARKING REGULATIONS

Not applicable

SIGNAGE

Applicable only to signage visible from the public ROW

PEDSTRIAN SHEDS

Not applicable

CIVIC SPACE

Not applicable

ENCROACHMENTS

Not applicable

TREE MITIGATION

Required only for trees 26" or greater on Preferred Plant List

BUILDING TYPES (PERMITTED)

Commercial  
 Rowhouse  
 Courtyard House  
 Ranch House, Villa  
 House  
 Duplex  
 Triplex, Fourplex

LOT OCCUPATION

80% Impervious Cover maximum  
 Building frontage varies (no min.)  
 Built-do Line varies (no min.)

BUILDING HEIGHT

\* 60 feet max height for Principal Building  
 \* Blue and green screen for production purposes shall not be considered a "building", and shall not be limited as to height

FAÇADE

Façade requirement for the Frontage Line shall not apply

BLOCKS

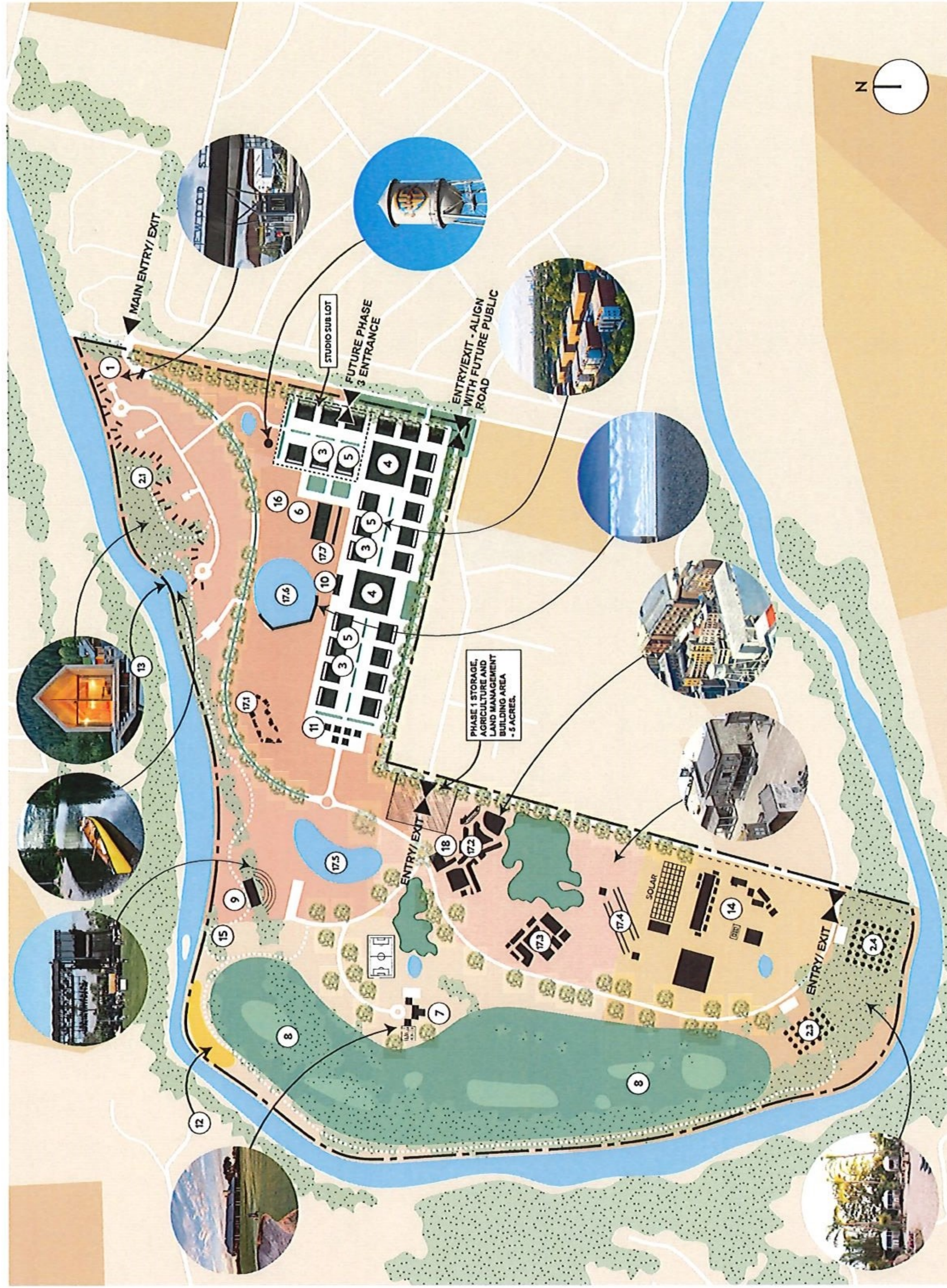
Block length varies (no max.)  
 Block perimeter varies (no max.)

SEC. 7.3.013 LOCAL CONNECTOR STREET: RURAL STREET





**EXHIBIT C**  
**INFORMATIONAL LAND PLAN**



# Legend

- 1 ENTRY GATE
- 2 ACCOMMODATIONS
  - 2.1) Modern Rentals
  - 2.2) Working Accommodations
  - 2.3) Future Motor Home Coach Parking
  - 2.4) Campground
- 3 SOUND STAGES
- 4 WAREHOUSES
- 5 OFFICES
- 6 FLEX PAD
- 7 CLUB HOUSE
- 8 GOLF COURSE
- 9 CONCERT VENUE
- 10 EMERGENCY SERVICES / COMMISSARY SERVICES / ACCOMMODATIONS
- 11 SERVICES / ACCOMMODATIONS
- 12 BEACH
- 13 HARBOR
- 14 RANCH
- 15 NATURE CONSERVATION
- 16 WATER TOWER
- 17 BACK LOT MOVIE SETS
  - 17.1) Wisteria Lane
  - 17.2) Middle East St
  - 17.3) NY Street
  - 17.4) Western Town
  - 17.5) Lake
  - 17.6) Blue Wall with Pool
  - 17.7) Green Wall
- 18 AGRICULTURE & LAND MGMT AREA
- P PARKING
- NEW LANDSCAPING

**EXHIBIT D**  
**ANNEXATION PETITION**

**EXHIBIT D**

**ANNEXATION PETITION**

STATE OF TEXAS                   §  
                                          §  
COUNTY OF BASTROP           §

**REQUEST & PETITION TO THE CITY COUNCIL OF THE CITY OF BASTROP  
FOR ANNEXATION OF PROPERTY**

**WHEREAS**, the undersigned is the owner of a certain tract of property located within Bastrop County, Texas, such property more particularly described hereinafter by true and correct legal description (referred to herein as the “**Property**”);

**WHEREAS**, the undersigned has sought the annexation of the Property by the City of Bastrop, Texas (hereinafter sometimes referred to as “**City**”), to obtain the benefits of City services to the Property by the City;

**WHEREAS**, the Property is contiguous and adjacent to the corporate limits of the City;

**WHEREAS**, the City, pursuant to §43.0671, *Tex. Loc. Gov’t. Code* and the request of the owner, is authorized to annex the Property; and

**WHEREAS**, the undersigned agrees and consents to the annexation of the Property by the City and further agrees to be bound by all acts, ordinances, and all other legal action now in force and effect within the corporate limits of the City and all those which may be hereafter adopted.

**NOW, THEREFORE**, the undersigned by this Request and Petition:

**SECTION ONE:** Requests the City Council of the City to commence annexation proceedings and to annex into the corporate limits of the City of Bastrop, Texas, of all portions of the Property, including the abutting streets, roadways, and rights-of-way, not previously annexed into the City and further described as follows:

Being all that certain \_\_\_\_\_ tract of land situated in the Stephen F. Austin Survey, Abstract Number 2, Bastrop County, Texas, being more particularly shown and described in the Exhibit A attached hereto and incorporated herein for all purposes.

**SECTION TWO:** Requests that after annexation the City provide such services as are legally permissible and provided by the City, including the general governmental services as set forth in the municipal services plan.

**SECTION THREE:** Acknowledges and represents having received, read and understood the attached “draft” Service Plan, attached hereto as Exhibit B, (proposed to be applicable to and adopted for the Property) and that such “draft” Service Plan is wholly adequate and acceptable to the undersigned who hereby request the City Council to proceed with the annexation and

preparation of a final Municipal Service Plan and publish notice and hold the requisite public hearings thereon, in accordance with the applicable laws of the State of Texas.

**SECTION FOUR:** Acknowledges that the undersigned understands and agrees that all City services to the Property will be provided by the City on the same terms and conditions as provided to other similarly situated areas of the City and as provided in the Municipal Service Plan.

**SECTION FIVE:** Agrees that a copy of this Request and Petition may be filed of record in the offices of the City of Bastrop and in the real property records of Bastrop County, Texas, and shall be notice to and binding upon all persons or entities now or hereafter having any interest in the subject property.

**FILED**, this \_\_\_ day of \_\_\_\_\_ 20\_\_\_, with the City Secretary of the City of Bastrop, Bastrop County, Texas.

**Petitioner:**

BASTROP COLORADO BEND, LLC,  
a Texas limited liability company

\_\_\_\_\_  
Alton Butler, Manager

STATE OF TEXAS                   §  
                                                  §  
COUNTY OF \_\_\_\_\_       §

**BEFORE ME**, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Alton Butler, Manager of Bastrop Colorado Bend, LLC, a Texas limited liability company, and Petitioner herein, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged that they had authority to bind the entity and that they executed the same for the purposes therein expressed and in the capacity therein stated.

**GIVEN UNDER MY HAND AND SEAL OF OFFICE** on this the \_\_\_ day of \_\_\_\_\_, 20\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public-State of Texas

**EXHIBIT E**  
**MUNICIPAL SERVICES AGREEMENT**

**EXHIBIT E**  
**MUNICIPAL SERVICES AGREEMENT**

**MUNICIPAL SERVICES AGREEMENT BETWEEN THE  
CITY OF BASTROP, TEXAS AND BASTROP COLORADO BEND, LLC**

This Municipal Services Agreement (“**Agreement**”) is entered into on this \_\_\_\_ day of, \_\_\_\_\_ 20\_\_\_\_ by and between the City of Bastrop, Texas, a home rule municipality of the State of Texas (“**City**”), and Bastrop Colorado Bend, LLC, a Texas limited liability company (“**Owner**”). In this Agreement, City and Owner are sometimes individually referred to as a “**Party**” and collectively referred to as the “**Parties**”.

**RECITALS**

The Parties agree that the following recitals are true and correct and form the basis upon which the Parties have entered into this Agreement.

**WHEREAS**, Owner owns certain parcels of land situated in Bastrop County, Texas, which consists of approximately \_\_\_\_\_ acres of land situated in the City’s extraterritorial jurisdiction, such property being more particularly described and set forth in Exhibit A attached and incorporated herein by reference (“**Property**”);

**WHEREAS**, Owner has entered into a Development Agreement with the City pursuant to Section 212.172 of Texas Local Government Code (“**Development Agreement**”), requesting full-purpose annexation of the Property;

**WHEREAS**, City and Owner desire to set out the City services to be provided for the Property on or after the effective date of annexation;

**NOW THEREFORE**, in exchange for the mutual covenants, conditions and promises contained herein, City and Owner agree as follows:

1. **PROPERTY.** This Agreement is only applicable to the Property, more specifically described in Exhibit A.
2. **INTENT.** It is the intent of the City that this Agreement provide for the delivery of full, available municipal services to the Property in accordance with state law, which may be accomplished through any means permitted by law.
3. **MUNICIPAL SERVICES.** Commencing on the effective date of annexation, the City will provide the municipal services set forth below. As used in this Agreement, “providing services” includes having services provided by any method or means by which the City may extend municipal services to any other area of the City, including the City’s infrastructure extension policies and developer or property owner participation in accordance with applicable City ordinances, the approved Development Agreement

executed by the City Manager on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and all approved rules, regulations, and policies.

The City hereby declares the following services to be made available to the Property and its Owner(s):

- a. **Police Services.** The City provides municipal police protection through a City Police Department and will provide the service to the area once annexed.
- b. **Fire Services.** This area is within the ESD #2 Service Area. The City of Bastrop Fire Department will provide aid through the Automatic Aid Agreement with ESD #2. Radio response for Emergency Medical Services will be provided with the present personnel and equipment.
- c. **Building Inspection/Code Enforcement Services.** The City of Bastrop will provide building inspection and code enforcement services upon annexation.
- d. **Libraries.** Bastrop Public Library provides library services.
- e. **Environmental Health & Health Code Enforcement.** Complaints of ordinance or regulation violations within this area will be answered and investigated by City personnel, beginning with the effective date of the annexation ordinance.
- f. **Planning & Zoning.** The planning and zoning jurisdiction of the City will be extended to this area on the effective date of the annexation ordinance. Pursuant to the Development Agreement, the Parties anticipate and desire for the Property to be zoned EC (Employment Center), or in a manner that is not inconsistent with land uses provided in the Development Agreement, following the effective date of the annexation ordinance and in accordance with the process and procedures applicable to all other properties within the City. Notwithstanding the foregoing, the Property shall be entitled to be developed with the land uses as more specifically provided in the Development Agreement. All services provided by the City will be extended to the area on the effective date of the annexation ordinance.
- g. **Parks & Recreation.** All services and amenities associated with the City's Parks and Recreation activities will extend to this area on the effective date of the annexation ordinance.
- h. **Street & Drainage Maintenance.** The City will provide street and drainage maintenance to public streets in the area in accordance with standard City policy as the area develops.
- i. **Street Lighting.** The City will provide street lighting to the area in any public right-of-way in accordance with standard City Policy as the area develops.



- j. **Traffic Engineering.** The City will provide, as appropriate, street names signs, traffic control devices, and other traffic system design improvements to the area.
- k. **Sanitation/Solid Waste Collection & Disposal.** The City does not directly provide municipal sanitation/solid waste collection and disposal services. However, the City has granted an exclusive franchise for these services to Progressive Waste Solutions of TX d/b/a Waste Connections of Texas, which will be notified of all newly-annexed parcels.
- l. **Water Service.** The area to be annexed will be served water by the City of Bastrop. Subject to related agreements between the City and Owner, extension of services to serve the site will be at the Owner's expense.
- m. **Sewer Service.** The area to be annexed will be served by wastewater service by the City of Bastrop. Subject to related agreements between the City and Owner, extension of services to serve the site will be at the Owner's expense.
- n. **Miscellaneous.** All other applicable municipal services will be provided to the area in accordance with policies established by the City.

It is understood and agreed that the City is not required to provide a service that is not included in this Agreement.

Owner understands and acknowledges that the City departments listed above may change names or be re-organized by the City Manager. Any reference to a specific department also includes any subsequent City department that will provide the same or similar services.

- 5. **SCHEDULE.** Due to the size and vacancy of the Property, the plans, and schedule for the development of the Property, the following municipal services will be provided on a schedule and at increasing levels of service as provided in this Agreement:

- a. **Water.** Water service and maintenance of water facilities as follows:
  - i. Inspection of water distribution lines as provided by statutes of the State of Texas.
  - ii. The City intends to provide water services to the Property pursuant to the Development Agreement, and the terms of the Development Agreement applicable to water service are incorporated herein by reference. Save and except as provided in the Development Agreement, the City will provide water service in accordance with the applicable ordinances, rules, regulations, and policies of the City in effect from time to time for the extension of water service. The Owner shall construct the internal water lines and, subject to related agreements, pay the costs of line extension and construction of such facilities necessary to provide water service to the Property as required in City ordinances. Upon acceptance of off-site improvements required by the Development Agreement, water service will be provided by the City utility department on the same terms, conditions and

requirements as are applied to all similarly situated areas and customers of the City; subject to all the ordinances, regulations and policies of the City in effect from time to time. The water system will be accepted and maintained by the City in accordance with its usual acceptance and maintenance policies. New water line extensions will be installed and extended upon request under the same costs and terms as with other similarly situated customers of the City. The ordinances of the City in effect at the time a request for service is submitted shall govern the costs and request for service. In the event of a conflict between this Municipal Services Plan and the Development Agreement for the Property, the terms and provisions of the Development Agreement shall govern and control.

**b. Wastewater.** Wastewater service and maintenance of wastewater facilities as follows:

- i. Inspection of sewer lines as provided by statutes of the State of Texas.
- ii. The City intends to provide wastewater services to the Property pursuant to the Development Agreement, and the terms of the Development Agreement applicable to wastewater service are incorporated herein by reference. Save and except as provided in the Development Agreement, the City will provide wastewater service in accordance with the applicable rules and regulations for the provision of wastewater service in accordance with all the ordinances, regulations, and policies of the City in effect from time to time for the extension of wastewater service. The Owner shall construct the internal wastewater lines and, subject to related agreements, pay the costs of line extension and construction of facilities necessary to provide wastewater service to the Property as required in City ordinances. Upon acceptance of any off-site improvements required by the Development Agreement, wastewater service will be provided by the City utility department on the same terms, conditions and requirements as are applied to all similarly situated areas and customers of the City, subject to all the ordinances, regulations and policies of the City in effect from time to time. The wastewater system will be accepted and maintained by the City in accordance with its usual policies. Requests for new wastewater line extensions will be installed and extended upon request under the same costs and terms as with other similarly situated customers of the City. The ordinances in effect at the time a request for service is submitted shall govern the costs and request for service. In the event of a conflict between this Municipal Services Plan and the Development Agreement for the Property, the terms and provisions of the Development Agreement shall govern and control.

6. **AUTHORITY.** City and Owner represent that they have full power, authority and legal right to execute, deliver and perform their obligations pursuant to this Agreement.

7. **SEVERABILITY.** If any term or provision of this Agreement is held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby, and in lieu of each such illegal, invalid or unenforceable term or provision, there shall be added automatically to this Agreement a legal, valid or enforceable term or provision as similar as possible to the term

or provision declared illegal, invalid or unenforceable.

8. **INTERPRETATION.** The Parties to this Agreement covenant and agree that in any litigation relating to this Agreement, the terms and conditions of the Agreement will be interpreted according to the laws of the State of Texas. The Parties acknowledge that they are of equal bargaining power and that each of them was represented by legal counsel in the negotiation and drafting of this Agreement.
9. **GOVERNING LAW AND VENUE.** This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. The provisions and obligations of this Agreement are performable in Bastrop County, Texas such that exclusive venue for any action arising out of this Agreement shall be in Bastrop County, Texas.
10. **NO WAIVER.** The failure of either Party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that Party's right to insist upon appropriate performance or to assert any such right on any future occasion.
11. **GOVERNMENTAL POWERS.** It is understood that by execution of this Agreement, the City does not waive or surrender any of its governmental powers or immunities.
12. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
13. **CAPTIONS.** The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.
14. **AGREEMENT BINDS SUCCESSORS AND RUNS WITH THE LAND.** This Agreement is binding on and inures to the benefit of the Parties, their successors, and assigns. The term of this Agreement constitutes covenants running with the land comprising the Property and is binding on the Owner.
15. **ENTIRE AGREEMENT.** It is understood and agreed that this Agreement contains the entire agreement between the Parties and supersedes any and all prior agreements, arrangements or understandings between the Parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Agreement exist. This Agreement cannot be changed or terminated orally.

[The remainder of this page intentionally left blank.]

EXECUTED in multiple originals, and in full force and effect as of the Effective Date.

**CITY:**

**City of Bastrop, Texas**  
a Texas home-rule municipal corporation

Attest:

By: \_\_\_\_\_  
Name: Ann Franklin  
Title: City Secretary

By: \_\_\_\_\_  
Name: Paul A. Hofmann  
Title: City Manager

**THE STATE OF TEXAS §**

**COUNTY OF BASTROP §**

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2021, by Paul A. Hofmann, City Manager of the City of Bastrop, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**OWNER:**

BASTROP COLORADO BEND, LLC,  
a Texas limited liability company

\_\_\_\_\_  
Alton Butler, Manager

**THE STATE OF TEXAS**           §

**COUNTY OF** \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_ 2021,  
by Alton Butler, Manager of Bastrop Colorado Bend, LLC, a Texas limited liability company, on  
behalf of said limited liability company for the purposes set forth herein.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

**EXHIBIT F**  
**PROJECT APPROVALS**

**EXHIBIT F  
PROJECT APPROVALS**

In addition to the Development Table shown on the Concept Plan, the following design standards shall apply:

1. Owner may construct privacy fencing (or street screen) along the entire boundary of the Property, adjacent to the Dedicated ROW. This fence cannot be placed within the 1% annual chance Special Flood Hazard Area. The fence may be a maximum of ten (10) feet in height. A berm may be used to increase the height of the fence by up to four (4) additional feet. The fence and berm will be permitted and constructed in compliance with the Stormwater Drainage Manual and the IBC. The privacy fence shall be constructed with masonry, wrought iron, native stones, composite wood, or a combination thereof, in a manner that aesthetically pleasing.
2. Owner shall use reasonable efforts to include bee-friendly plantings in landscaping throughout the Project.

The following approvals, warrants, variances, waivers and exceptions to the City Code shall apply:

#	Code Provision	Description	Variance
1	Article 3.3	Pedestrian Shed	This Article shall not apply.
2	B3 Code, § 7.4.002	Blocks	No maximum block length and block perimeter
3	B3 Code, Art. 7.5	Civic Space	Civic Space requirement is waived.
4	B3 Code, § 6.5.003	Building Height	Blue and green screen used for the purpose of production shall not be considered a “building” and shall not be limited as to height.
5	B3 Code, § 6.3.003	Build-to-Line	Build-to-Line and Building Facade requirements shall not apply.
6	B3 Code, § 6.3.006	Parking	This Section shall not apply.
7	B3 Code, § 6.3.009	Façade	Façade requirement for the Frontage Line shall not apply to principal or accessory buildings within the Project.
8	Ordinances, Art. 3.19	RV Park	A fence is not required, but permitted, to buffer the RV Park from other uses within the Project. RV Park may be located as shown in the Concept Plan.
9	Ordinances, Art. 4.06	Special Events	Permits are not required for any special events that are directly related to the studio or filming use on the Property provided that: a.) the noise limits in Article 8.03.006 of the Ordinances are not exceeded; b.) Owner complies with any Fire Marshall requirements related to pyrotechnics, special effects, open flames, explosions or other potentially dangerous activities; and c.) the special event does not create any of the conditions described in Article 4.06.009 of the Ordinances. If an event is open to the public (paid entry or free), unrelated to the studio, a special event permit shall be required.

**EXHIBIT G**  
**DEDICATED ROW**



EXHIBIT G - DEDICATED ROW



NOTES:



PROJECT: Colorado Bend

EXHIBIT: Perimeter Road Alignment

DATE: May 3, 2021

1411 W 5TH STREET, SUITE 100, AUSTIN, TX 78703  
PH: (512) 328-6050  
WEBSITE: L5@austintx.com



EXHIBIT G - DEDICATED ROW



FOR DISCUSSION PURPOSES ONLY

DATE: May 3, 2021  
EXHIBIT: between Lover's Lane and Perimeter Road  
PROJECT: Colorado Bend

1411 W 5TH STREET, SUITE 100, AUSTIN, TX 78703  
PH: (512) 328-6050  
EMAIL: LSI@LSIaustin.COM  
WEBSITE: LSIaustin.COM

NOTES:



**EXHIBIT H**  
**WATER LINE PROJECT AND**  
**WASTEWATER LINE PROJECT**

