

EXHIBIT A

**FY 2010/2011 - Service and Assessment Plan
Glade Parks Public Improvement District (PID)
City of Euless, Texas**

1. Introduction

On December 14, 2010, the City Council of the City of Euless, Texas passed and adopted Resolution No. 10-1350 (**Appendix A**) establishing the Glade Parks Public Improvement District (PID).

2. Nature of the Improvements

The general nature of the improvements to be performed by the PID is to construct public infrastructure, produce pedestrian amenities and linkages and provide other improvements that are authorized by Chapter 372 of the Texas Local Government Code.

3. Authorized Improvements

	Estimated Costs
1) Construction of Rio Grande Boulevard	\$3,911,023
2) Construction of Rio Grande Bridge	\$1,016,065
3) Construction of Heritage Drive	\$231,767
4) SH – 121 improvements	\$1,297,164
5) Landscaping	\$517,029
6) Wetland mitigation	\$296,000
7) Construction of Brazos and remaining streets	\$3,494,309
8) Main Entrance and Median (Chisolm Trail)	\$587,247
9) Administrative & Financing Costs	\$750,000
Total Costs	\$12,100,604*

* does not include interest costs associated with financing the improvements.

4. Financing of Improvements

The Authorized Improvements will be funded through the issuance of certificates of obligation by the City of Euless. While the PID will not issue any debt, it will be responsible for all of the costs associated with Authorized Improvements including interest and financing costs (with the exception of TIRZ contributions as described below). It is anticipated that the certificates of obligation will be issued in three separate phases to pay for the Authorized Improvements on an as needed basis. The expected debt issuance schedule is shown below.

	<u>Year</u>	<u>Total Debt</u>
Phase 1	2011	\$3,035,000
Phase 2	2012	\$6,000,000
Phase 3	2013	\$3,065,000
Total Issuance		\$12,100,000

The detailed amortization of the Authorized Improvements is attached as **Appendix B**.

5. Assessment Plan

In addition to the use of PID funds it is anticipated that Tax Increment Reinvestment Zone Number Three, City of Euless, Texas – Glade Parks (the “TIRZ”) will contribute to the costs of the Authorized Improvements. As the TIRZ fund begins to accrue revenue from the incremental increase in property values, the PID assessment will be decreased by an amount equal to the total amount of revenue received in the TIRZ fund annually. A more detailed description of the PID assessment calculation methodology and the relationship between the PID and the TIRZ is described below.

PID Assessment Calculation $A - B = C$

The PID assessment will be calculated annually and be equal to the total debt service costs less any revenue collected by the TIRZ. In the example above (A) represents total debt service (B) represents TIRZ funds and (C) represents total PID assessment revenue. For a concrete example we will use the 2012 estimated assessment. In 2012 it is anticipated that the Phase 1 & Phase 2 debt will have been issued and the total debt service payments (A) are estimated to equal \$282,994 while the TIRZ Revenue (B) is estimated to be \$67,751.

PID Assessment Calculation $\$282,994 - \$67,751 = \mathbf{\$215,243}$

Therefore PID assessment would be set to a millage rate that provides revenue equal to \$215,243. To calculate the millage rate divide the PID assessment revenue (C) by the estimated taxable value of the PID and multiply the resulting number by 100 to find the tax rate per \$100 value.

Millage Calculation $(\$215,243 / \$51,056,747) * 100 = \mathbf{0.421576}$

The annual assessment plan is attached as **Appendix C**.

6. Levy of Assessments

The assessment year shall be concurrent with the City's tax year.

7. Assessment Roll

The Assessment Roll for the next five years is attached as **Appendix D**.