

Texas Horse Park at the Trinity



May 3, 2006

Briefing Goals

- Explain equestrian center concept
- Present economic development staff evaluation of economic and fiscal implications



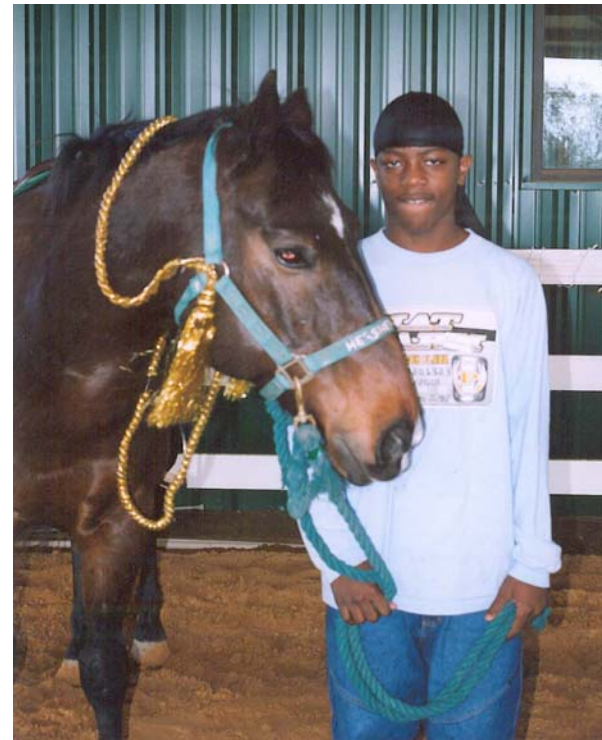
Center Background

- Equestrian Master Plan was included in the 1998 Trinity Bond Program and the Trinity River Corridor, Master Implementation Plan, Approved December 1999
- Texas Horse Park, Inc. a private Non-Profit organization has proposed to manage and operate the facility
- Updated Master Plan and proposed partnership were presented to the Trinity River Committee January 17, 2006 with concurrence to proceed
- Trinity River Committee concurred with negotiating deal points with Texas Horse Park, Inc. for the management and operation of the center
- Texas Horse Park, Inc. (THP) has committed to raising matching funds



Equestrian Stakeholder Meeting

- **Jan '05 Values & Opportunities To Community:**
 - - Educational
 - - Outreach Programs
 - - Create Jobs
 - - Create Business Opportunities
 - - Increase Tourism
 - - World Class Facility
 - - Thousands of Spectators
 - - Economic Impact



Facility Features

- Will Include:
 - Community Outreach Programs
 - Riding School
 - Trail Riding
 - Educational & Community Programs
 - Therapeutic Riding
 - Equestrian Shows & Events (62 Projected Annually 2008 - 2010)
 - Harness Racing School and Events



THP Master Plan Phase I

EQUESTRIAN CENTER:

- 1 Entrance / Plaza / Shops
- 2 Showcase Arena
- 3 Warm-Up Arena
- 4 Temporary Field Arenas
- 5 Permanent Barns (300 Stalls)
- 6 Temporary Barns (400 Stalls)
- 7 Maintenance & Operations
- 8 100 Acre Cross Country Course
- 9 Event Paved Parking
- 10 Event Overflow Parking
- 11 Barn Trailer & RV Parking
- 12 RV Campground
- 13 Caretaker Residence
- 14 Farrier & Vet Clinic



THP Master Plan Phase I

SCHOOL OF HORSEMANSHIP:

- 1 Covered Arena
- 2 Uncovered Arena
- 3 Pasture
- 4 Permanent Barns (40 Stalls)
- 5 Round Pen
- 6 Equipment Storage
- 7 Paved Parking

TRAILHEAD STAGING FACILITY:

- 8 Facility
- 9 Parking
- 10 Paddock
- 11 Access to Trails



THP Master Plan Phase IA



HARNESS RACING FACILITY:

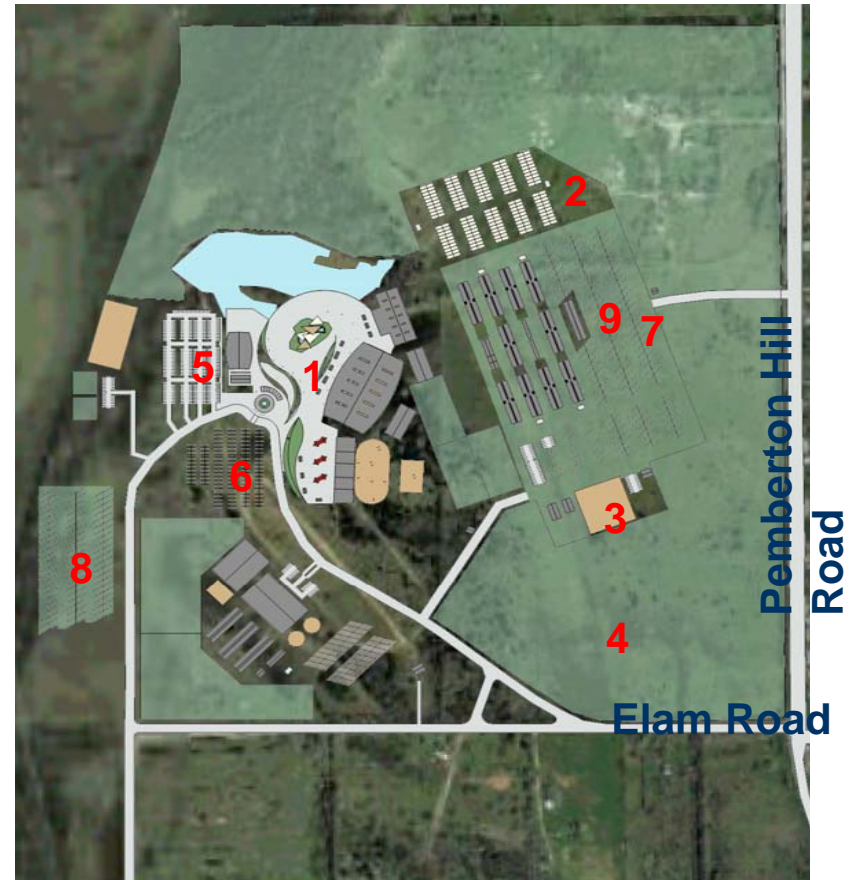
- 1 Entrance
- 2 Admin Building / Sponsor's Lounge
- 3 Grandstand (500 seats)
- 4 1/2 Mile Track
- 5 Permanent Barns (60 Stalls)
- 6 Temporary Barns (144 Stalls)
- 7 Classrooms / Offices / Labs
- 8 Therapeutic Pool
- 9 Event Paved Parking
- 10 Event Overflow Parking
- 11 Barn Trailer & RV Parking
- 12 RV Campground
- 13 Equipment & Storage Buildings



THP Master Plan Phase II

EQUESTRIAN CENTER:

- 1 Entrance / Plaza / Shops
- 2 Temporary Barns (100 Stalls)
- 3 Maintenance & Operations
- 4 1/2 Mile Steeplechase
- 5 Event Paved Parking
- 6 Event Overflow Parking
- 7 Barn Trailer & RV Parking
- 8 RV Campground
- 9 Grooms Quarters



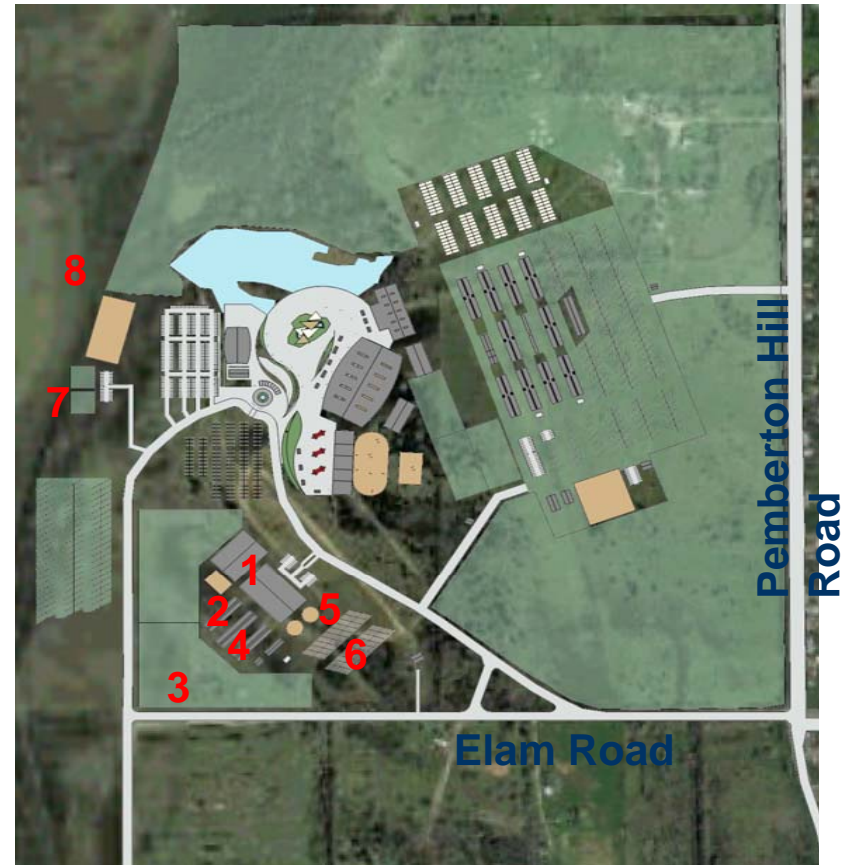
THP Master Plan Phase II

SCHOOL OF HORSEMANSHIP:

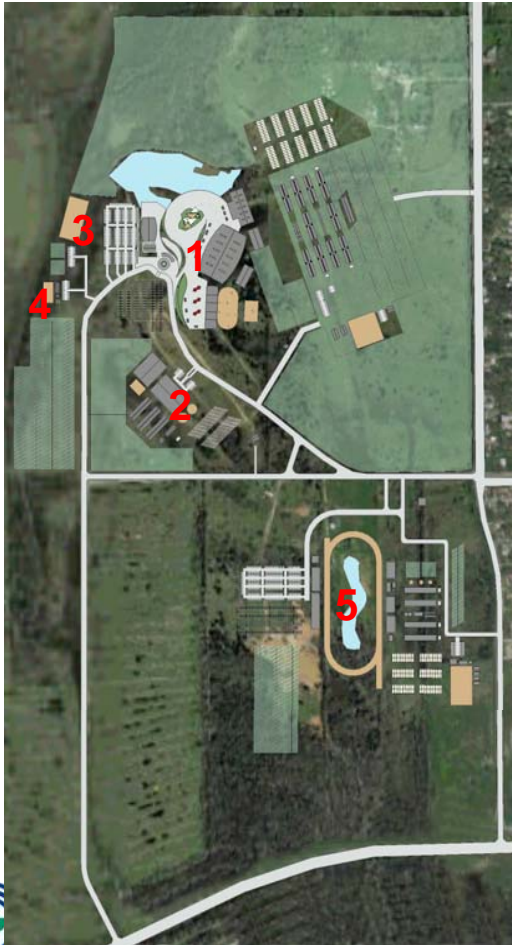
- 1 Covered Arena
- 2 Uncovered Arena
- 3 Pasture
- 4 Permanent Barn (20 Stalls)
- 5 Round Pen
- 6 Trailer Parking

TRAILHEAD STAGING FACILITY:

- 7 Paddock
- 8 Expanded Trails



Texas Horse Park at the Trinity



- 1 Equestrian Center**
- 2 School of Horsemanship**
- 3 Trailhead Staging**
- 4 Therapeutic Riding**
- 5 Harness Racing**
- 6 Restaurant & Hotels (Not Shown)**



Funding Proposal – Phase I

- Phase I total project development cost: \$30.0M
- Minimum Phase I project build-out recommended by the market analysis and the Texas Horse Park, Inc. Business Plan

\$3.0M	1998 Bond
\$12.0M	2006 Bond*
\$15.0M	Private Funding
<hr/>	
\$30.0M	Capital Goal



* Total Bond request of 14.0M (2.0M for land acquisition)

Timeline

Begin Design	February 2006 - June 2006
Fundraise \$15M	February 2006 - February 2007
Construction Documents	July 2006 - February 2007
2006 Bond Program	November 2006
Bid Construction	March 2007 - April 2007
City Funding	May 2007
Ground Breaking Phase I	June 2007
Grand Opening Phase I	October 2008
Ground Breaking Phase IA & II	TBD

Equestrian Economy

	United States	Texas
Total equestrian economy	\$112.1 B	\$5.2 B*
Individuals involved in horse industry	7.1 M	455,600
Full time jobs provided by horse industry	1.4 M	32,200
Horses	6.9 M	979,000**

Source: American Horse Council, 2005

*Texas is second, next to California, in making the most of its horse economy.

**Texas leads the nation in horse population.

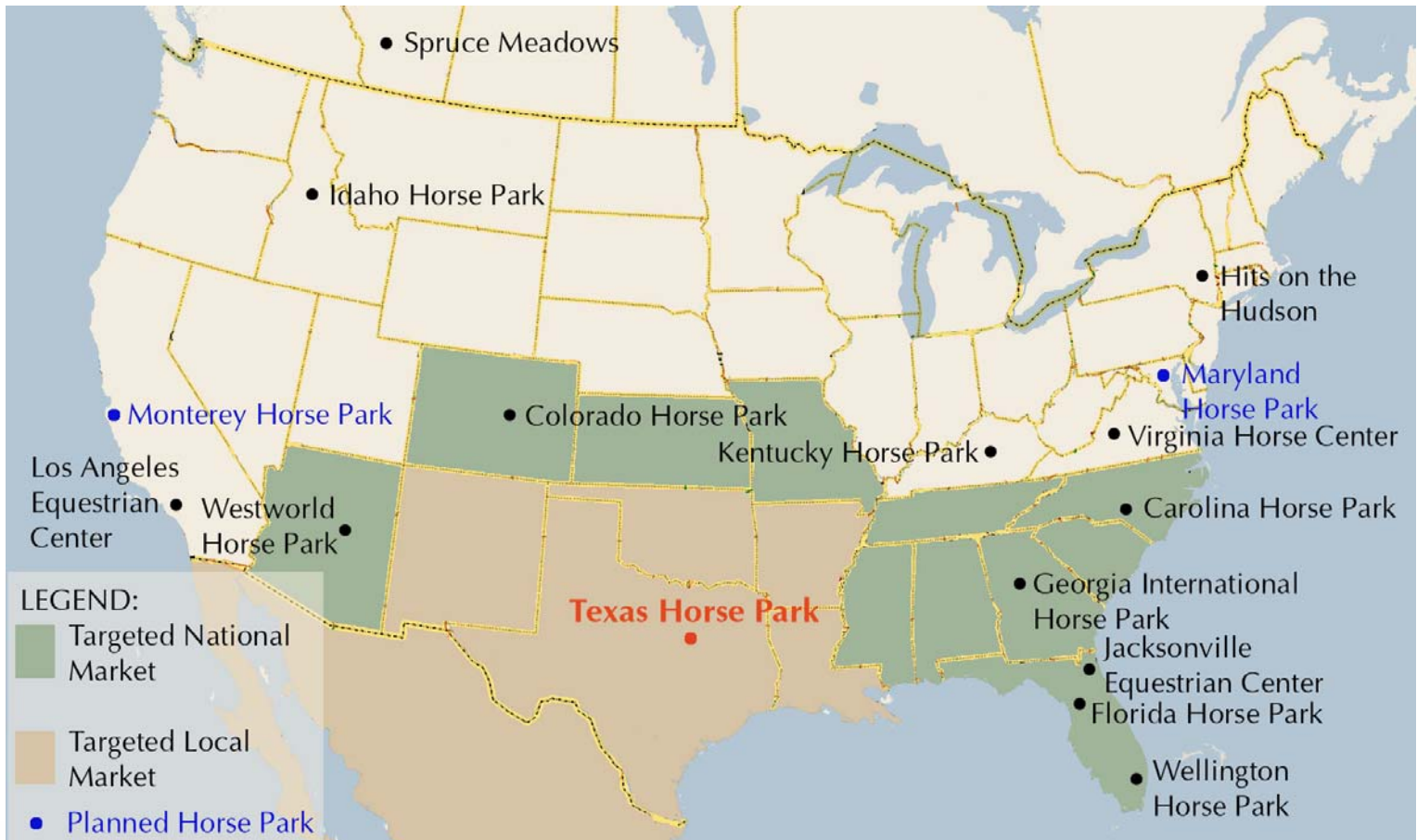
Comparables

Horse Park	Owner	Events Per Year*	Acres	Miles From City	City
Texas Horse Park Dallas, TX	City	60+	500	8	Dallas
Virginia Horse Center Lexington, VA	Private / State	100+	600	138	Richmond
Kentucky Horse Park Lexington, KY	State	130+	1200	76	Louisville
Georgia Int'l Horse Park Conyers, GA	State	75+	1400	28	Atlanta
Colorado Horse Park Parker, CO	State	30+	200	26	Denver

* Events based on 2005 calendar events.

** By year three of Operation

THP Targeted Market & Comparables



Comparables Economic Impact

Horse Park	State Impact	Local Impact
Virginia Horse Center Lexington, VA	\$53.3 M (Based on 2004 study)	\$37.3 M
Kentucky Horse Park Lexington, KY	\$163.7 M (Based on 2003 study)	N/A

Market Feasibility of THP

- The City's commitment to the expanded THP concept is based on a variety of long-term benefits including:
 - New, complementary Trinity River Park recreational activities,
 - Community service benefits (e.g. youth programs, therapeutic riding),
 - Opportunities to diversify the recreational and agricultural economic sectors of the City through new horse-based businesses, and
 - Overall economic benefits from THP events on the Dallas economy
- City has evaluated the economic and fiscal impacts of the proposed facility

THP Break Even Analysis

THP business plan assumes break-even in year one. If revenue projections fail to materialize there will be operating gaps.

Revenue Scenario	Break Even Year	Cumulative Operating Gap Until Break Even
95% of Goal	2012	\$190,000
90% of Goal	2018	\$1.0 M
80% of Goal	2033	\$7.5 M

Appendix A includes additional details on the break even analysis.

Market Feasibility of THP

- Additional qualitative factors may affect project impacts
- Downside risks:
 - Proliferation of equestrian facilities nationwide dilutes market for large scale equestrian events (seven existing comparables, two additional under development)
 - Sensitive to business cycles
- Upside Opportunities:
 - Off-season training events
 - Horse breeding programs new to Texas
 - International programs/events

Market Feasibility of THP

- Recommend Park and Recreation Department continue negotiations with THP, Inc. including provisions that cap the City's total liability in the event of an operating deficit
 - A similar arrangement has been applied to the operation of the Trinity River Audubon Center which will be operated by the National Audubon Society
- Park and Recreation will present “deal point” recommendations to the Trinity River Committee on May 15, 2006.

THP Economic Impact

- An economic impact analysis measures:
 - Jobs created
 - Direct and indirect economic value of goods and services produced (economic output)
- Some economic output is subject to taxation and has a fiscal impact on the City budget (new revenue and new service costs for businesses and residents associated with the project)
- Economic impact results are used in subsequent fiscal impact analysis

THP Economic Impact

- THP, Inc. commissioned economic impact analysis:
 - Based on THP, Inc. business plan, comparable U.S. facilities
 - Total economic activity in the first ten years = \$354M
 - Total permanent jobs created = 320
- Office of Economic Development validation of THP study methods:
 - Review of study documents, interview study author, fact checking, assessment of multipliers used
- Finding:
 - Methods used are reasonable given the scope of the project

THP Economic Impact

- THP, Inc. study results were validated by evaluating the project with City of Dallas economic model
- City economic analysis key assumptions:
 - Two phase construction excluding the harness racing complex
 - Phase I in 2008 and Phase II in 2013 (more gradual build-out than THP, Inc. assumptions)
 - Facility operations-related impacts:
 - Facility staff and on site vendor activity impact
 - Retail and hospitality (hotel and restaurant) activity impact
 - Caused by visitors to events at the THP
 - Assumes approximately 65 events covering 100 event days in 2009, increasing annually thereafter to 234 event days by 2019

THP Economic Impact

- City of Dallas economic analysis findings:
 - City model produced results that are generally consistent with THP study:
 - Total ten year economic activity: \$305 M
 - Total permanent jobs annual average: 334
 - Total construction employment: 1,400 (temporary positions)

Appendix B includes a detailed breakout of the economic impact data.

THP Fiscal Impact

- Fiscal impact analysis translates economic activity into predicted changes in the City's general fund revenue and expenditures
- Net fiscal impact varies based on revenue generated by the facility.
 - Assumes an operating agreement that caps City liability, involves City support to cover gaps produced by respective revenue shortfalls.

Revenue Scenario	10-Year Net Fiscal Impact*
Business Plan Assumption	+\$1.2M
95% of Goal	+\$1.0M
90% of Goal	\$0.0M

*Assumes annual park maintenance expenditures, excludes debt service.

Next Steps

Make decisions related to:

- Inclusion of additional capital funding for THP project in 2006 bond program
- Approval of deal points with THP, Inc.



Break Even Analysis - Base Revenue Assumption

Revenue	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Facilities Rental	156,650	182,708	213,101	248,550	265,765	284,172	303,855	324,900	347,403	371,465	397,193	424,703	454,119
Stall Rental	618,000	728,906	859,716	1,014,000	1,104,614	1,203,325	1,310,858	1,428,000	1,555,610	1,694,624	1,846,060	2,011,030	2,190,741
Bedding Sales	103,200	118,591	136,277	156,600	168,157	180,566	193,891	208,200	223,565	240,063	257,779	276,802	297,230
vendors	85,850	101,110	119,083	140,250	153,051	167,020	182,264	198,900	217,054	236,865	258,484	282,076	307,822
RV Campground	139,050	137,755	136,471	135,200	147,282	160,443	174,781	190,400	207,415	225,950	246,141	268,137	292,099
Trailor Campground	82,400	70,084	59,609	50,700	55,231	60,166	65,543	71,400	77,781	84,731	92,303	100,551	109,537
THP Website	50,000	50,820	51,653	52,500	53,144	53,796	54,457	55,125	55,802	56,486	57,180	57,881	58,592
Arena Sponsorships	50,000	50,820	51,653	52,500	53,144	53,796	54,457	55,125	55,802	56,486	57,180	57,881	58,592
Signs	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Cross Country Jumps	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Friends of THP	-	-	-	-	-	-	-	-	-	-	-	-	-
Platinum	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Gold	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Silver	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500
Bronze	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500
Annual Fundraiser	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Annual Revenue	1,845,150	2,000,794	2,187,563	2,410,300	2,560,388	2,723,287	2,900,106	3,092,050	3,300,430	3,526,670	3,772,320	4,039,063	4,328,730
Advertising	25,000	26,192	27,441	28,750	30,091	31,494	32,963	34,500	36,109	37,793	39,555	41,400	43,331
Wages	423,320	446,974	471,949	498,320	517,218	536,832	557,190	578,320	600,251	623,015	646,641	671,163	696,615
Benefits	101,597	107,274	113,268	119,597	124,132	128,840	133,726	138,797	144,061	149,524	155,194	161,079	167,188
Operating Supplies	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850
Travel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	10,000	11,447	13,104	15,000	16,119	17,321	18,612	20,000	21,491	23,094	24,816	26,667	28,655
Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	175,000	183,346	192,089	201,250	210,635	220,458	230,739	241,500	252,762	264,550	276,887	289,800	303,315
IT	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Pest Control	5,000	5,238	5,488	5,750	6,018	6,299	6,593	6,900	7,222	7,559	7,911	8,280	8,666
Legal	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Janitorial Services	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Accounting	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Landscape Maintenance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Stall Clean Out	60,000	62,861	65,859	69,000	72,218	75,586	79,111	82,800	86,661	90,703	94,933	99,360	103,994
Stall Facility Repairs	30,000	31,431	32,930	34,500	36,109	37,793	39,555	41,400	43,331	45,351	47,466	49,680	51,997
Temporary Stall Rental	10,000	10,477	10,977	11,500	12,036	12,598	13,185	13,800	14,444	15,117	15,822	16,560	17,332
Procurement Supplies / Insurance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Expenses													
Association Fees	100,000	103,228	106,560	110,000	113,572	117,260	121,068	125,000	129,059	133,250	137,578	142,045	146,658
Building Inspection	70,000	84,925	103,032	125,000	126,232	127,475	128,732	130,000	131,281	132,575	133,881	135,200	136,532
Show Bedding	51,600	54,061	56,639	59,340	62,107	65,004	68,035	71,208	74,529	78,004	81,642	85,450	89,435
Utilities	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Vehicles and Equipment	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300
Maintenance and Repairs	75,000	78,577	82,324	86,250	90,272	94,482	98,888	103,500	108,327	113,379	118,666	124,200	129,992
Phase II Capital Campaign	300,000	355,689	421,716	500,000	553,341	612,372	677,702	750,000	830,011	918,559	1,016,552	1,125,000	1,245,017
Operating Expenses	1,820,667	1,967,574	2,126,336	2,297,907	2,421,448	2,553,685	2,695,357	2,847,275	3,010,327	3,185,487	3,373,825	3,576,514	3,794,842
Net Revenue	24,483	33,219	61,227	112,393	138,939	169,601	204,748	244,775	290,103	341,183	398,495	462,549	533,888
Cumulative Revenue	24,483	57,702	118,930	231,323	370,262	539,863	744,612	989,387	1,279,490	1,620,673	2,019,167	2,481,716	3,015,604

Break Even Analysis - 95% Revenue Assumption

Revenue	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Facilities Rental	148,818	173,573	202,446	236,123	252,477	269,964	288,662	308,655	330,033	352,892	377,333	403,468	431,413
Stall Rental	587,100	692,461	816,730	963,300	1,049,383	1,143,159	1,245,315	1,356,600	1,477,830	1,609,893	1,753,757	1,910,478	2,081,204
Bedding Sales	98,040	112,661	129,463	148,770	159,749	171,538	184,197	197,790	212,386	228,060	244,890	262,962	282,368
vendors	81,558	96,055	113,129	133,238	145,398	158,669	173,151	188,955	206,201	225,022	245,560	267,973	292,431
RV Campground	132,098	130,867	129,648	128,440	139,918	152,421	166,042	180,880	197,044	214,652	233,834	254,730	277,494
Trailor Campground	78,280	66,580	56,629	48,165	52,469	57,158	62,266	67,830	73,891	80,495	87,688	95,524	104,060
THP Website	47,500	48,279	49,070	49,875	50,487	51,107	51,734	52,369	53,011	53,662	54,321	54,987	55,662
Arena Sponsorships	47,500	48,279	49,070	49,875	50,487	51,107	51,734	52,369	53,011	53,662	54,321	54,987	55,662
Signs	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Cross Country Jumps	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500
Friends of THP													
Platinum	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500	142,500
Gold	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500	47,500
Silver	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125
Bronze	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375	21,375
Annual Fundraiser	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000	190,000
Annual Revenue	1,752,893	1,900,754	2,078,185	2,289,785	2,432,368	2,587,122	2,755,100	2,937,448	3,135,409	3,350,337	3,583,704	3,837,110	4,112,294
Advertising	25,000	26,192	27,441	28,750	30,091	31,494	32,963	34,500	36,109	37,793	39,555	41,400	43,331
Wages	423,320	446,974	471,949	498,320	517,218	536,832	557,190	578,320	600,251	623,015	646,641	671,163	696,615
Benefits	101,597	107,274	113,268	119,597	124,132	128,840	133,726	138,797	144,061	149,524	155,194	161,079	167,188
Operating Supplies	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850
Travel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	10,000	11,447	13,104	15,000	16,119	17,321	18,612	20,000	21,491	23,094	24,816	26,667	28,655
Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	175,000	183,346	192,089	201,250	210,635	220,458	230,739	241,500	252,762	264,550	276,887	289,800	303,315
IT	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Pest Control	5,000	5,238	5,488	5,750	6,018	6,299	6,593	6,900	7,222	7,559	7,911	8,280	8,666
Legal	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Janitorial Services	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Accounting	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Landscape Maintenance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Stall Clean Out	60,000	62,861	65,859	69,000	72,218	75,586	79,111	82,800	86,661	90,703	94,933	99,360	103,994
Stall Facility Repairs	30,000	31,431	32,930	34,500	36,109	37,793	39,555	41,400	43,331	45,351	47,466	49,680	51,997
Temporary Stall Rental	10,000	10,477	10,977	11,500	12,036	12,598	13,185	13,800	14,444	15,117	15,822	16,560	17,332
Procurement Supplies / Insurance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Expenses													
Association Fees	100,000	103,228	106,560	110,000	113,572	117,260	121,068	125,000	129,059	133,250	137,578	142,045	146,658
Building Inspection	70,000	84,925	103,032	125,000	126,232	127,475	128,732	130,000	131,281	132,575	133,881	135,200	136,532
Show Bedding	51,600	54,061	56,639	59,340	62,107	65,004	68,035	71,208	74,529	78,004	81,642	85,450	89,435
Utilities	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Vehicles and Equipment	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300
Maintenance and Repairs	75,000	78,577	82,324	86,250	90,272	94,482	98,888	103,500	108,327	113,379	118,666	124,200	129,992
Phase II Capital Campaign	300,000	355,689	421,716	500,000	553,341	612,372	677,702	750,000	830,011	918,559	1,016,552	1,125,000	1,245,017
Operating Expenses	1,820,667	1,967,574	2,126,336	2,297,907	2,421,448	2,553,685	2,695,357	2,847,275	3,010,327	3,185,487	3,373,825	3,576,514	3,794,842
Net Revenue	(67,775)	(66,820)	(48,151)	(8,122)	10,920	33,437	59,743	90,173	125,082	164,849	209,879	260,595	317,451
Cumulative Revenue	(67,775)	(134,595)	(182,746)	(190,868)	(179,948)	(146,511)	(86,768)	3,405	128,487	293,336	503,214	763,810	1,081,261

Break Even Analysis - 80% Revenue Assumption

Revenue	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Facilities Rental	125,320	146,167	170,481	198,840	212,612	227,338	243,084	259,920	277,922	297,172	317,754	339,763	363,295
Stall Rental	494,400	583,125	687,772	811,200	883,691	962,660	1,048,686	1,142,400	1,244,488	1,355,699	1,476,848	1,608,824	1,752,593
Bedding Sales	82,560	94,873	109,021	125,280	134,525	144,453	155,113	166,560	178,852	192,050	206,223	221,442	237,784
vendors	68,680	80,888	95,266	112,200	122,441	133,616	145,812	159,120	173,643	189,492	206,787	225,661	246,258
RV Campground	111,240	110,204	109,177	108,160	117,825	128,355	139,825	152,320	165,932	180,760	196,913	214,510	233,679
Trailer Campground	65,920	56,067	47,687	40,560	44,185	48,133	52,434	57,120	62,224	67,785	73,842	80,441	87,630
THP Website	40,000	40,656	41,322	42,000	42,515	43,037	43,565	44,100	44,641	45,189	45,744	46,305	46,873
Arena Sponsorships	40,000	40,656	41,322	42,000	42,515	43,037	43,565	44,100	44,641	45,189	45,744	46,305	46,873
Signs	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Cross Country Jumps	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Friends of THP													
Platinum	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Gold	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Silver	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Bronze	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Annual Fundraiser	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Annual Revenue	1,476,120	1,600,635	1,750,050	1,928,240	2,048,310	2,178,629	2,320,085	2,473,640	2,640,344	2,821,336	3,017,856	3,231,250	3,462,984
Advertising	25,000	26,192	27,441	28,750	30,091	31,494	32,963	34,500	36,109	37,793	39,555	41,400	43,331
Wages	423,320	446,974	471,949	498,320	517,218	536,832	557,190	578,320	600,251	623,015	646,641	671,163	696,615
Benefits	101,597	107,274	113,268	119,597	124,132	128,840	133,726	138,797	144,061	149,524	155,194	161,079	167,188
Operating Supplies	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850
Travel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	10,000	11,447	13,104	15,000	16,119	17,321	18,612	20,000	21,491	23,094	24,816	26,667	28,655
Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	175,000	183,346	192,089	201,250	210,635	220,458	230,739	241,500	252,762	264,550	276,887	289,800	303,315
IT	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Pest Control	5,000	5,238	5,488	5,750	6,018	6,299	6,593	6,900	7,222	7,559	7,911	8,280	8,666
Legal	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Janitorial Services	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Accounting	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Landscape Maintenance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Stall Clean Out	60,000	62,861	65,859	69,000	72,218	75,586	79,111	82,800	86,661	90,703	94,933	99,360	103,994
Stall Facility Repairs	30,000	31,431	32,930	34,500	36,109	37,793	39,555	41,400	43,331	45,351	47,466	49,680	51,997
Temporary Stall Rental	10,000	10,477	10,977	11,500	12,036	12,598	13,185	13,800	14,444	15,117	15,822	16,560	17,332
Procurement Supplies / Insurance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Expenses													
Association Fees	100,000	103,228	106,560	110,000	113,572	117,260	121,068	125,000	129,059	133,250	137,578	142,045	146,658
Building Inspection	70,000	84,925	103,032	125,000	126,232	127,475	128,732	130,000	131,281	132,575	133,881	135,200	136,532
Show Bedding	51,600	54,061	56,639	59,340	62,107	65,004	68,035	71,208	74,529	78,004	81,642	85,450	89,435
Utilities	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Vehicles and Equipment	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300
Maintenance and Repairs	75,000	78,577	82,324	86,250	90,272	94,482	98,888	103,500	108,327	113,379	118,666	124,200	129,992
Phase II Capital Campaign	300,000	355,689	421,716	500,000	553,341	612,372	677,702	750,000	830,011	918,559	1,016,552	1,125,000	1,245,017
Operating Expenses	1,820,667	1,967,574	2,126,336	2,297,907	2,421,448	2,553,685	2,695,357	2,847,275	3,010,327	3,185,487	3,373,825	3,576,514	3,794,842
Net Revenue	(344,547)	(366,939)	(376,285)	(369,667)	(373,138)	(375,056)	(375,273)	(373,635)	(369,983)	(364,151)	(355,969)	(345,264)	(331,858)
Cumulative Revenue	(344,547)	(711,486)	(1,087,772)	(1,457,439)	(1,830,577)	(2,205,633)	(2,580,906)	(2,954,541)	(3,324,523)	(3,688,675)	(4,044,644)	(4,389,908)	(4,721,766)

Break Even Analysis - 90% Revenue Assumption

Revenue	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Facilities Rental	140,985	164,437	191,791	223,695	239,188	255,755	273,469	292,410	312,663	334,318	357,474	382,233	408,707
Stall Rental	556,200	656,016	773,744	912,600	994,153	1,082,993	1,179,772	1,285,200	1,400,049	1,525,162	1,661,454	1,809,927	1,971,667
Bedding Sales	92,880	106,732	122,649	140,940	151,341	162,509	174,502	187,380	201,208	216,057	232,001	249,122	267,507
vendors	77,265	90,999	107,174	126,225	137,746	150,318	164,038	179,010	195,349	213,178	232,636	253,869	277,040
RV Campground	125,145	123,979	122,824	121,680	132,554	144,399	157,303	171,360	186,673	203,355	221,527	241,324	262,889
Trailer Campground	74,160	63,076	53,648	45,630	49,708	54,150	58,989	64,260	70,002	76,258	83,073	90,496	98,583
THP Website	45,000	45,738	46,488	47,250	47,830	48,417	49,011	49,613	50,221	50,838	51,462	52,093	52,732
Arena Sponsorships	45,000	45,738	46,488	47,250	47,830	48,417	49,011	49,613	50,221	50,838	51,462	52,093	52,732
Signs	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Cross Country Jumps	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Friends of THP													
Platinum	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
Gold	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Silver	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750	24,750
Bronze	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Annual Fundraiser	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000
Annual Revenue	1,660,635	1,800,714	1,968,807	2,169,270	2,304,349	2,450,958	2,610,095	2,782,845	2,970,387	3,174,003	3,395,088	3,635,157	3,895,857
Advertising	25,000	26,192	27,441	28,750	30,091	31,494	32,963	34,500	36,109	37,793	39,555	41,400	43,331
Wages	423,320	446,974	471,949	498,320	517,218	536,832	557,190	578,320	600,251	623,015	646,641	671,163	696,615
Benefits	101,597	107,274	113,268	119,597	124,132	128,840	133,726	138,797	144,061	149,524	155,194	161,079	167,188
Operating Supplies	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850	8,850
Travel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance and Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	10,000	11,447	13,104	15,000	16,119	17,321	18,612	20,000	21,491	23,094	24,816	26,667	28,655
Contract Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Security	175,000	183,346	192,089	201,250	210,635	220,458	230,739	241,500	252,762	264,550	276,887	289,800	303,315
IT	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Pest Control	5,000	5,238	5,488	5,750	6,018	6,299	6,593	6,900	7,222	7,559	7,911	8,280	8,666
Legal	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Janitorial Services	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Accounting	20,000	20,954	21,953	23,000	24,073	25,195	26,370	27,600	28,887	30,234	31,644	33,120	34,665
Landscape Maintenance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Stall Clean Out	60,000	62,861	65,859	69,000	72,218	75,586	79,111	82,800	86,661	90,703	94,933	99,360	103,994
Stall Facility Repairs	30,000	31,431	32,930	34,500	36,109	37,793	39,555	41,400	43,331	45,351	47,466	49,680	51,997
Temporary Stall Rental	10,000	10,477	10,977	11,500	12,036	12,598	13,185	13,800	14,444	15,117	15,822	16,560	17,332
Procurement Supplies / Insurance	35,000	36,669	38,418	40,250	42,127	44,092	46,148	48,300	50,552	52,910	55,377	57,960	60,663
Expenses													
Association Fees	100,000	103,228	106,560	110,000	113,572	117,260	121,068	125,000	129,059	133,250	137,578	142,045	146,658
Building Inspection	70,000	84,925	103,032	125,000	126,232	127,475	128,732	130,000	131,281	132,575	133,881	135,200	136,532
Show Bedding	51,600	54,061	56,639	59,340	62,107	65,004	68,035	71,208	74,529	78,004	81,642	85,450	89,435
Utilities	100,000	104,769	109,765	115,000	120,363	125,976	131,851	138,000	144,436	151,171	158,221	165,600	173,323
Vehicles and Equipment	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300	35,300
Maintenance and Repairs	75,000	78,577	82,324	86,250	90,272	94,482	98,888	103,500	108,327	113,379	118,666	124,200	129,992
Phase II Capital Campaign	300,000	355,689	421,716	500,000	553,341	612,372	677,702	750,000	830,011	918,559	1,016,552	1,125,000	1,245,017
Operating Expenses	1,820,667	1,967,574	2,126,336	2,297,907	2,421,448	2,553,685	2,695,357	2,847,275	3,010,327	3,185,487	3,373,825	3,576,514	3,794,842
Net Revenue	(160,032)	(166,860)	(157,529)	(128,637)	(117,100)	(102,727)	(85,262)	(64,430)	(39,940)	(11,484)	21,263	58,642	101,015
Cumulative Revenue	(160,032)	(326,892)	(484,421)	(613,058)	(730,157)	(832,885)	(918,147)	(982,577)	(1,022,517)	(1,034,001)	(1,012,738)	(954,096)	(853,081)

City of Dallas IMPLAN Model Results Economic Impact of Texas Horse Park

Project Component	Year	Output	Output	Output	Output	Employment	Employment	Employment	Employment
		Direct	Indirect	Induced	Component Total	Direct	Indirect	Induced	Component Total
Model Output (Base Year 2002)									
Construction Phase I	2008	39.0	14.1	21.3	74.4	502	147	218	867
Construction Phase II	2013	23.5	8.5	12.9	44.9	303	89	132	524
Total Construction Impact		62.5	22.6	34.2	119.3	804	237	350	1,390
Year 1 Operations	2009	9.4	2.6	3.7	15.8	182	22	39	242
Year 2 Operations	2010	8.9	2.8	3.9	15.7	191	23	41	255
Year 3 Operations	2011	9.4	2.9	4.1	16.5	201	24	43	268
Year 4 Operations	2012	9.7	3.0	4.3	17.0	207	24	44	275
Year 5 Operations	2013	10.0	3.1	4.4	17.6	214	25	45	284
Year 6 Operations	2014	12.9	4.0	5.6	22.5	274	32	57	364
Year 7 Operations	2015	13.5	4.2	5.9	23.7	287	34	61	382
Year 8 Operations	2016	14.2	4.5	6.2	24.9	302	36	64	401
Year 9 Operations	2017	14.9	4.7	6.6	26.2	318	38	67	422
Year 10 Operations	2018	15.7	4.9	6.9	27.5	334	40	71	445
Total Operating Impact		118.7	36.9	51.7	207.3	2,510	298	531	3,339
Total Model Base Year Impact		181.2	59.5	85.9	326.6	3,314	534	881	4,729

Output in \$Millions
Employment in FTE Jobs

City of Dallas IMPLAN Model Results Economic Impact of Texas Horse Park

Project Component	Year	Output Direct	Output Indirect	Output Induced	Output Component Total	Employment Direct	Employment Indirect	Employment Induced	Employment Component Total
<i>Nominal Project Year</i>									
Construction Phase I	2008	42.9	15.5	23.5	81.9	502	147	218	867
Construction Phase II	2013	25.9	9.4	14.1	49.3	303	89	132	524
<u>Total Construction Impact</u>		<u>68.8</u>	<u>24.9</u>	<u>37.6</u>	<u>131.2</u>	<u>804</u>	<u>237</u>	<u>350</u>	<u>1,390</u>
Year 1 Operations	2009	10.3	2.9	4.1	17.4	182	22	39	242
Year 2 Operations	2010	9.8	3.1	4.3	17.2	191	23	41	255
Year 3 Operations	2011	10.3	3.2	4.5	18.1	201	24	43	268
Year 4 Operations	2012	10.7	3.3	4.7	18.7	207	24	44	275
Year 5 Operations	2013	11.0	3.4	4.8	19.3	214	25	45	284
Year 6 Operations	2014	14.1	4.4	6.2	24.8	274	32	57	364
Year 7 Operations	2015	14.9	4.7	6.5	26.0	287	34	61	382
Year 8 Operations	2016	15.6	4.9	6.9	27.4	302	36	64	401
Year 9 Operations	2017	16.4	5.2	7.2	28.8	318	38	67	422
Year 10 Operations	2018	17.3	5.4	7.6	30.3	334	40	71	445
<u>Total Operating Impact</u>		<u>130.6</u>	<u>40.6</u>	<u>56.9</u>	<u>228.0</u>	<u>2,510</u>	<u>298</u>	<u>531</u>	<u>3,339</u>
Total Nominal Year Impact		199.3	65.4	94.5	359.2	3,314	534	881	4,729

City of Dallas IMPLAN Model Results Economic Impact of Texas Horse Park

Project Component	Year	Output			Output	Employment			Employment
		Direct	Indirect	Induced	Component Total	Direct	Indirect	Induced	Component Total
<i>Discounted Values (NPV r=2.5)</i>									
Construction Phase I	2008	40.8	14.8	22.3	77.8	502	147	218	867
Construction Phase II	2013	21.7	7.8	11.8	41.3	303	89	132	524
Total Construction Impact		62.4	22.6	34.2	119.2	804	237	350	1,390
Year 1 Operations	2009	9.6	2.7	3.8	16.1	182	22	39	242
Year 2 Operations	2010	8.9	2.8	3.9	15.6	191	23	41	255
Year 3 Operations	2011	9.1	2.8	4.0	15.9	201	24	43	268
Year 4 Operations	2012	9.2	2.9	4.0	16.1	207	24	44	275
Year 5 Operations	2013	9.3	2.9	4.1	16.2	214	25	45	284
Year 6 Operations	2014	11.5	3.6	5.1	20.2	274	32	57	364
Year 7 Operations	2015	11.8	3.7	5.2	20.7	287	34	61	382
Year 8 Operations	2016	12.1	3.8	5.3	21.3	302	36	64	401
Year 9 Operations	2017	12.4	3.9	5.5	21.8	318	38	67	422
Year 10 Operations	2018	12.7	4.0	5.6	22.4	334	40	71	445
Total Operating Impact		106.7	33.1	46.4	186.2	2,510	298	531	3,339
Total Discounted NPV		169.1	55.7	80.6	305.4	3,314	534	881	4,729

Output in \$Millions
Employment in FTE Jobs

City of Dallas IMPLAN Model Results
Economic Impact of Texas Horse Park

	Year	Output	Output	Output	Output	Employment	Employment	Employment	Employment
Project Component		Direct	Indirect	Induced	Component Total	Direct	Indirect	Induced	Component Total

Output in \$Millions
Employment in FTE Jobs