

# AEDC Impact Study



Allen Economic

## Development Corporation

### New Economic Impact Results Released by Insight Research

(August 1, 2007) In its annual review of the economic, employment and tax impact of the projects of the Allen Economic Development Corporation (AEDC), Insight Research Corporation, one of the nation's most respected and recognized economic analysis firms, has once again given the AEDC an exemplary report card.

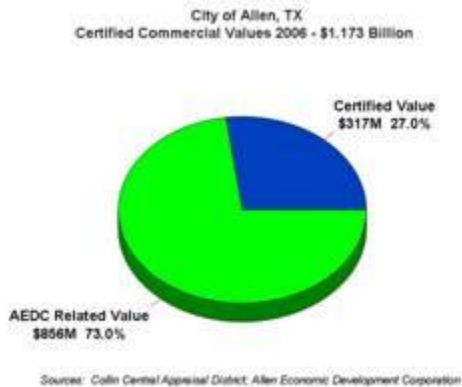
“Allen has consistently demonstrated responsible use of its economic development resources to create positive economic and financial impacts to the region,” according to Elizabeth Morris, CEO and Chief Economist of Insight Research, “As a result, Allen residents enjoy improved municipal facilities and services supported by significant increase in the city's tax base, while simultaneously lowering the city's tax rate. The school district, too, benefits tremendously from this increased tax base, giving Allen ISD added local revenue support.”

Insight Research measured the impact of 58 projects negotiated and closed by the AEDC from its inception through December 2006. These projects represent a wide spectrum of business uses, including assembly/distribution facilities, high tech manufacturing, traditional manufacturing, medical and administrative uses, retail and services.

In summary, the report concludes that the City of Allen has received significant and measurable benefits from the contributions of the AEDC's economic development program since its inception as authorized by the citizens of Allen in 1992, as follows:

- Assisting in lowering city ad valorem tax rate rates, which have decreased by 27.2% since 1993,
- Provided a major impetus to increase the city's tax base by 684% since 1992, and
- Accelerating a 266% increase in Allen's employment base, also since 1992.

With attention to responsible economic development, the companies recruited to Allen have brought approximately 8,000 primary jobs and accounted for approximately \$856 million on Allen's tax rolls in 2006. Shown in the chart below, that is 73% of Allen's total commercial value. As a result, the City of Allen has been able to provide more than \$157-million in public facilities and amenities that have made Allen one of the most desirable places to live and work in Collin County.



According to the Insight Research study, the new jobs generated by the 58 AEDC projects completed since its inception, account for more than 77% of Allen's total employment gain. In 1992, there were approximately 4,200 daytime employees in the Allen city limits. In 2006, there were an estimated 15,300 daytime employees.

### Allen Growth Summary

	1992	Current Figures
Population	22,728	85,315 (09/30/10)
Employees Working in Allen	4,200	23,106 (2010 est.)
City Certified Taxable Value	\$729,240,400	\$7,320,989,244 (2010)
City Tax Rate	\$.766	\$.554 (2010)
Retail Sales	\$78,404,015	\$680,632,593 (12/31/06)
Median Household Income	\$48,325 ('90 Census)	\$95,576 (2010 est.)

In January 1992, the citizens of Allen passed a citywide half-cent sales tax in support of the economic development corporation. Since then, the AEDC has been charged with facilitating expansions and relocations of existing businesses that in turn will bring additional tax revenue, local spending and job opportunities to the community

Governed by a five-member Board of Directors, appointed by Allen City Council, the AEDC carefully reviews prospective companies to weigh costs associated with recruitment of a company against their impact on the tax rolls and the quality of job opportunities provided. A three-person professional staff and an administrative assistant run the day-to-day business of the corporation working with new prospect companies and ensuring existing companies continue in compliance with the terms of their agreements to maintain taxable value and employment.