

Economic Analysis

An important factor to consider in the planning process is how land use decisions ultimately impact the future financial state of the community. Therefore, Prosper’s Future Land Use Plan not only guides development within the community but it provides the financial framework enabling Prosper to provide high-quality services for its residents. The following section pertains to this very topic and provides estimates on the potential sales tax and ad valorem tax revenue that could be collected by the Town at build-out. In order to provide a detailed analysis, experts at Catalyst Commercial were consulted and provided information on future retail trade potential in Prosper based upon the Future Land Use Plan.

Analysis from Catalyst

An analysis using the projected build-out population of Prosper at 69,303 served as a basis to project a retail purchasing power of \$856,013,933, assuming 23,024 households with a \$37,183 retail trade per household. This would equate to roughly 2,853,379 square feet of retail space.

Figure 8: Retail Demand Forecast

Retail Demand Forecast	2011 City Estimate	Total Build Out Capacity
Population	10,560	69,303
Households	3,504	23,024
2010 Median Disposable Income	\$67,422	\$67,422
2010 Per Capita Income	\$35,716	\$35,716
Total Retail Trade per HH	\$37,183	\$37,183
Household Income	\$107,641	\$107,641
Retail percentage of HH Income	34.54%	34.54%
Forecasted Total Retail Trade Potential	\$130,284,948	\$856,013,933
Est. Retail Sales per Square Foot		\$300
Retail Square Footage Demand*		2,853,379

Sales Tax Analysis

Annual Total	\$17,120,278
<i>Allocation</i>	
General Fund	\$8,560,139
Economic Development	\$4,280,069
Property Tax Reduction	\$4,280,069

*Est. \$300 sales per square foot based upon International Council of Shopping Centers

Acreage

For assumption purposes, we assumed a Floor to Area Ratio (FAR) of 0.18 for retail. Dividing the total square footage of retail by the FAR and further dividing by 43,560 achieves the estimated retail acres that would be needed to accommodate the 2,853,379 square feet of retail space. This number is 364 acres.



ECONOMIC ANALYSIS

In order to determine whether or not the Future Land Use Plan could accommodate the 364 retail acres projected by the economic analysis, a number of additional assumptions were made. These assumptions were derived from staff discussions, existing zoning regulations and future characteristics believed to define each district and include:

1. Approximately 70% of the Neighborhood Services will be retail in nature.
2. Approximately 45% of the Town Center would be retail in nature. The Town Center will likely have a mixture of retail, office, residential and public space. The primary use, however, will likely be oriented around retail.
3. 10% of the Tollway District will be retail. Office uses will constitute the largest majority of land within the Tollway District. Retail areas within the Town Center will likely be at major intersections and on the first floor of vertical mixed-use apartments/lofts.
4. 10% of the Highway 380 district will be retail. Commercial uses and residential uses will constitute a significant portion of the corridor. Retail areas at major intersections, including big-box retailers, will constitute the majority of retail establishments within the corridor.

Given these assumptions, a total of 757 retail acres is expected, based upon the Future Land Use Plan scenario and the above assumptions. Additionally, the presence of visible and attractive corridors in Prosper suggests the Town will be able to attract patrons from outside of the Town itself. Our preliminary analysis indicates that, based on current spending trends experienced today, the Future Land Use Plan contains more than sufficient retail space to meet the future needs of Prosper.

Retail Assumptions	Comp. Plan Total Acres	Retail Acres per Category
Neighborhood Services*	331	231.7
Town Center**	575	258.8
Tollway District***	1,426	142.6
US 380****	1,248	124.8
Total	3,580	757.9
* Assumed 70% retail component		
**Assumed 45% retail component		
***Assumed 10% retail component		
****Assumed 10 % retail component		



Analysis

Based upon an extremely conservative allocation of retail acres, the Future Land Use Plan may accommodate approximately 750 retail acres. This is significantly higher than the 364 retail acres recommended by the economic analysis.

Retail Sales Tax

While 364 acres of retail is recommended by the economic analysis, a number of different factors may affect long-term retail needs in Prosper and include the following:

- A potential build-out population higher than the current estimate of 69,303. The 2004 Comprehensive Plan and recent impact fee reports all estimate a buildout population of over 89,000 residents. Assuming a population of 82,000 residents, Prosper could accommodate approximately 430 acres of retail.
- Prosper will have a regional retail center in the Town Center. This area of the community will have a regional draw and will attract retail patrons from outside of Prosper. Additional retail acreage, therefore, can be accommodated due to the regional nature of such retail.
- Within retail areas, other uses such as churches, public facilities, schools and other non-retail uses may occur.

Due to the above factors, it is believed that the Town could potentially accommodate the 757 retail acres depicted in the chart on page 98. As the Town grows, and as further comprehensive plan studies are completed, this number should be carefully examined and adjusted, if necessary. Based upon the assumptions from page 97, 750 acres of retail would essentially double the initial 364 acre estimates from a 17.1 million total sales tax contribution to approximately **\$34 million** in sales tax revenue (**\$17.1 million to the general fund, \$8.6 million to Economic Development and \$8.6 million to property tax reduction**). This sales tax revenue, when combined with estimated Ad Valorem Tax

revenue, would enable Prosper to be financially secure and provide high level services and/or property tax reductions to its citizens. It is also recommended that additional neighborhood service retail zoning beyond what is recommended on the Future Land Use Plan should be avoided.

The 750 acres recommended by this economic analysis should be sufficient to meet Prosper's retail needs. Additional neighborhood services retail zoning should be avoided. Nodal retail activity should be concentrated at primary intersections, and the "four corner" principle should be avoided to reduce the possibility of an oversupply of retail acreage. Strip center development along major roadways should also be avoided, as the plan recommends.

The consequences of an oversupply of retail may include:

- Vacant, underutilized land;
- Lower rental rates leading to undesirable uses;
- Pressures for additional multifamily to fill vacant parcels; and
- Blighted corridors.



ECONOMIC ANALYSIS

Ad Valorem Tax

An Ad Valorem analysis was conducted. Comparative properties were selected in each of the following Future Land Use Plan categories. Based upon the data collected from the Collin and Denton County Appraisal Districts, an average value per acre was assessed on the comparative properties to derive an estimated value per acre per land use category. The derived value per acre was then multiplied by the total number of acres within each district to calculate the total gross value of the district. Using the current tax rate of .52 cents per \$100 of assessed value, an approximate gross Ad Valorem tax contribution per district was calculated. In order to account for right-of-way, such as public streets, and tax exemptions, such as schools and churches, 30% of the total value was subtracted to derive the estimated value and Ad Valorem amount that could be contributed to the General Fund annually.

It is important to note that this analysis is for estimation purposes only and is based upon assessed values in 2011 dollars. The purpose of this analysis is to determine the approximate Ad Valorem contributions that could be generated based upon the Future Land Use Plan.

Figure 9 : Ad Valorem Estimates

District	Taxable Value	Value per Acre	Tax Revenue (.52)
Dallas North Tollway	\$2,790,756,612	\$1,957,052	\$14,511,934
Highway 380	\$1,321,585,597	\$1,058,963	\$6,872,245
Town Center	\$2,465,780,302	\$4,288,314	\$12,822,057
Business Park	\$247,358,925	\$666,736	\$1,286,266
Neighborhood Services	\$478,977,403	\$1,447,062	\$2,490,682
Old Town	\$140,457,586	\$407,123	\$730,379
High Density	\$564,358,076	\$928,221	\$2,934,661
Medium Density	\$7,015,502,244	\$1,223,919	\$36,480,611
Low Density	\$3,136,282,464	\$567,550	\$16,308,668
Gross Ad Valorem Total Value	\$18,161,059,208	-	\$94,437,507
Total Ad Valorem Value (30% ROW & Exemption)	\$12,712,741,445	-	\$66,106,255



Tax Gap

In order to determine whether or not the sales and Ad Valorem taxes generated by the Future Land Use Plan will be sufficient to cover the overall expenses incurred by the community at build-out, an approximate General Fund budget was calculated based upon the average per capita expenditures at today's spending levels.

The Fiscal Year 2010-11 budget indicates that the Town of Prosper had a General Fund budget of \$7,115,112. When this number is divided by the 2010 population of 9,423, an average per capita expenditure of \$755 per person is derived. This per capita expenditure by Prosper is comparable with other regional communities. Southlake has the highest per capital expenditure among the comparative group primarily due to its high residential property values, high-quality non-residential uses and its regional Town Center drawing patrons from outside the community. This situation enables Southlake to provide higher level services and enhanced aesthetics to its residents. The similarities between the economics and vision between Prosper and Southlake are similar in nature.

Multiplying the per capita expenditure of \$755 per person by the ultimate capacity of 69,303, an ultimate capacity General Fund budget for Prosper of \$52,323,765 is derived.

Discussed in the previous sections, the approximate Ad Valorem contribution to the General Fund at build-out would be approximately \$66.1 million. The approximate sales tax contribution to the general fund based upon the 750 retail acres would be approximately \$17.1 million. Based upon this scenario, total General Fund income from taxes at build-out would be approximately \$83.5 million. This scenario would position Prosper to be in a similar situation to Southlake and Richardson, enabling the Town to provide high quality services for its residents.

	2010 Population	FY 2010-2011 General Fund Budget	Per Capita Expenditure
Southlake	26,575	\$30,410,480	\$1,144
Richardson	99,223	\$94,180,002	\$949
Allen	84,246	\$72,270,464	\$858
Prosper	9,423	\$7,115,112	\$755
Argyle	3,282	\$2,320,366	\$707
Plano	258,841	\$182,758,485	\$706
McKinney	131,117	\$90,788,018	\$692
Frisco	116,989	\$77,945,250	\$666
Celina	6,028	\$3,945,684	\$655
Desoto	49,047	\$29,760,521	\$607
Rowlett	56,199	\$33,793,677	\$601
Little Elm	25,898	\$13,157,771	\$508

It should be noted that additional forms of sales tax, such as Industry Tax and Inventory Tax, are not included and will create additional avenues for income. These numbers are approximate and are derived for estimation purposes only.

Figure 10: Tax Gap Analysis

Total Town Ad Valorem Income at Build-out	\$66,106,255
Total Sales Tax Income at Build-out	\$17,120,278
Total Income from Tax at Build-out	\$83,590,594
Total Expenditures	\$52,323,765
Tax Gap Surplus*	31,266,829

*This is an *estimate* based upon the projected sales tax revenue and possible Ad Valorem revenue. This estimate does not include additional forms of sales tax such as Industry Tax and Inventory Tax.



ECONOMIC ANALYSIS

Economic Analysis Conclusion

Forecasted potential sales tax data indicates that Prosper has the potential to derive a significant monetary amount from sales tax receipts at build-out. This is ultimately dependent upon the community attracting high-quality retail establishments that serve residents of the community and provide regional retail destinations that attract patrons from outside of Prosper. The primary regional destinations will be located within the Town Center and at the intersection of the Dallas North Tollway and Highway 380. Additional retail may be located within the Dallas North Tollway and Highway 380 districts, but will likely be less intense in nature.

Retail/Neighborhood Service areas away from the major districts will likely serve the internal needs of Prosper, providing less intensive services to adjacent residential neighborhoods. Additional retail/neighborhood services zoning outside of the Dallas North Tollway, Town Center and Highway 380 districts should be carefully considered in order to avoid an oversupply of retail zoning. Flexibility within the Dallas North Tollway, Highway 380 and Town Center districts will enable Town staff to make appropriate, market-based land use decisions as development occurs.

An estimate of Ad Valorem taxes at build-out suggests that Prosper will have the potential for a significant Ad Valorem contribution to its General Fund. Prosper's high-quality neighborhoods and its dedication to providing high-quality retail destinations will be a primary factor in determining the ultimate Ad Valorem value of the community. As development

occurs, the community has expressed a desire to attract the highest quality development possible to protect the Town's visual character and maximize the taxable value for both the General Fund and Prosper ISD. Future non-residential land use decisions should consider the long-term potential contributions of that particular development to the community, favoring clustered nodal retail activity centers, Class A office space (office space defined by high-quality furnishings, state-of-the-art facilities and excellent accessibility) and corporate campuses over strip retail and stand-alone retail establishments.

The retail data provided indicates that the Future Land Use Plan created for Prosper provides a significant amount of retail space to meet the future needs of Prosper residents. The Future Land Use Plan also gives Town Staff, Planning & Zoning Commission and Town Council ultimate flexibility to determine where retail areas should be located within the established districts.

While the numbers provided are estimates on the potential sales tax and Ad Valorem income of the community at build-out, it is important to note that these are only estimates. To ensure that Prosper has a financially secure future, the land use and character principles outlined in this Plan should be used as a guide to attract the highest quality development possible. High-quality and long-lasting development is ultimately the key in ensuring that Prosper has a sound financial future. Focusing on attracting and maintaining such development will enable Prosper to meet the essential needs of its future residents.



Infrastructure Assessment

Planning for and providing infrastructure is perhaps one of the most important responsibilities of a municipality. Citizens need to be secure in the knowledge that they can rely on their local government to ensure that there is adequate and safe water supply and wastewater capacity for current populations and that proper plans are developed to provide for future growth. There are numerous technical studies that can be used to analyze these current and future needs for the Town. This 2012 Comprehensive Plan is not intended to take the place of these detailed technical efforts. The purpose of the Comprehensive Plan is to determine whether the Town has made or plans on undertaking these efforts. This Infrastructure Assessment is intended to provide an overview of Prosper's infrastructure system and capacity of that system in relation to the current population and the future projected population.

Previous Planning Efforts

The most recent large scale, in-depth analysis of future water and wastewater needs was completed in 2006 by Freese and Nichols, Inc. (FNI). At that time FNI developed a Water Distribution Master Plan and a Wastewater Collection Master Plan. These studies analyzed growth based on the Future Land Use Plan in place at that time and used typical usage factors for water and wastewater based on historical water usage and wastewater flows in Prosper. The study developed Capital Improvement Plans intended on implementing the recommendations in the technical studies and provided mapping of the proposed improvements. The Water and Wastewater Capital Improvement Plans were updated in 2011 for the Impact Fee Update, also performed by FNI. The recommended improvements outlined in the Impact Fee Study are intended to provide the required capacity and reliability to meet projected water demands and wastewater flows through Buildout. Due to timing of the Impact Fee Study

Existing Lift Station in Prosper



and Comprehensive Plan projects, the recommended water and wastewater projects developed in the Impact Fee Study were based on growth rates and Future Land Use Plan developed prior to the 2012 Comprehensive Plan.

Infrastructure Goals and Objectives

The goal and objectives for infrastructure are shown below:

Goal: Ensure that existing water, wastewater and storm drainage systems and future plans adequately serve current and future residents and businesses.

Objective 1: Investigate any deficiencies in the infrastructure systems.

Objective 2: Develop concepts that will address deficiencies of the infrastructure system.

Objective 3: Strive for an infrastructure system that will effectively and economically serve existing and projected needs of the community in a safe and efficient manner.

Objective 4: Ensure that infrastructure is compatible or expanded to support future development, specifically in key development areas.



INFRASTRUCTURE ASSESSMENT

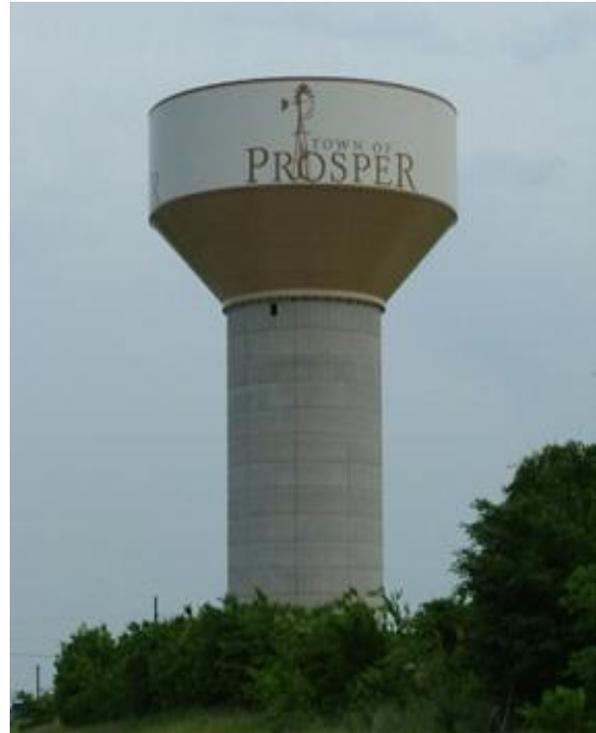
Water System

Existing Characteristics

North Texas Municipal Water District (NTMWD) is a regional water provider with a treatment capacity of 770 million gallons of water per day and serves approximately 1.6 million people. NTMWD currently serves water to the Town of Prosper through a 48" transmission line in the northwest portion of NTMWD's system. The water from NTMWD is dropped into a 3 million gallon (MG) ground storage tank and re-pumped to serve the Prosper distribution system through a 30" water line. The NTMWD delivery point into the Town of Prosper is in the southeast portion of the Town, and this is the only existing treated water delivery point. The Town relies on NTMWD for all treated water and does not utilize existing wells in the system. In addition, there are not emergency water connections with surrounding entities.

Storage and Usage

The Town had an average daily flow of 1.9 million gallons per day in 2010, and Town records show 3,230 active water accounts. This number includes both normal domestic connections and irrigation-only connections. The Texas Commission on Environmental Quality (TCEQ) requires 200 gallons per connection of storage of which 100 gallons must be elevated storage. The Town currently has a 2 million gallon elevated storage tank near Preston Road and First Street and 3 million gallons in ground storage at the NTMWD delivery point. Since the limiting factor in this case is the elevated storage capacity, based on the current elevated capacity of 2 million gallons, the number of connections that would be allowed by TCEQ is 20,000. FNI developed criteria in the 2011 Impact Fee Update for sizing of storage and pumping capacity for the Town. These criteria are more stringent than TCEQ requirements and take into consideration many additional factors including operational flexibility, fire protection, system redundancy, and energy efficiency. The design criteria recommended to size ground storage tank



capacity is to provide adequate storage volume to meet 8 hours of maximum day demand. The design criteria recommended for elevated storage capacity is twice the required volume needed to meet 35% of the peak hour demand for a duration of 3 hours. The design criteria recommended for pump station capacity is providing a firm pumping capacity to meet 65% of the peak hour demand. The firm pumping capacity is defined as the total available pumping capacity with the largest pump out of service to each pressure plane.



Considerations for the Future

Generally speaking, the planning that has taken place regarding water infrastructure has served the Town very well. The population and land use data in the 2011 Impact Fee Update was used to develop future water demands.

Conservation measures in place for the future were taken into account in determining the projected water usage. The current Water System Capital Improvement Plan was completed in 2011 for the Impact Fee Update, and recommended improvements to serve the Town through Buildout are shown on Plate 4. Since that time, and as a result of this Plan, population growth has changed and land uses have changed. In order to remain relevant, the Capital Improvements Plan should be either revised or updated as plans are developed in order to ensure consistency.

Water Short Term Recommendations:

1. Yearly monitoring of growth to guide implementation of water system projects.
2. Evaluate whether the Lower Pressure Plane should be served through a dedicated Lower Pressure Plane Pump Station at the existing NTMWD delivery point site or through a new Upper Trinity Regional Water District (UTRWD) delivery point on the west side of the Town. This should be determined prior to design of the proposed 42" Lower Pressure Plane line and Pump Station, and this project is recommended to be under design in 2016 based on growth rates and land use assumptions in the 2011 Impact Fee Study.

Water Long Term Recommendations:

1. Coordinate with NTMWD to receive additional water supply capacity to meet projected water demands.
2. Continue implementation of the projects indicated in the 2011 Impact Fee Update.
3. Update Water Master Plan and Impact Fee CIP at least every 5 years or more frequently if land use assumptions or service provider assumptions change significantly.
4. Investigate an emergency interconnect with an adjacent entity to increase water system reliability and redundancy.



INFRASTRUCTURE ASSESSMENT



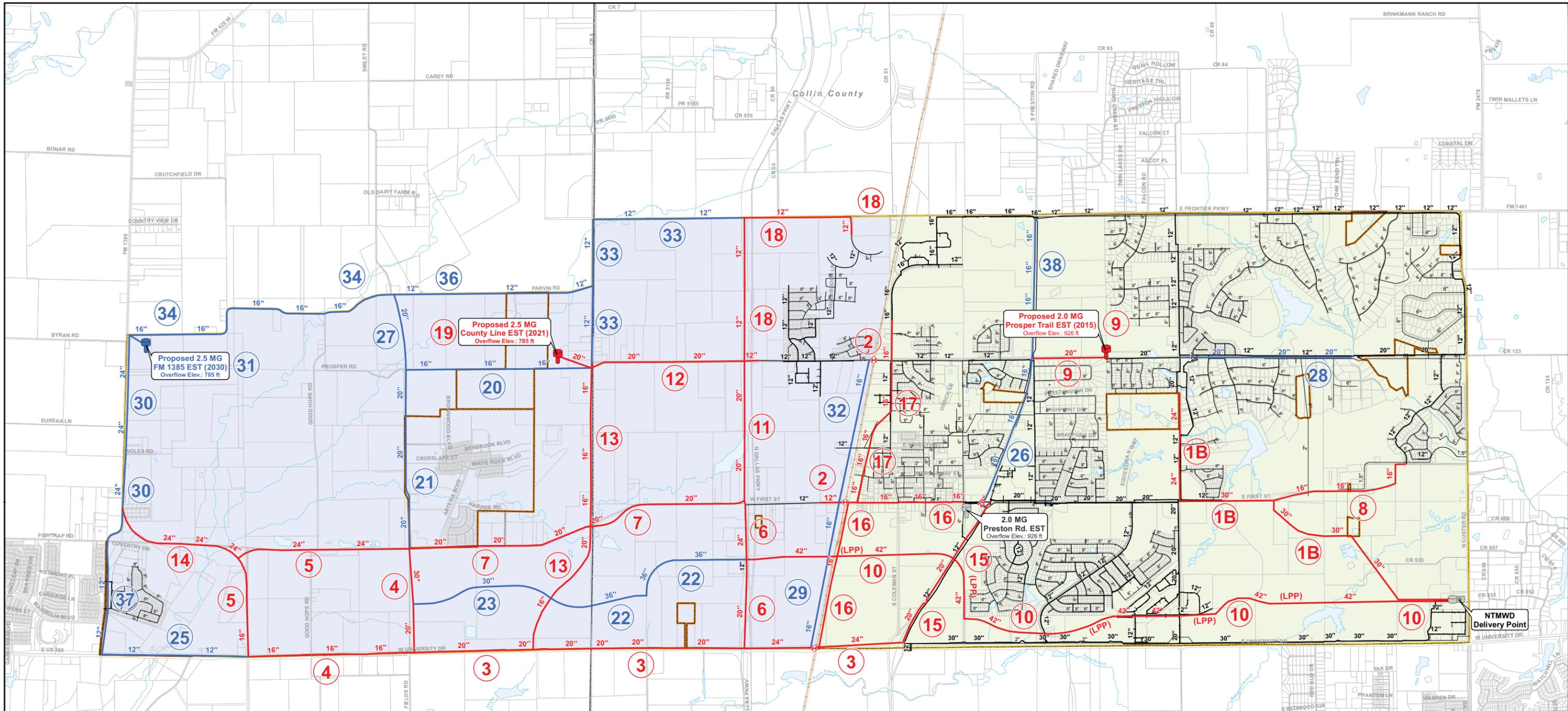
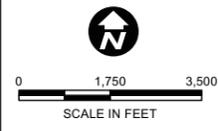


PLATE 4
TOWN OF PROSPER
BUILDOUT WATER SYSTEM
CAPITAL IMPROVEMENT PROJECTS

LEGEND

- | | | | | | |
|--|---------------------------------------|--|--|--|----------------------|
| | Pressure Reducing Valve | | 2011 - 2021 Water Line Improvement | | Lake |
| | 2011 - 2021 Elevated Storage Tank | | 2022 - Buildout Water Line Improvement | | Parcel |
| | 2022 - Buildout Elevated Storage Tank | | 8" and Smaller Water Lines | | Town Limit |
| | Existing Elevated Storage Tank | | 10" and Larger Water Lines | | ETJ Boundary |
| | Existing Ground Storage Tank | | Road | | County Boundary |
| | Existing Pump Station | | Railroad | | Lower Pressure Plane |
| | | | Stream | | Upper Pressure Plane |

- NTMWD Delivery Point Improvements**
- 1A** Expand UPP PS to 20 MGD and Add 5.0 MG GST (2013)
 - 10** Construct 10 MGD LPP Pump Station (2018)
 - 24** Expand UPP PS to 30 MGD, Add 5.0 MG GST and Expand LPP to 25 MGD (2024)
 - 35** Expand LPP PS to 40 MGD and Add 5.0 MG GST (2034)



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Wastewater System

Existing Characteristics

The Town of Prosper is currently served by the NTMWD for wastewater treatment. The treatment plant serving the Town is the Wilson Creek Regional Treatment Plant located near Fairview on Lake Lavon. This plant also serves Anna, Melissa, Princeton, McKinney, Allen, Fairview, Frisco, Lucas, Richardson, Parker, and Plano. The current average day capacity of the Wilson Creek WWTP is 48 MGD, with a build-out capacity of 112 MGD. The NTMWD interceptor runs through the northeast corner of the Town of Prosper.

Due to the terrain within the Town, lift stations are required to make the collection system effective and send all wastewater flow to the NTMWD system. The Town currently has 6 large lift stations in operation for this purpose. The Gentle Creek and Steeple Chase lift stations have already been abandoned, and the remainder of the lift stations with the exception of La Cima will be abandoned in the future with proposed projects.

Considerations for the Future

Generally speaking, the planning that has taken place regarding wastewater infrastructure has served the Town very well. The Town signed an agreement with Upper Trinity Regional Water District (UTRWD) in December 2007 to send a majority of future wastewater flows to an existing UTRWD interceptor in the west side of Prosper. This was a very strategic move for the Town as it will allow the Town to abandon a majority of existing lift stations and significantly reduce capital and operations and maintenance (O&M) costs by removing lift stations and force mains from the Wastewater Capital Improvement Plan. The current Wastewater System Capital Improvement Plan was completed in 2011 for the Impact Fee Update, and recommended improvements to serve the Town through Buildout are shown on Plate 5. As soon as the interceptor from the abandoned WWTP to the UTRWD interceptor is completed,

the lift station at the WWTP and 12" force main will no longer be utilized to send Subbasin 2 and 4 wastewater flows to the NTMWD system. The long term plan is to continue to send wastewater flows in Subbasins 5 and 6 to the NTMWD system, and wastewater flows in Subbasins 1, 2, 3, and 4 will be sent to the UTRWD system.

Since development of the Capital Improvement Plan for the Impact Fee Update, and as a result of this Plan, population growth has changed and land uses have changed. In order to remain relevant, the Capital Improvements Plan should be either revised or updated as plans are developed in order to ensure consistency.

Wastewater Short Term Recommendations:

1. Yearly monitoring of growth to guide implementation of wastewater system projects.
2. Continue to eliminate existing lift stations to reduce O&M costs.

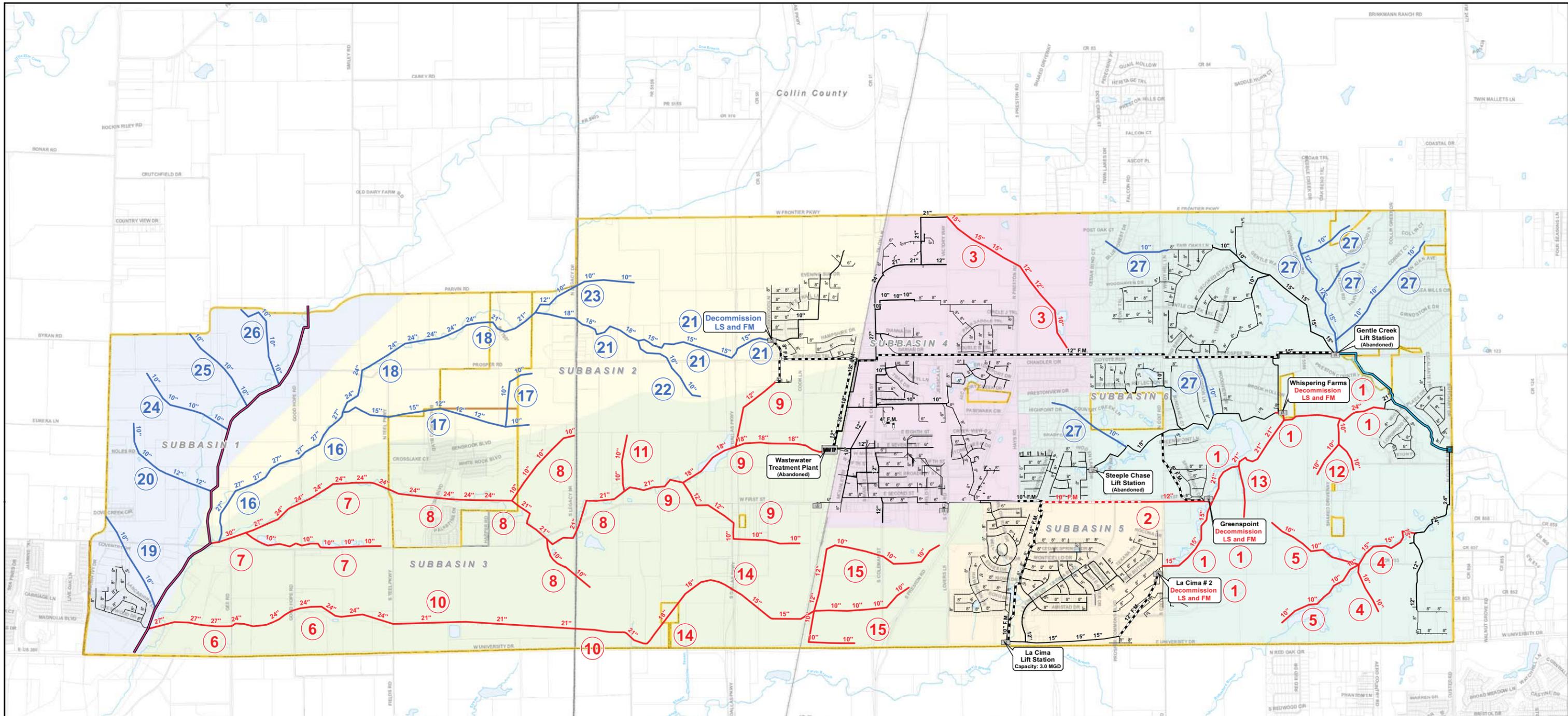
Wastewater Long Term Recommendations:

1. Future acquisition of additional wastewater treatment capacity from NTMWD and UTRWD.
2. Continue implementation of the projects indicated in the 2011 Impact Fee Update.
3. Update Wastewater Master Plan and Impact Fee CIP at least every 5 years or more frequently if land use assumptions or service provider assumptions change significantly.
4. Consider conversion of existing services on septic systems to the Prosper wastewater system.



INFRASTRUCTURE ASSESSMENT



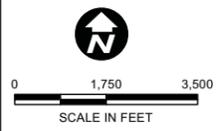


**PLATE 5
TOWN OF PROSPER
BUILDOUT WASTEWATER SYSTEM
CAPITAL IMPROVEMENT PROJECTS**

LEGEND

- | | | | | | |
|--|---|--|--------------------------------|--|-----------------|
| | Wastewater Treatment Plant | | 2011- 2021 Wastewater Line | | Stream |
| | Existing Lift Station | | 2022- Buildout Wastewater Line | | Lake |
| | NTMWD Meter | | UTRW Wastewater Line | | Parcel |
| | Existing 10" and Larger Wastewater Line | | NTMWD Wastewater Line | | Town Limit |
| | Existing 8" and Smaller Wastewater Line | | Road | | ETJ Boundary |
| | Existing Force Main | | Railroad | | County Boundary |

MAJOR BASINS	
	Subbasin 1
	Subbasin 2
	Subbasin 3
	Subbasin 4
	Subbasin 5
	Subbasin 6



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Storm Drain System

Freese and Nichols, Inc. assessed the Town's existing drainage utility system needs and identified recommended updates to the existing drainage utility system fee in 2010 as part of the Drainage Utility System Fee Development Report. The assessment included a visual inspection, as well as discussions with Town Staff, of several areas within the Town that have flooding or potential flooding issues. The study identified and prioritized storm drain infrastructure facilities across the Town that are in need of replacement or upsizing to anticipate increases in flows or to correct current drainage problems. Eight major maintenance and capital projects and seven routine maintenance projects were identified. All solutions presented in the study were conceptual in nature and only used to provide a range of estimated construction costs for comparison purposes. Each capital project location will require a detailed study by a licensed engineer that should consider other alternatives before a final solution can be determined. As the Town continues to develop, a Comprehensive Drainage Utility System Master Plan should be completed to further identify and refine storm water management projects.

The Town is currently not subject to new federal storm water quality regulations (Phase II MS4) that would require the Town to further protect and enhance water quality in creeks and lakes through the development of a storm water quality management program. However, the Texas Commission on Environmental Quality (TCEQ) will issue the next Phase II MS4 permit in August 2012, and the determination of regulated communities would be based upon each community's 2010 U.S. Census population. Based on population growth in and around Prosper over the last decade, it is likely that the Town will become subject to the Phase II MS4 requirements.

As an operator of a small municipal separate storm sewer system (MS4), the Town would be required to develop a multi-faceted program to

protect storm water quality before it enters creeks, rivers, and lakes. The program includes a number of measures to protect storm water quality, such as the following:

- Drainage utility system maintenance;
- Structural and non-structural water quality protection measures;
- Drainage utility system mapping and inspections;
- Public education, outreach and involvement;
- Town ordinances regulating construction activity, illicit discharges, and post-construction runoff; and
- Town staff training and operations improvements.



INFRASTRUCTURE ASSESSMENT

Considerations for the Future

As development continues within the Town of Prosper, several actions should be taken to handle drainage and storm water management issues.

Storm Water Short Term Recommendations:

1. Consider establishing a program to conduct routine inspections and operations and maintenance (O&M) activities throughout the drainage utility system to minimize flooding potential, reduce creek erosion, and protect storm water quality.
2. Yearly monitoring of capital project needs to guide implementation of storm drain system projects outlined in the 2010 Drainage Utility System Fee Development Report.

Storm Water Long Term Recommendations:

1. Develop a Comprehensive Drainage Utility System Master Plan. This plan will provide an in-depth analysis of current drainage facilities and project the need for future facilities (detention, culverts, channel enhancements, etc.) based on the adopted Future Land Use Plan. The drainage utility system master plan can be a powerful tool that helps define the direction of future development, the protection of natural

resources, and the integration of public spaces such as parks in the Town.

2. Review current subdivision standards to ensure that new developments bear responsibility to ensure that these developments do not adversely impact the overall storm water system within the Town.
3. Review the drainage utility system fee rates in several years to consider any changes that the Town might want to incorporate in the drainage utility system fee rate. Potential changes might include increased costs for equipment, additional CIP projects that may be needed, increasing water quality regulatory compliance requirements and others.
4. Continue implementation of projects outlined in the 2010 Drainage Utility System Fee Development Report.
5. Prepare a storm water quality management plan and implement over a 5-year period a storm water quality management program to meet the requirements of the pending 2012 TCEQ Phase II MS4 general permit.



Implementation Plan

The importance of planning can never be overstated—planning provides for the protection of private property and ensures future development occurs in a coordinated and organized fashion, consistent with the Comprehensive Plan. The future of Prosper will be shaped with the policies and recommendations developed in this 2012 Comprehensive Plan. Based on this Plan, decisions will be made that will influence many aspects of the Town’s built and social environments. Prosper has taken an important leadership role in defining its future, with the adoption of this Plan. The Plan will provide a very important tool for Town Staff and civic leaders to use in making sound planning decisions regarding the long-term growth and development of Prosper. The future quality of life in Prosper will be substantially influenced by the manner in which the Plan recommendations are administered and maintained.

Planning for the Town's future should be a continuous process, and this Plan is designed to be a dynamic tool that can be modified and periodically updated to keep it in tune with changing conditions and trends. Changes in Prosper’ socioeconomic climate and in development trends that were not anticipated during preparation of the Plan will occur from time to time, and therefore, subsequent adjustments will be required. Elements of the Town that were treated in terms of a general relationship to the overall area may, in the future, require more specific and detailed attention.

Plan policies and recommendations may be put into effect through adopted development regulations, such as zoning and subdivision, and through capital improvement programs. Many recommendations within the Plan can be implemented through simple refinement of existing Town regulations or processes, while others may require the establishment of new regulations, programs, or processes. This final section of the 2012 Comprehensive Plan describes specific ways in which Prosper can take the recommendations within this plan from vision to reality.

Proactive and Reactive Implementation

There are two primary methods of Plan implementation: proactive and reactive methods. To successfully implement the Plan and fully realize its benefits, both methods must be used in an effective manner. Both proactive and reactive actions that could be used by Prosper are described within this Implementation Chapter.

Examples of proactive methods include:

- Establishing or updating subdivision regulations;
- Establishing or updating zoning regulations; and
- Developing a capital improvements program (CIP), by which the Town expends funds to finance public improvements to meet objectives cited within the Plan.

Examples of reactive methods include:

- Approving a rezoning application submitted by a property owner consistent with the Comprehensive Plan;
- Site plan review; and
- Subdivision review.



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Roles of the Comprehensive Plan

Guide for Daily Decision-Making

The current physical layout of the Town is a product of previous efforts put forth by many diverse individuals and groups. In the future, each new development that takes place, whether a subdivision that is platted, a home that is built, or a new school, church or shopping center that is constructed, represents an addition to Prosper' physical form. The composite of all such efforts and facilities creates the Town as it is seen and experienced by its citizens and visitors. If planning is to be effective, it must guide each and every individual development decision. The Town, in its daily decisions pertaining to whether to surface a street, to approve a residential plat, to amend a zoning ordinance provision, to enforce the building codes, or to construct a new utility line, should always refer to the basic proposals outlined within the Comprehensive Plan. The private builder or investor, likewise, should recognize the broad concepts and policies of the Plan so that their efforts become part of a meaningful whole in planning the Town.

Flexible and Alterable Guide

This 2012 Comprehensive Plan is intended to be a dynamic planning document for Prosper – one that responds to changing needs and conditions. Plan amendments should not be made without thorough analysis of immediate needs, as well as consideration for long-term effects of proposed amendments. The Town Council and other Prosper officials should consider each proposed amendment carefully to determine whether it is consistent with the Plan's goals and policies, and whether it will be beneficial for the long-term health and vitality of Prosper.

Annual Review

At one-year intervals, a periodic review of the Plan with respect to current conditions and trends should be performed. Such on-going, scheduled evaluations will provide a basis for adjusting capital expenditures and priorities, and will reveal changes and additions that should be made to the Plan in order to keep it current and applicable long-term. It would be appropriate to devote one annual meeting of the Planning and Zoning Commission to reviewing the status and continued applicability of the plan in light of current conditions, and to prepare a report on these findings to the Town Council. Those items that appear to need specific attention should be examined in more detail, and changes and/or additions should be made accordingly. By such periodic evaluations, the Plan will remain functional, and will continue to give civic leaders effective guidance in decision-making. Periodic reviews of the plan should include consideration of the following:

- The Town's progress in implementing the plan;
- Changes in conditions that form the basis of the plan;
- Community support for the plan's goals, objectives & policies; and
- Changes in State laws.

The full benefits of the Plan for Prosper can only be realized by maintaining it as a vital, up-to-date document. As changes occur and new issues within the Town become apparent, the Plan should be revised rather than ignored. By such action, the Plan will remain current and effective in meeting the Town's decision-making needs.



Complete Review and Update with Public Participation

In addition to periodic annual reviews, the Comprehensive Plan should undergo a complete, more thorough review and update every 5 or 10 years. The review and updating process should begin with the establishment of a Steering Committee, similar to the one that was appointed to assist in the preparation of this Plan. If possible, this committee or the Planning and Zoning Commission should be in charge of periodic review of the plan. Specific input on major changes should be sought from various groups, including property owners, neighborhood groups, civic leaders and developers and business owners.

Regulatory Mechanisms

The usual processes for reviewing and processing zoning amendments, development plans, and subdivision plans provide significant opportunities for implementing the Plan. Each zoning, development and subdivision decision should be evaluated and weighed against applicable proposals contained within the Plan. If decisions are made that are inconsistent with Plan recommendations, then they should include actions to modify or amend the Plan accordingly in order to ensure consistency and fairness in future decision-making. Amending the Subdivision Ordinance and Zoning Ordinance represent two major proactive measures that the Town can take to implement 2012 Comprehensive Plan recommendations.

Zoning Ordinance

Zoning is perhaps the single most powerful tool for implementing Plan recommendations. The Town's Zoning Ordinance should be updated with the recommendations contained within the chapters of this 2012 Comprehensive Plan. All zoning and land use changes should be made within the context of existing land uses, future land uses, and planned infrastructure, including roadways, water and wastewater.

Zoning Text Amendments

Consideration should be given to updating areas of the zoning ordinance that may allow ideas, principles or design standards identified within this Comprehensive Plan to be more easily achieved. Their implementation will not only improve future development and interaction between land uses, but will also improve Prosper's overall image and livability. Such changes may involve landscaping setbacks, non-residential building design, and additional tree requirements, to name a few. These recommendations should be itemized and prioritized, and should be incorporated into the Zoning Ordinance accordingly.

Zoning Map Amendments

State law gives power to cities to regulate the use of land, but regulations should be based on a plan. Therefore, Prosper's Zoning Map should be as consistent as possible with the Comprehensive Plan, specifically the Future Land Use Plan. It is not reasonable, however, to recommend that the Town make large-scale changes in its zoning map changes immediately. It is therefore recommended that the Town prioritize areas where a change in current zoning is needed in the short-term and that efforts be concentrated on making such changes. In the long-term, consistent zoning policy in conformance with the Future Land Use Plan will achieve the Town's preferred land use pattern over time.

Subdivision Ordinance

The act of subdividing land to create building sites has a major effect on the overall design and image of Prosper. Much of the basic physical form of the Town is currently created by the layout of streets, easements, and lots. In the future, the basic physical form of Prosper will be further affected by such action. Requirements for adequate public facilities are essential to ensure the Town's orderly and



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efficient growth. Plan recommendations, such as cross-access easements, should be incorporated within the Subdivision Ordinance.

Implementation Goals and Objectives

Implementation is one of the most important, yet most difficult, aspects of the comprehensive planning process. Without viable, realistic strategies for implementation, the recommendations contained within this 2012 Comprehensive Plan will be difficult to realize.

The following section contains the original six community goals established within the Community Vision chapter of this comprehensive plan. Under each of the six community goals, more specific objectives are included to guide plan implementation. The objectives listed are derived from recommendations contained within the comprehensive plan document as well as ideas heard from the CPAC and general public.

Goal 1. Provide a variety of land uses, in accordance with the vision of Prosper Residents, which diversify the tax base and enable all types of people to live, work, shop, eat and relax in Prosper.

- Objective 1.1: Provide a range of housing in Prosper, which takes into consideration, among other things, data relating to income, education levels and ethnicity.
- Objective 1.2: Maximize development along the Dallas North Tollway by providing opportunities for Class A office space (office space defined by high-quality furnishings, state-of-the-art facilities and excellent accessibility), corporate campus development and mixed-use retail/residential development.
- Objective 1.3: Create specific landscaping and thematic design guidelines for development along the Dallas North Tollway.
- Objective 1.4: Promote larger-scale master planned developments over small-scale individual developments along the Dallas North Tollway by discouraging individual developments under 5 acres in size.
- Objective 1.5: Maximize development opportunity along Highway 380 by providing nodal commercial and retail activity. Retail, commercial, service and big-box uses should be focused primarily around major intersections with mid-block sections being utilized for medium density residential uses and office space. Continuous strip development should be avoided.
- Objective 1.6: Utilize the Town Center for a regional draw, bringing in patrons from outside of Prosper.
- Objective 1.7: Ensure that the core of the Town Center contains a higher degree of urban design with buildings situated up to the building line, wide sidewalks, street trees and pedestrian amenities. Preferred examples include the Shops at Legacy and the Shops at Watters Creek.
- Objective 1.8: Include public space within the Town Center to serve as a focal point for the Town Center and to provide space for community events and festivals.
- Objective 1.9: Encourage the use of structured parking within the Town Center and Dallas North Tollway Districts to minimize the negative impact of large scale parking lots. Require structured parking to be strategically located to minimize visibility from the public view.
- Objective 1.10: Include public facilities, such as a new Town Hall, Community Services facility or Library, within the Town Center or Old Town districts.



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- Objective 1.11: Provide a network of connections, both vehicular and pedestrian, that allow movement and access to various portions of the Town Center and adjacent neighborhoods and districts.
- Objective 1.12: Preserve the integrity of Old Town and encourage complementary and compatible redevelopment and infill development including new single family residences containing a farm/ranch theme, residential to office conversions and “main street” retail with studio apartments along the western end of Broadway.
- Objective 1.13: Plant trees within the parkway along roads in Old Town to establish a mature tree canopy thereby contributing to the historic theme of the area.
- Objective 1.14: Utilize the Old Town Roadway Plan to prioritize street improvements within Old Town and utilize street improvements to facilitate new development.
- Objective 1.15: Utilize the BNSF railroad to create a high-tech, clean industry Business Park.

Goal 2. Maintain and enhance the high quality of life and small-town feel currently available and expected by Prosper residents.

- Objective 2.1: Encourage the implementation of the Parks Master Plan as development occurs to facilitate the creation of an interconnected park and trails system in Prosper at buildout.
- Objective 2.2: Update the 2004 Facilities Master Plan to ensure that public facilities, such as fire, police and other public services, are coordinated with land use projections in the Future Land Use Plan.
- Objective 2.3: Work with Prosper Independent School District to coordinate future school facilities planning with land use projections in the Future Land Use Plan.
- Objective 2.4: Continue to require developers to dedicate 1 acre of park land for every 35 dwelling units constructed.
- Objective 2.5: Encourage developers to preserve riparian zones and mature tree stands on development sites and utilize such areas for residential park and open space areas.
- Objective 2.6: Preserve existing tree cover, when possible, by creating a tree preservation ordinance and by conducting a natural assets inventory plan.
- Objective 2.7: Encourage the use of rural design characteristics on new roadway construction projects including the use of traditional lighting features, wide setbacks, native plant materials, wildflowers and increased tree coverage.
- Objective 2.8: Utilize cladding and form-lining at culvert crossings to create the impression of a roadway bridge.
- Objective 2.9: Determine if certain roadways within the community can maintain their existing rural context, particularly roadways that may not require widening to meet future demands.
- Objective 2.10: Identify roadways that may be intentionally designed to be more rural in character, potentially containing bioswales and other natural drainage features. Appropriate roadways may include those that traverse residential districts and contain little if any commercial development.
- Objective 2.11: Encourage developers to use native planting materials and rural planting designs within the private setback zone/landscape easement.
- Objective 2.12: Develop and utilize design guidelines that address the use of rural characteristics on development walls, neighborhood entrances and other accessory structures visible from the public right-of-way.



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Objective 2.13: Consistently use rural architectural/design guidelines within neighborhood service retail centers.

Objective 2.14: Consider “dark skies.”

Objective 2.15: Work with the Prosper Historical Society to encourage the preservation of key historic landmarks within Old Town and ensure that new development within Old Town is designed to reflect an early 20th century historic theme.

Goal 3. Protect the quality and integrity of Prosper’s neighborhoods.

Objective 3.1: Encourage the development of quality housing throughout Prosper that meets the needs of a diversity of housing needs, taking into consideration, among other things, data relating to income, education levels and ethnicity, for the full life-cycle of citizens to include, but not limited to:

- Ensure that there are provisions for meeting the housing type and affordability needs of families with children, single parents with children, young adults just leaving home, young professionals, empty-nesters retirees and the elderly.
- Ensure that there is an adequate supply of workforce housing throughout Prosper for those who work in the service industry in Prosper.
- Ensure that all homes are situated with an appropriate level of positive attributes to maintain desirability, value and reinvestment.

Objective 3.2: Require the use of long-lasting/durable building materials, such as stone or brick, and encourage the use of high pitched roofs to enhance the overall housing appearance.

Objective 3.3: Require the formation of neighborhood associations (HOAs) with all new developments to maintain common property, provide a sense of identity and encourage long-term private property maintenance.

Objective 3.4: Encourage developers to include neighborhood amenities such as parks, open spaces, neighborhood pools and other such features which enhance the overall desirability of individual neighborhoods.

Objective 3.5: Encourage developers to arrange lots in a manner that maximizes residential access to open space when natural areas are present.

Objective 3.6: Work with developers to ensure that the majority of lot sizes within a given development are over 12,500 square feet in size.

Objective 3.7: Low density residential areas should not exceed a gross density of 1.6 dwelling units per acre.

Objective 3.8: Medium density residential areas should not exceed a gross density of 2.5 dwelling units per acre.

Objective 3.9: Ensure that single family residential neighborhoods are protected from more intensive areas of development, such as development located within the Dallas North Tollway, Town Center, Business Park and Highway 380 districts, by using screening and buffering techniques. Screening may include enhanced landscaping, brick or masonry screening walls and landscaping berms, among others.

Objective 3.10: Encourage the use of floodways as a natural buffer between low and high intensity areas.



- Objective 3.11: Utilize the trail network identified within the Park Plan to provide access to the network of community parks and to enhance connectivity between individual neighborhoods.
- Objective 3.12: Ensure that neighborhoods have at least two roadway access points and encourage roadway connections between neighborhoods to provide more direct and interconnected forms of vehicular and pedestrian travel.

Goal 4. Require high-quality and visually attractive architectural characteristics in both residential and non-residential developments.

- Objective 4.1: Zone key roadway intersections for retail while utilizing remaining land adjacent to major roadways for residential to avoid stripped out arterial roadways
- Objective 4.2: Avoid four-corner retail zoning to avoid an oversupply of retail zoning.
- Objective 4.3: Limit driveways within 150 feet of major intersections to encourage larger scale, master planned retail centers over individual retail establishments.
- Objective 4.4: Encourage the creation of nodal, master planned retail centers over strip center developments to encourage long term viability and investment in retail centers. No additional unanchored strip retail is recommended.
- Objective 4.5: Mandate the use of high-quality building materials, such as brick and stone, to protect the long-term durability of non-residential construction. Require all non-residential developments to be 100% masonry and prohibit metal building construction.
- Objective 4.6: Create a menu-choice matrix for non-residential developments, requiring new developments to choose from a palate of predetermined colors and styles.
- Objective 4.7: Require architectural enhancements, such as pitched roofs, awnings, enhanced canopies and building articulation to create visually attractive developments.
- Objective 4.8: Require all parking rows to contain ending landscape islands.
- Objective 4.9: Encourage the planting of trees within parking lots so that 25% of the parking lot is covered by a shade canopy at tree maturity.
- Objective 4.10: Encourage large parking lots to contain a shaded pedestrian way.
- Objective 4.11: Incentivize the use of dispersed landscaped stormwater areas within parking lots rather than large detention ponds. Allow stormwater best management practices (BMPs) to count towards a portion of landscaping requirements.
- Objective 4.12: Encourage the use of thematic, decorative and enhanced lighting features within the public right-of-way, residential areas (when necessary) and retail/commercial areas.

Goal 5. Develop a quality and functional transportation network that enhances the Town's image and provides safe and convenient residential mobility.

- Objective 5.1: Utilize the updated Thoroughfare Plan Map as future roadway improvements are designed and constructed.
- Objective 5.2: Ensure that Prosper's thoroughfare network is coordinated with neighboring communities and work to negotiate and resolve any conflicting issues.
- Objective 5.3: Utilize the functional street classification system, a hierarchical network of roadway classifications, to create a network of major and minor thoroughfares, collector and local streets.
- Objective 5.4: Utilize shared access and cross-access easements to provide connectivity between adjacent non-residential uses, limiting the number of driveways along major corridors and allowing for more continuous landscaping.



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- Objective 5.5: Connect various portions of the community, including neighborhoods, the Town Center, Old Town, public facilities and parks, with a system of pedestrian and bicyclist trails to provide interconnectivity and create a system of non-motorized linkages within the community.
- Objective 5.6: Ensure that sufficient right-of-way is acquired and dedicated during platting or roadway design to accommodate ultimate roadway configurations and designated trails.
- Objective 5.7: Utilize Context Sensitive Solutions to design roadways within the context of their adjacent development.
- Objective 5.8: Utilize the Old Town District Roadway Plan as a guide during roadway design within the Old Town area.
- Objective 5.9: Create backage roads along the Dallas North Tollway to support development connectivity and accessibility.
- Objective 5.10: Upgrade Hays Road to a commercial collector to support and provide back access to future commercial and retail development along Preston Road.
- Objective 5.11: Extend and realign South Coleman Road to intersect with Richland Boulevard. at Preston Road providing connectivity between Old Town, the Town Center and development along Highway 380.
- Objective 5.12: Include access roads along Highway 380, between the Lovers Lane Loop, in order to provide access to development along the grade-separated segment of Highway 380.
- Objective 5.13: Create a streetscape design program that intentionally characterizes individual roadways based upon anticipated forms of development.
- Objective 5.14: Investigate amending the Town ordinances to allow for ornamental walls and fences and other types of materials, such as split iron/wood. Identify key corridors where standards would be applicable in order to create greater corridor consistency.
- Objective 5.15: Consider wider setbacks along Preston Road with enhanced landscaping to maintain a more rural feel and to create a larger barrier between Preston Road and adjacent neighborhoods.
- Objective 5.16: Monitor regional rail initiatives for changes or updates to the Frisco Commuter Rail Line, particularly how such changes impact Prosper.

Goal 6. Ensure that water, wastewater and stormwater infrastructure is able to meet future growth demands.

- Objective 6.1: Investigate any deficiencies in the infrastructure systems.
- Objective 6.2: Develop concepts that will address deficiencies of the infrastructure systems.
- Objective 6.3: Strive for an infrastructure system that will effectively and economically serve existing and projected needs of the community in a safe and efficient manner.
- Objective 6.4: Ensure that infrastructure is comparable or expanded to support future development, specifically in key development areas.



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