



EXHIBIT 1

US Farathane Corporation December 2011

Summary

Background

- An economic development proposal is being submitted to City Council that includes a proposed economic development agreement between the City of Austin and US Farathane Corporation.

US Farathane Corporation – Company Overview

- Privately held company, 30 years in business, headquartered in Auburn Hills, MI.
- US Farathane offers a wide range of full service support from highly engineered composites to extrusion and compression technologies.
- US Farathane employs approximately 900 employees and is a global supplier to the automotive industry.

Economic Development Proposal

- EGRSO used the City Council approved Economic Development Matrix and WebLOCI Fiscal Impact Analysis to assess the economic development proposal.
- Economic Development Matrix total actual score = 65.
- The Economic Development Matrix score reflects the following:
 - US Farathane Corporation is proposing to move into a new location in the Desired Development Zone.
 - US Farathane Corporation will create 228 new full-time jobs as a result of establishing its new state-of-the-art manufacturing facility in Austin. These jobs will be created at the new location over the next 3 years with an average annual wage of \$27,159. This will provide a broad range of job opportunities for Austin residents with an estimated 99% of the jobs hired locally.
- WebLOCI Fiscal Impact Analysis
 - Total Direct Benefits over a 10-year period = \$11.6 million
 - Total Direct Costs over a 10-year period = \$11.1 million which includes a proposed estimated economic development grant of approximately \$212,695 thousand (based 40% of new incremental real and personal property City taxes generated by the project)
 - Total Net Benefit (\$11.6 million - \$11.1 million) = \$500,000 (rounded)

Overall Benefits

- Positive financial benefit to the City according to WebLOCI
- 228 jobs created in Austin
- \$2.4 million investment in leasehold improvements
- \$24.5 million investment in machinery and equipment
- Employees are offered health insurance benefits, job training, career paths, and other benefits



EXHIBIT 1

US Farathane Corporation December 2011

Summary

-continued-

Proposed Economic Development Agreement – US Farathane Corporation Obligations

- Locate its manufacturing facility in Austin
- \$2.4 million investment in leasehold improvements by 12/31/12
- \$24.5 million investment in machinery and equipment by 12/31/16
- Create and maintain 228 new full-time jobs with an average annual wage of \$27,159
- Locate within the Desired Development Zone
- Work with local minority chambers of commerce to expand pool of diverse candidates in recruitment efforts
- Abide by a supplier diversity policy
- Comply with the standards and principles of the City's M/WBE Program Ordinance in the design and construction of leasehold improvements
- Comply with all City Code regulation, including applicable water quality regulations

Contractual Obligations if approved by Council

- Years 1-10: Provide performance-based economic grant equal to 40% of the new incremental real and personal property City taxes generated by the project for the tax years 2012 – 2021.
- The proposed economic development agreement is performance-based, meaning the City is not obligated to make a grant payment for any year in which the City has determined that US Farathane Corporation has failed to fulfill an obligation or condition of the contract applicable to US Farathane Corporation.