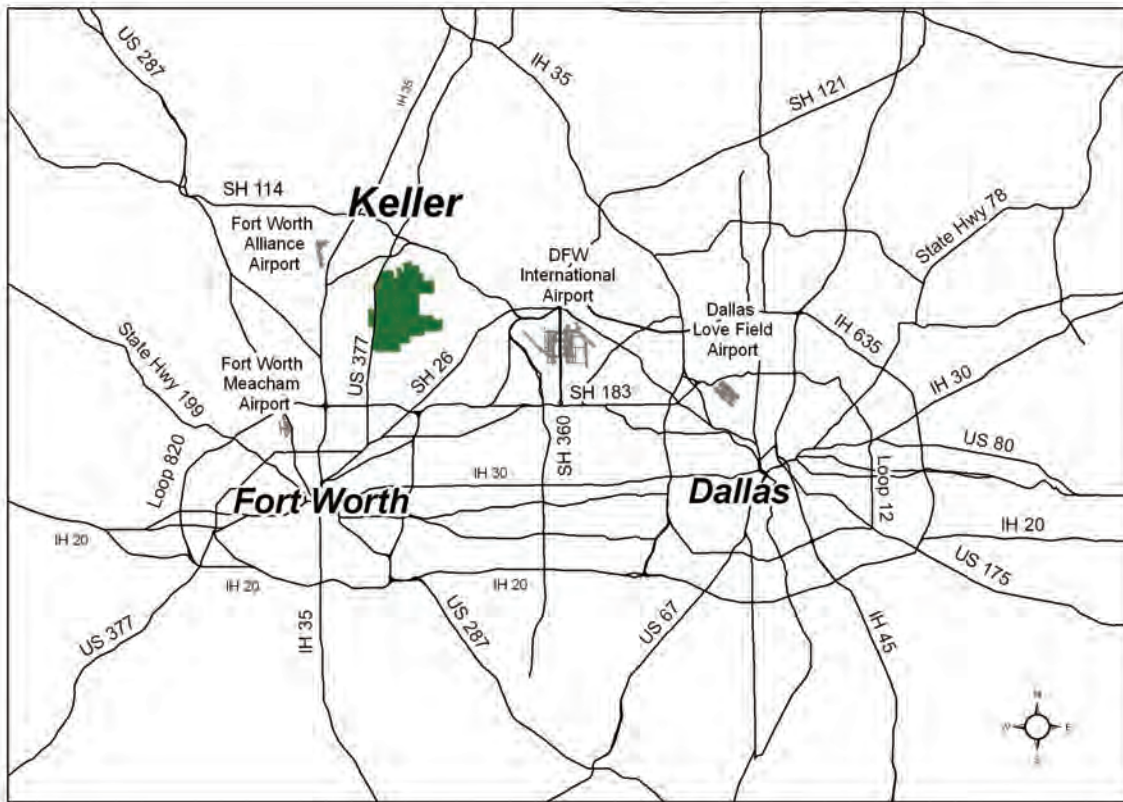


KELLER PROFILE

GENERAL INFORMATION

The City of Keller was recently rated as one of the “Top 10 Places to Live” in the United States for 2009 by *Money* magazine as well as one of the top 10 suburbs in the Dallas area in 2008 by *D magazine*. Some of the items that contributed to these rankings include our extremely low crime rate, an excellent park and trail system, diverse and affordable housing opportunities, and an overall high quality of life. This ranking is a reflection of the dynamic community that Keller is becoming and its premier location in the heart of the DFW Metroplex. Keller is approximately mid-way between the Dallas/Fort Worth International and Alliance Airports, both major employers for our community. The city’s approximately 19 square miles is traversed by several major traffic corridors including U.S. 377 and Farm-to-Market 1709. The city’s quality school system, high residential growth rate, business-friendly atmosphere, low taxes, premier park system and low crime rate make Keller an inviting destination for new commercial development projects.



Keller History. Located near Double Springs, Keller was originally known as Athol and was settled in the early 1850's because of its close proximity to the Trinity River, a supply of plentiful game, and the abundance of land for cattle raising and farming. The City of Keller was officially established in 1881 during the rapid development of railroad service through the area. It was named after John C. Keller, a Texas Pacific Railroad foreman, after the site became a stop on the railroad line. While Keller's residents were originally farmers, the arrival of the railroad helped develop the city into a successful trade center where a number of businesses thrived. Many of the buildings that housed the original businesses still stand today in the Old Town Keller area.

Keller Local Government. The City was incorporated in 1955 under the general laws of the State of Texas. In 1982, voters adopted the City's Charter, becoming a Home Rule City, and subsequently began operating under the Council-Manager form of government. The City Council is comprised of a Mayor and five Council Members, elected at-large. The Council Members are elected for two-year staggered terms and elections are held annually in May.

KELLER PROFILE

GENERAL INFORMATION

(Continued)

Establishing City policy is the sole responsibility of, and is vested in, the City Council. The City Council is required by the City Charter to appoint a City Manager to serve as the Chief Administrative and Executive Officer of the City. The duties of the City Manager include the appointment of all City department managers, administering the daily affairs of the City and ensuring that City policies are enforced.

OPERATIONS

The City of Keller provides a full level of public services to its citizens, including administrative services; police, fire and emergency medical services; municipal courts service; parks and recreation facilities; a municipal library; community planning and building inspection; economic development; public works and engineering; street maintenance; water, wastewater and drainage utility services; and contracts for solid waste collection and disposal.

The FY2010 annual budget of \$69,168,447 includes a budgeted staffing level of approximately 367 full-time equivalent employees, including 82 in the police department and 60 in the fire department.

POPULATION AND ECONOMICS

The City has experienced significant population growth since 1970 rating it among the fastest growing cities in Tarrant County. The following table presents Keller's official Census population since 1970, as well as the current year estimated population.

	Population	Increase (Decrease)	Pct Increase (Decrease)
1970 Census	1,474	NA	NA
1980 Census	4,156	2,682	182.0%
1990 Census	13,683	9,527	229.2%
2000 Census	27,345	13,662	99.8%
2009 Estimate	39,450	12,105	44.3%

The City's estimated population by 2010 is 39,827 with the expected build out population between 45,000 and 50,000.

The City is approximately 83% developed and continues to grow primarily as a residential community, with residents employed by major companies located within a 15-mile radius of the City. Several manufacturing firms are located in the Keller area, as well as a variety of commercial establishments, restaurants, shops and food stores. Increasing residential development in north Fort Worth, adjacent to Keller's boundary, impacts Keller's commercial and restaurant development due to the lack thereof in the new residential areas. The City continues to encourage quality commercial growth, which will benefit the entire community. **More than 2.1 million square feet of commercial space, valued at over \$168 million, was constructed between 2004 and 2008.** The average new home is 4,669 square feet compared to 5,296 square feet last year. The average construction value of \$303,383 compares to 2008's value of \$347,139. The City expects to have steady residential and commercial growth in the coming years.

KELLER PROFILE

POPULATION AND ECONOMICS

(Continued)

The Keller Pointe, an 87,940 square foot recreation and aquatic center financed by the Keller Development Corporation half-cent sales tax, opened in May 2004. As of July 2009 the Pointe has more than 3,508 paid memberships.

Keller Town Hall and Town Hall Plaza were dedicated on April 19, 2002. The 53,000 square foot facility houses the City Council chambers and approximately 70 employees of the administration, finance, utility billing and collections, parks and recreation administration, community development, public works administration, engineering, and human resources departments. The facility is intended to have the capacity for approximately 110 employees at build-out of the City.

In order to keep pace with the rapid residential growth and expanding commercial areas, infrastructure improvements have continued to be a high priority. A 1.4-mile section of Rufe Snow Drive, a primary arterial roadway extending from IH-820 in North Richland Hills northward to the center of Keller at Keller Parkway (F.M. 1709), is currently under review for an expansion to become either a 4-lane divided or 6-lane divided road. This expansion of Rufe Snow Drive between Rapp Road and Bear Creek Parkway is scheduled to begin in the winter of 2009, with an expected completion date in 2010. Major commercial and residential projects along Rufe Snow Drive include: North Hills Family Practice, a 22,932 sq. ft. medical office development; Cobblestone Parks, a 29-lot residential development; Family Video, an 8,161 sq. ft. retail store; and Fall Creek Estates, a 131 lot residential development nearing completion. Similarly, North Tarrant Parkway is scheduled to become a 6-lane divided arterial, with construction beginning in late 2009 or early in 2010. It, along with Rufe Snow Drive, will have landscaped medians, turn lanes, traffic signals, and sidewalks. Two additional north-south arteries are either under design or under construction. First, Randol Mill Avenue (F.M. 1938) is proposed to become a 4-lane divided roadway. This proposal is currently under design and will increase access along the City's eastern boundary to SH 114. Last, U.S. Highway 377 beginning at Keller Hicks Road and extending north to State Highway 170 completed in 2009 and now provides a new 4-lane divided highway along Keller's western boundary, thus completing a major north-south arterial roadway from IH-820 to SH 170. In addition, the expanded U.S. Highway 377 will provide improved access to several miles of prime commercial frontage totaling approximately 170 acres.

Major commercial and residential projects on U.S. Highway 377 include: AUI Contractors Field Office and Warehouse, a 30,331 sq. ft. office and contractor yard; Bear Creek Plaza, Phase 3, a 101,000 sq. ft. commercial development of restaurants and shops; Care Now, a 5,575 sq. ft. medical facility; Marshall Pointe Estates, an 84-lot residential development; Marshall Ridge, Phases 1 and 3, a 453-lot residential development. The City has included on the current Thoroughfare Master Plan to construct a one-way couplet through the Old Town Keller business district, which will ultimately create three lanes of traffic moving south along U.S. Highway 377 and three lanes of traffic traveling north along the current alignment of Elm Street. The project currently has a 10-15 year planning and design time frame, and when complete will accomplish two primary goals – the improvement of traffic flow through a major bottleneck, and the preservation of our Old Town business district.

Keller Town Center is a concentrated center of business activity that creates a focal point in the City of Keller. This focal point is non-residential with residential uses allowed as part of the overall mixed-use nature of the area. For example, the Arthouse at Keller Town Center is a 240,974 sq. ft. mixed-use development with 188 residential units. Uptown Keller, Phase 1 is another mixed-use development consisting of 48 residential lots. The major component of this development is a 27,996 square-foot retail/office building that fronts Keller Parkway (F.M. 1709). Similarly, Uptown Keller, Phase 2 consists of a 54,411 square-foot, three-story "Cornerstone Building" with retail on the ground floor and residential units on the upper floors. Other developments in Town Center include Pecan Park, a 10,170 square foot office development, a Wachovia banking facility, and the Square at Keller Town Center, a 77,600 square-foot office and retail development.

KELLER PROFILE

Area Employers. There are many employers in the Dallas/Fort Worth Metroplex area, as well as Tarrant County. The largest area employers are shown in the following table:

Major Employers	Number of Employees	Major Local Employers	Number of Employees
AMR Corporation	15,143	Keller ISD	2,103
Bell Helicopter/Textron	4,873	City of Keller (FTEs)	368
ATC Logistics	3,000	Southstar Logistics	330
Sabre Holdings	3,000	Kroger	190
BNSF Railway	2,500	Home Depot	139
Fidelity Investments	2,000	Kohl's Department Store	120
Gaylord Texan Resort	1,900	Lowe's	110
Dallas/Fort Worth Airport	1,700	Tom Thumb Grocery	101
Healthmarkets	1,200		

CENSUS AND DEMOGRAPHICS

The following information for Keller is taken from the U.S. Census 2007 Data and *American Community Survey*.

Population Characteristics (2007):

	<u>Population</u>	<u>Percent of Total</u>
Male	18,730	47.3 %
Female	18,946	52.7 %

Race (2007):

White	33,821	89.8 %
Black	1,184	3.1 %
Am. Indian	239	0.6 %
Asian	965	2.6 %
Pacific Islander	16	–
Other race	773	2.1 %
2 or more races	678	1.8 %
Hispanic origin (any race – included in above numbers)	2,259	6.0 %

2009 Estimate 39,450

Age Distribution (2007):

<u>Age</u>	<u>Percent of Total</u>
0 – 19 years	36.3 %
20 – 64	57.7 %
65+	6.0 %

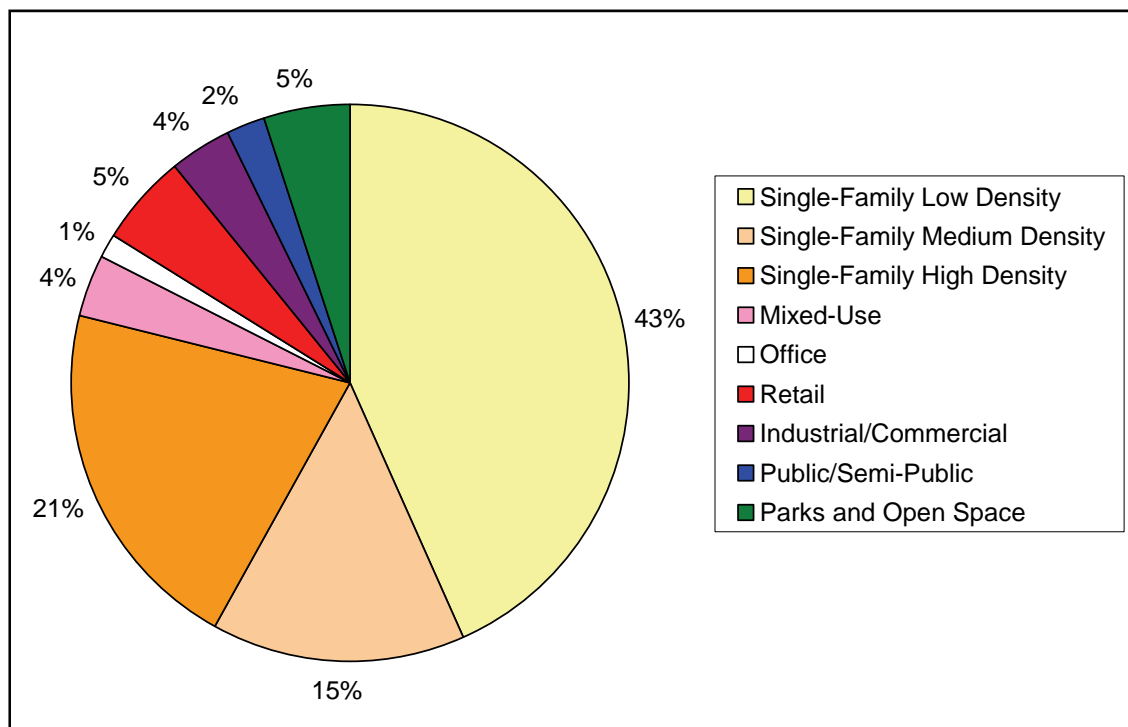
Median age: 37.3 years

Income (2007):

Median household income	\$107,518
Per capita income	\$39,614
Average household income	\$121,512

KELLER PROFILE

PROPOSED LAND USE



The above chart indicates the current proposed land use mix of Keller at build-out. Single-family residential property will comprise approximately 79% of the total land area of Keller.

EDUCATION

Education for the community is provided by the Keller Independent School District (KISD), which encompasses an area of approximately 51 square miles. The KISD conducts programs for Pre K-12, and employs approximately 2,189 teachers in addition to administrative personnel and support staff. KISD has 36 school campuses, with an approximate enrollment of 30,000 students, and an alternate education center. In addition, there are several private or parochial schools in the area. KISD also has two National Blue Ribbon Schools of Excellence, 32 TEA Exemplary and Recognized schools and the 2007 Texas State Secondary Teacher of the Year.

Educational opportunities beyond high school are readily available. The Northeast campus of the Tarrant County College District is within short driving distance. In addition, within a 40-mile radius, there are a number of colleges and universities, including Southern Methodist University, Texas Christian University, Texas Women's University, the University of North Texas, the University of Dallas, and the University of Texas at Arlington. There are also several trade, industrial and technical schools located throughout the area.

KELLER PROFILE

QUALITY OF LIFE

Parks and Recreation. The City has ten developed parks: Keller Sports Park (130 acres); Johnson Road Park (15 acres); Bear Creek Park (44 acres); The Parks at Town Center (102 acres); Bursley Ranch Park (1.34 acres); Overton Ridge Park (8 acres); Chase Oaks Activity Node (5 acres); Willis Coves Open Space (4 acres); Veteran's Memorial Park (.3 acres) and a linear park, Big Bear Creek Greenbelt (26.2 acres), which includes a 5.39 mile concrete hike and bike trail. In addition to this main spine of the trail system, Keller also provides an additional twelve (12) miles of trails throughout the city. These parks provide fishing areas, hike and bike trails, basketball and volleyball courts, playground areas, picnic tables, open play areas, practice fields and pavilions. The Keller Sports Park, opened in 1996, provides soccer and football/t-ball fields, and two 4-plex fields (baseball and softball), an outdoor multi-use arena and has leased 9.9 acres for a 68,000 square foot indoor soccer arena, including two outdoor fields. As previously mentioned, the department also operates The Keller Pointe, an 87,940 square foot state of the art recreation and aquatics center, currently serving over 3,500 annual memberships equating to over 10,000 individual members. The Keller Parks and Recreation Department offers a variety of recreational programs, special events, exercise classes, sports leagues, youth camps and workshops. The Recreation Division also administers the activities of the Keller Senior Activities Center, coordinating recreational activities, events and trips.

Keller Public Library. The Keller Public Library provides programs to citizens of all ages within the community. Special programs conducted by the library include story time, school-age programs, adult programs, and a summer reading club program. The library is currently under construction and is being renovated and expanded to approximately 21,000 square feet. Construction is scheduled to be complete in Spring of 2010.

Area Recreation and Leisure. There are several 18-hole championship golf courses located within minutes of the City. The Sky Creek Ranch course, located in Keller, opened in 1998. The City offers a suburban lifestyle with varied neighborhoods. There are approximately 20 lakes located in the 11-county Dallas/Fort Worth area, offering boating, fishing, camping and picnicking facilities. The Cities of Fort Worth and Dallas with their varied cultural opportunities of theaters, museums, zoos, botanical gardens and professional sports teams are less than a 30-minute drive from the City. Major tourism attractions in the area include: Fort Worth Botanical Gardens, Fort Worth Zoo, Fort Worth Stockyards, Hurricane Harbor, Six Flags over Texas, Texas Motor Speedway, NRH₂O family water park, and The Keller Pointe Recreation and Aquatics Center. Professional ball club franchises in the area include the Dallas Cowboys, Texas Rangers, Dallas Stars, Dallas Sidekicks, Dallas Mavericks, and FC Dallas professional clubs. There are also numerous minor and independent league franchises for baseball (the Fort Worth Cats), and hockey available in the area.

MEDICAL

Excellent health care facilities are located within minutes of the City, including four of the largest hospitals in Tarrant County. The Metroplex area is served by more than 70 hospitals offering specialized services such as organ transplantation, major trauma care, cancer treatment, kidney dialysis and chemical dependency treatment. Baylor Medical and Diagnostic Center, located on U.S. Highway 377 in Keller has approximately 39,000 square-feet, and commenced operation in March 2006. Lonestar Endoscopy, also located on U.S. Highway 377 (next to Baylor Medical) is also fully operational.

TRANSPORTATION

The City is well served by major highways. North/south highways include U.S. Highway 377, SH 121, SH 26, and FM 1938. The east/west highways include IH-820, SH 170, FM 1709, and SH 183. These major highways provide easy access to Dallas, Fort Worth, and the surrounding Metroplex area.

Air service is provided by nearby Dallas/Fort Worth International Airport, the nation's fourth busiest airport, providing service to national and international destinations. Meacham Field, approximately 5 miles away in northern Fort Worth is a fixed base operation for private and commercial service and provides sophisticated instrument approach facilities, lighted runways, terminal facilities and fuel and

KELLER PROFILE

maintenance services. Alliance Airport, located northwest of Keller, began limited operations in 1989, and is the first newly constructed industrial airport in the United States. The Airport is home to a FedEx hub, BNSF Intermodal Terminal, Drug Enforcement Agency, and numerous distribution company facilities.

2009 (FY2010) Tax Rates of Neighboring Northeast Tarrant County Cities (Rates per \$100 of Taxable Value)

