

City of Houston, Texas, Ordinance No. 2013-213

**AN ORDINANCE APPROVING THE SECOND AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER TWENTY, CITY OF HOUSTON, TEXAS (SOUTHWEST HOUSTON ZONE); CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EMERGENCY.**

\* \* \* \* \*

**WHEREAS**, by Ordinance No. 99-1330 adopted on December 15, 1999, the City Council of the City of Houston, Texas ("City") created Reinvestment Zone Number Twenty, City of Houston, Texas ("Zone") pursuant to Chapter 311 of the Texas Tax Code, as amended ("Code"), for the purposes of redevelopment in the area of the City generally referred to as Southwest Houston; and

**WHEREAS**, the Board of Directors of the Zone considered and adopted, and on April 19, 2000, by Ordinance No. 2000-310, the City approved, the Project Plan and Reinvestment Zone Financing Plan for the Zone (hereinafter, as amended, "Plans"); and

**WHEREAS**, Code Section 311.011 authorizes the Board of Directors of the Zone to adopt an amendment to its project plan with approval by City Council; and

**WHEREAS**, the Board of Directors of the Zone considered and adopted, and the City approved, a first amendment to the Plans on February 18, 2009, by Ordinance No. 2009-111; and

**WHEREAS**, at its January 11, 2013 board meeting, the Board of Directors of the Zone considered and adopted a second amendment to the Plans that included the annexation of additional territory into the Zone's boundaries ("Second Amendment"), and has recommended the Second Amendment for approval by the City; and

**WHEREAS**, before the Board of Directors of the Zone may implement the Second Amendment, the City Council must approve the Second Amendment; and

**WHEREAS**, the Second Amendment includes the implementation and continuation of projects in the original area as well as in the area to be annexed into the Zone; and

**WHEREAS**, Code Section 311.011 requires that a public hearing be held on the Second Amendment; and

**WHEREAS**, the City Council finds that notice of the public hearing was published in a newspaper of general circulation within the City in the time and manner required by law; and

**WHEREAS**, the City Council conducted a public hearing on the proposed Second Amendment on February 6, 2013; and

**WHEREAS**, at the public hearing, interested persons were allowed to speak for or against the proposed Second Amendment, the enlargement of the Zone's boundaries, and the concept of tax increment financing; and

**WHEREAS**, evidence was received and presented at the public hearing in favor of the proposed Second Amendment, the enlargement of the Zone's boundaries, and the concept of tax increment financing; and

**WHEREAS**, the City Council approved enlargement of the boundaries of the Zone by Ordinance No. 2013-213<sup>1</sup>;

**WHEREAS**, the City desires to approve the Second Amendment; **NOW, THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:**

**Section 1. Findings.** That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2. Approval of the Amendment.** That the Plans are hereby amended by adding "Part C," attached to this Ordinance as Exhibit "A." The Second Amendment

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<sup>1</sup> Ordinance number of the ordinance reducing the Zone's boundaries to be inserted by the City Secretary.

is hereby determined to be feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the Second Amendment.


**Section 3.** That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

**PASSED AND ADOPTED** this 20th day of March, 2013.

**APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is MAR 27 2013.

  
\_\_\_\_\_  
City Secretary

(Prepared by Legal Department Donna Capps <sup>DFM</sup> JK)  
(DRC:drc March 12, 2013) Assistant City Attorney  
(Requested by Andy Icken, Chief Development Officer, Office of the Mayor)  
(L.D. File No. 0619900115045)

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AYE	NO	
✓		<b>MAYOR PARKER</b>
••••	••••	<b>COUNCIL MEMBERS</b>
✓		BROWN
	ABSENT	DAVIS
✓	ABSENT ON	COHEN
	PERSONAL BUSINESS	ADAMS
	ABSENT	MARTIN
	ABSENT-CITY BUSINESS	HOANG
✓		PENNINGTON
	ABSENT-CITY BUSINESS	GONZALEZ
✓		RODRIGUEZ
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		BURKS
✓		NORIEGA
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

Second Amended Project Plan and  
Reinvestment Zone Financing Plan (Part "C")

**EXHIBIT "A"**

Second Amended Project Plan and  
Reinvestment Zone Financing Plan (Part "C")

**TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY  
CITY OF HOUSTON, TEXAS**

**SOUTHWEST HOUSTON ZONE**

**Second Amended  
Project Plan and Reinvestment Zone Financing Plan**

**January 11, 2013**

REINVESTMENT ZONE NUMBER TWENTY, CITY OF HOUSTON, TEXAS  
 SOUTHWEST HOUSTON ZONE  
 Part C – Second Amended Project Plan and Reinvestment Zone Financing Plan

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- Exhibit 1: Parts A, B and C Plan Project Costs
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TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY  
SOUTHWEST HOUSTON ZONE

SECOND AMENDED PROJECT PLAN AND  
REINVESTMENT ZONE FINANCING PLAN

AMENDED JANUARY 11, 2013

**Introduction:**

The purpose of the Project Plan and Reinvestment Zone Financing Plan (“Plan,” and the Parts A, B, and C, collectively, “Plans”) for Reinvestment Zone Number Twenty, City of Houston, Texas, the Southwest Houston Zone (“Zone”), is to set forth goals, expectations, and redevelopment plans and programs necessary to create and support an environment attractive to private investment in the greater Sharpstown Houston area in general. The intent of the Plans is to provide for improvements that will result in the long-term stability and viability of the area.

The City of Houston, Texas (“City”) created the Zone by Ordinance No. 1999-1330, on December 15, 1999 in an area of the City commonly referred to as Sharpstown. The City adopted a Plan for the Zone by Ordinance No. 2000-0310 on April 19, 2000 (“Part A Plan”). On February 18, 2009, the City approved the first Amended Project Plan and Reinvestment Zone Financing Plan for the Zone, by Ordinance No. 2009-0111 (“Part B Plan”).

**Section One:**

**The Part A Plan:** The Part A Plan covered an estimated 2,015 acres and established goals, expectations, and redevelopment plans needed to address blighted conditions associated with failing infrastructure, lack of utility capacity, increased traffic congestion attributable to street network deficiencies, pedestrian environment deficiencies, declining commercial property values, and declining retail sales resulting from increased competition between old inner-city malls and newer suburban retail shopping centers. Project emphasis defined in the Part A Plan included repositioning of the Sharpstown Mall, improvements to Bellaire Boulevard, Fondren Road, Gessner Road and Corporate Drive. The Part A Plan sought to reverse the significant social and economic stresses affecting the stability and long-term economic viability of the area through the financing of mobility enhancements, public infrastructure, and roadways.

**The Part B Plan:** The Part B Plan sought to further define the goals stated in the Part A Plan, including a continued focus on roadway and street reconstruction, public utility system improvements, the design and construction of enhanced pedestrian environments and repositioning of the Sharpstown Mall. The Part B Plan further expanded the focus of the Zone to include provisions for assistance to additional underutilized and distressed properties, primarily located along the eastern sections of Bellaire Boulevard.

The Zone and the City desire to further amend the Plans as described below in the Part C Plan.

**Section Two:**

**The Part C Plan:** The Zone and the City now propose a second amendment to the Zone's Plans, the Part C Plan. The Part C Plan provides for the enhancement of and improvements to the 860 acres of land added to the boundaries contemporaneously with this second amendment, and includes the areas covered by the Part A and Part B Plans. Public improvements proposed in the Part C Plan are in relationship to the goals, objectives, and project costs included in the original and amended Plans. Project costs are primarily intended for projects within the boundaries of the Zone; however, pursuant to Texas Tax Code Section 311.002(1), if the Zone finds that it is benefitted by implementing projects in areas outside the boundaries of the Zone, the Zone may expend project costs on those projects.

Pursuant to Texas Tax Code Section 311.010(h), the Zone's Board of Directors can establish and administer an economic development program, as authorized by Chapter 380 of the Texas Local Government Code.

**Proposed Goals for Improvements in the Zone:**

The improvements proposed are in relationship to the original goals of the Zone and are as follows:

**Goal 1: Streets and Mobility.**

Public streets and public utility systems are required to create an environment that will stimulate private investments in retail, commercial and mixed-use developments. The reconstruction of key streets and major thoroughfares will enhance the level of service in the area. All improvements will be coordinated with the street reconstruction programs of the City, METRO, TxDOT and other public entities. Attention will be placed on leveraging Zone monies through the funding of elements not addressed by the CIP programs of sister agencies.

**Goal 2: Drainage and Detention.**

Storm water management will be achieved through the repair and replacement of drainage systems and the design and construction of new storm water utility systems, detention basins and other improvements proven to reduce volumes of runoff from drainage areas.

**Goal 3: Redevelopment and upgrades to public green space, pocket parks, regional parks, plazas, squares, and other appropriate recreational facilities including pedestrian bridges and hike and bike trails.**

Public infrastructure, pedestrian bridges, regional trail systems, and other enhancements to area parks and other public open green space will attract and support redevelopment and improve the quality of life of area neighborhoods and visitors by increasing the attractiveness of the area.

**Goal 4: The reinforcement of pedestrian-attractive retail developments along primary and secondary corridors.**

The retention and expansion of retail and commercial developments along primary arterials such as Bellaire, Fondren, Beechnut, Hillcroft, Harwin, and Bissonnet Corridors, and secondary roadways are of key importance to the successful redevelopment of the area. The provision of

base level retail functionality is essential to the continued expansion of mixed-use projects in the area. In particular, it is envisioned to develop Bellaire Boulevard into a key arterial, through the implementation of a program resulting in an enhanced pedestrian environment with an emphasis on parking, lighting, street trees, landscaping, wide sidewalks, public art, and adequate pedestrian amenities.

**Goal 5: Cultural and Public Facilities.**

Increasing cultural and public facilities in the Southwest Houston Zone area has emerged as an important public policy goal of the Part C Plan, along with improved infrastructure the additional fire, police and library facilities will lead to improved security and enhance the quality of life for existing and new residents and businesses.

**Goal 6: Economic Development.**

In cases where existing public infrastructure is insufficient or inadequate to stimulate private investment and economic development, the Zone would seek to fund an economic development program that would directly incentivize private enterprise that affects the Zone and serve as a catalyst for other business developments. Examples of how the program would be used include funding for business development and retention, business loss mitigation in cases where large public construction projects disrupt access to and operation of businesses, economic development grants or loans to catalyze investments, and matching grants to provide leverage for other economic development funds, such as state enterprise projects, state economic development bank funds and new market tax credit allocations. In cases such as those described in this section, an appropriate economic development program would be proposed by the City and/or the Zone and approved by both the Zone and the City.

**PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN:**

**A. PROJECT PLAN**

Existing and Proposed Uses of Land (Texas Tax Code §311.011(b)(1)): Map 1 attached hereto depicts the existing land and proposed uses in the Zone. The existing and proposed land uses include multi-family residential, commercial, office, public and institutional, transportation and utility, park and open spaces, and undeveloped land uses.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Texas Tax Code §311.011(b)(2)): All construction will be performed in conformance with the City's existing rules and regulations. There are no proposed changes to any City ordinance, master plan, or building code.

Estimated Non-Project Costs (Texas Tax Code §311.011(b)(3)): The non-project costs reflect, in part, costs of the Greater Sharpstown Management District and its annual assessment revenues, a portion of which will be spent within the Zone to fund public safety, cleaning and trash removal, landscape maintenance, pedestrian lighting, streetscape amenities, planning and capital project development, retail and business development programs, and marketing and communications.

Method of Relocating Persons to be Displaced, if any, as a Result of Implementing the Plan (Texas Tax Code §311.011(b)(4)): It is not anticipated that any residents will be displaced by any of the projects to be undertaken in the Zone.

## **B. REINVESTMENT ZONE FINANCING PLAN**

Estimated Project Costs (Texas Tax Code §311.011(c)(1)): Exhibit 1 (attached) details the proposed public improvement and administrative project costs. The dollar amounts are approximate and may be amended from time to time by City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on Exhibit 1.

Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed in the TIRZ (Texas Tax Code §311.011(c)(2)): These details are described throughout the Plan.

Economic Feasibility Study and Finding of Feasibility (Texas Tax Code §311.011(c)(3)): Economic feasibility studies have been completed that demonstrate the economic potential of the Zone including the CDS Market Research Study titled Market and Economic Feasibility Analysis, Multi-Use Commercial Development, Proposed Southwest Houston Reinvestment Zone, completed in February, 1999 and the Market and Economic Feasibility Analysis, Proposed Southwest Reinvestment Zone, prepared by CDS Market Research in May 1999 and the Transportation Improvements Bellaire/Fondren Corridor Plan completed by HNTB, February 2003. Exhibits 2 through 4 constitute incremental revenue estimates for the Zone. The incremental revenue estimates are projected to be sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone. The Plan estimates total project costs of \$192,750,000. The Zone and the City find and determine that the Parts A, B and C Plans are economically feasible.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011(c)(4), §311.011(c)(5)): Notes have been issued by the Zone. Additional notes issues are anticipated. The value and timing of future note and bond issues will correlate to the debt capacity as derived from the revenue and project schedules attached hereto, and by actual market conditions for the issue and sale of such notes and bonds. The Zone will explore other financing methods as well, including developer agreement financing and collaboration with other entities for grant funding and partnerships.

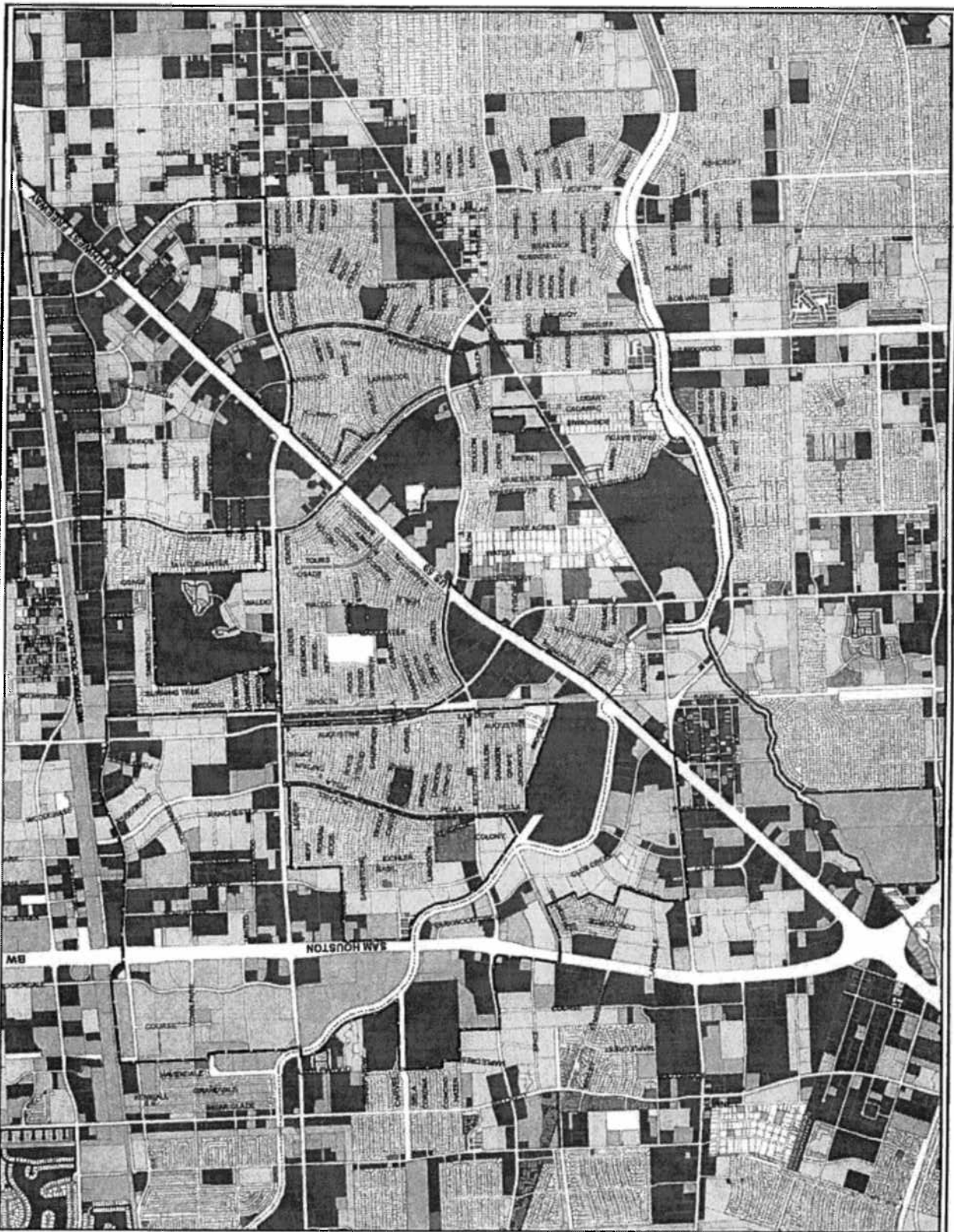
Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code §311.011(c)(6)): Methods and sources of financing include the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. Tax Year 1999 was the base year for the Zone. As outlined in Exhibits 2 through 4, at least \$175,459,782 of increment is estimated to be generated by the Zone for use in funding project costs. This figure is calculated using an estimated collection rate of 95% and a City contribution of \$0.63875/\$100 of assessed valuation in the Original Area.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011(c)(7)): The current projected appraised value of taxable real property in the Zone, as of April 9, 2012, is \$1,572,214,631.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code §311.011(c)(8)): The estimated captured appraised value for the remaining duration of the Zone is set forth in Exhibit 2.

Zone Duration (Texas Tax Code §311.011(c)(9)): When the Zone was initially created by City Council on December 15, 1999, its duration was established at 30 years.

## EXHIBITS



**City of Houston  
TIRZ #20  
Proposed & Existing  
Landuse**

- Legend**
- Waterway
  - Parcels
  - Southwest Houston
  - Single-Family Residential
  - Multi-Family Residential
  - Commercial
  - Office
  - Industrial
  - Public & Institutional
  - Transportation & Utility
  - Park & Open Spaces
  - Agriculture Production
  - Undeveloped
  - Unknown



0 1,200 2,400 Feet

Source: GIS Services Division  
Date: January 2013  
Reference: p16898\_Landuse

This map is made available for reference purposes only and should not be substituted for a survey product. The City of Houston will not accept liability of any kind in conjunction with its use.



**PLANNING &  
DEVELOPMENT  
DEPARTMENT**

**MAP 1 - Proposed & Existing Land Use**

Exhibit 1: Parts A, B and C Plan Project Costs

Exhibit 1 - Part C Project Costs Schedule	2000 Plan Estimated Costs	2009 Plan Estimated Costs	2013 Plan Estimated Costs	Total Plan	Costs through 06/30/12	Remaining Costs
<b>Non-Educational Project Costs</b>						
<b>Infrastructure Improvements:</b>						
<b>Roadways and Street Improvements</b>						
Roadway and Street Reconstruction Projects	\$ 11,806,000	\$ 35,393,667	\$ 65,000,000	\$ 65,000,000	\$ 31,997,271	\$ 33,002,729
<b>Total Roadway and Street Improvements -</b>	<b>\$ 11,806,000</b>	<b>\$ 35,393,667</b>	<b>\$ 65,000,000</b>	<b>\$ 65,000,000</b>	<b>\$ 31,997,271</b>	<b>\$ 33,002,729</b>
<b>Infrastructure Improvements:</b>						
Public Utility Improvements	\$ 3,650,000	\$ 15,167,286	\$ 25,000,000	\$ 25,000,000	\$ 13,713,116	\$ 11,286,884
<b>Total Infrastructure Improvements -</b>	<b>\$ 3,650,000</b>	<b>\$ 15,167,286</b>	<b>\$ 25,000,000</b>	<b>\$ 25,000,000</b>	<b>\$ 13,713,116</b>	<b>\$ 11,286,884</b>
<b>Total Roadway and Infrastructure Improvements -</b>	<b>\$ 15,456,000</b>	<b>\$ 50,560,953</b>	<b>\$ 90,000,000</b>	<b>\$ 90,000,000</b>	<b>\$ 45,710,387</b>	<b>\$ 44,289,613</b>
<b>Other Project Costs:</b>						
<b>Parks and Recreational Facilities Improvements</b>						
Parks, Plazas, Hike and Bike Trails, Pedestrian Bridges	\$ 3,060,000	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000
<b>Total Parks and Recreational Facilities Improvements -</b>	<b>\$ 3,060,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>
<b>Flood Remediation/Reclamation Projects</b>						
Storm Water Infrastructure/Detention Basins/Reclamation Projects	\$ -	\$ -	\$ 20,000,000	\$ 20,000,000	\$ -	\$ 20,000,000
<b>Total Flood Remediation/Reclamation Im p rovements -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,000,000</b>	<b>\$ 20,000,000</b>	<b>\$ -</b>	<b>\$ 20,000,000</b>
<b>Cultural &amp; Public Facility Improvements</b>						
Cultural & Public Facility Improvements	\$ -	\$ 5,250,000	\$ 5,250,000	\$ 5,250,000	\$ 2,082,000	\$ 3,168,000
<b>Total Cultural and Public Facility Im p rovements -</b>	<b>\$ -</b>	<b>\$ 5,250,000</b>	<b>\$ 5,250,000</b>	<b>\$ 5,250,000</b>	<b>\$ 2,082,000</b>	<b>\$ 3,168,000</b>
<b>Property Acquisition/Land Assemblage</b>						
Land Assembly	\$ -	\$ -	\$ 25,000,000	\$ 25,000,000	\$ -	\$ 25,000,000
<b>Total Property Acquisition -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,000,000</b>	<b>\$ 25,000,000</b>	<b>\$ -</b>	<b>\$ 25,000,000</b>
<b>Economic Development Programs</b>						
Economic Development Grants	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000
<b>Total Economic Development Im p rovements -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ -</b>	<b>\$ 10,000,000</b>
<b>Financing Cost:</b>						
Financing Cost	\$ 22,203,050	\$ 35,000,000	\$ 30,000,000	\$ 30,000,000	\$ 9,175,786	\$ 20,824,214
<b>Total Financing Costs -</b>	<b>\$ 22,203,050</b>	<b>\$ 35,000,000</b>	<b>\$ 30,000,000</b>	<b>\$ 30,000,000</b>	<b>\$ 9,175,786</b>	<b>\$ 20,824,214</b>
<b>Zone Administration:</b>						
Administration Costs	\$ 970,000	\$ 1,750,000	\$ 2,500,000	\$ 2,500,000	\$ 2,343,197	\$ 156,803
<b>Total Zone Administration Costs -</b>	<b>\$ 970,000</b>	<b>\$ 1,750,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,500,000</b>	<b>\$ 2,343,197</b>	<b>\$ 156,803</b>
<b>Total Other Project Costs -</b>	<b>\$ 41,689,050</b>	<b>\$ 92,560,953</b>	<b>\$ 192,750,000</b>	<b>\$ 192,750,000</b>	<b>\$ 59,311,370</b>	<b>\$ 133,438,630</b>
<b>PROJECT PLAN TOTAL</b>	<b>\$ 41,689,050</b>	<b>\$ 92,560,953</b>	<b>\$ 192,750,000</b>	<b>\$ 192,750,000</b>	<b>\$ 59,311,370</b>	<b>\$ 133,438,630</b>



Exhibit 2: Net Revenue and Transfer Schedule Original and Annexed Area – City of Houston

Tax Year (1)	Increment Revenue					Net Revenue (Total Increment Revenue less Total Transfers)
	Original Area	Annexed Area	Total	City Admin Fee	Total Transfers	
2012	\$ 4,890,420	\$ -	\$ 4,890,420	\$ 244,521	\$ 244,521	\$ 4,645,899
2013	\$ 5,367,440	\$ -	\$ 5,367,440	\$ 268,372	\$ 268,372	\$ 5,099,068
2014	\$ 5,868,310	\$ -	\$ 5,868,310	\$ 293,416	\$ 293,416	\$ 5,574,895
2015	\$ 6,394,225	\$ -	\$ 6,394,225	\$ 319,711	\$ 319,711	\$ 6,074,513
2016	\$ 6,946,435	\$ -	\$ 6,946,435	\$ 347,322	\$ 347,322	\$ 6,599,113
2017	\$ 7,526,255	\$ -	\$ 7,526,255	\$ 376,313	\$ 376,313	\$ 7,149,942
2018	\$ 8,135,067	\$ -	\$ 8,135,067	\$ 406,753	\$ 406,753	\$ 7,728,313
2019	\$ 8,774,319	\$ -	\$ 8,774,319	\$ 438,716	\$ 438,716	\$ 8,335,603
2020	\$ 9,445,533	\$ -	\$ 9,445,533	\$ 472,277	\$ 472,277	\$ 8,973,257
2021	\$ 10,150,309	\$ -	\$ 10,150,309	\$ 507,515	\$ 507,515	\$ 9,642,793
2022	\$ 10,890,323	\$ -	\$ 10,890,323	\$ 544,516	\$ 544,516	\$ 10,345,807
2023	\$ 11,667,338	\$ -	\$ 11,667,338	\$ 583,367	\$ 583,367	\$ 11,083,971
2024	\$ 12,483,203	\$ -	\$ 12,483,203	\$ 624,160	\$ 624,160	\$ 11,859,043
2025	\$ 13,339,862	\$ -	\$ 13,339,862	\$ 666,993	\$ 666,993	\$ 12,672,869
2026	\$ 14,239,354	\$ -	\$ 14,239,354	\$ 711,968	\$ 711,968	\$ 13,527,387
2027	\$ 15,183,821	\$ -	\$ 15,183,821	\$ 759,191	\$ 759,191	\$ 14,424,630
2028	\$ 16,175,510	\$ -	\$ 16,175,510	\$ 808,776	\$ 808,776	\$ 15,366,735
2029	\$ 17,216,785	\$ -	\$ 17,216,785	\$ 860,839	\$ 860,839	\$ 16,355,946
	\$ 184,694,507	\$ -	\$ 184,694,507	\$ 9,234,725	\$ 9,234,725	\$ 175,459,782

Notes:

- (1) Southwest Houston Reinvestment Zone Number 20 is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 2012. Tax Years 2012 to 2029 increase at an annual rate of 5%
- (3) Tax Year 2012 Uncertified Property Values based on HawesHillCalderon Report dated August 15, 2012
- (4) Collection Rate for Tax Year 2012 to Tax Year 2028 estimated at 95%

Exhibit 3: Revenue Schedule: 1999 Original Area – City of Houston

<b>Tax Year(1)</b>	<b>Base Value (2)</b>	<b>Projected Value (3)</b>	<b>Captured Appraised Value</b>	<b>Collection Rate (4)</b>	<b>Tax Rate</b>	<b>Increment Revenue</b>
2012	\$ 766,295,210	\$ 1,572,214,631	\$ 805,919,421	95.00%	0.63875	\$ 4,890,420
2013	\$ 766,295,210	\$ 1,650,825,363	\$ 884,530,153	95.00%	0.63875	\$ 5,367,440
2014	\$ 766,295,210	\$ 1,733,366,631	\$ 967,071,421	95.00%	0.63875	\$ 5,868,310
2015	\$ 766,295,210	\$ 1,820,034,962	\$ 1,053,739,752	95.00%	0.63875	\$ 6,394,225
2016	\$ 766,295,210	\$ 1,911,036,710	\$ 1,144,741,500	95.00%	0.63875	\$ 6,946,435
2017	\$ 766,295,210	\$ 2,006,588,546	\$ 1,240,293,336	95.00%	0.63875	\$ 7,526,255
2018	\$ 766,295,210	\$ 2,106,917,973	\$ 1,340,622,763	95.00%	0.63875	\$ 8,135,067
2019	\$ 766,295,210	\$ 2,212,263,872	\$ 1,445,968,662	95.00%	0.63875	\$ 8,774,319
2020	\$ 766,295,210	\$ 2,322,877,065	\$ 1,556,581,855	95.00%	0.63875	\$ 9,445,533
2021	\$ 766,295,210	\$ 2,439,020,919	\$ 1,672,725,709	95.00%	0.63875	\$ 10,150,309
2022	\$ 766,295,210	\$ 2,560,971,965	\$ 1,794,676,755	95.00%	0.63875	\$ 10,890,323
2023	\$ 766,295,210	\$ 2,689,020,563	\$ 1,922,725,353	95.00%	0.63875	\$ 11,667,338
2024	\$ 766,295,210	\$ 2,823,471,591	\$ 2,057,176,381	95.00%	0.63875	\$ 12,483,203
2025	\$ 766,295,210	\$ 2,964,645,170	\$ 2,198,349,960	95.00%	0.63875	\$ 13,339,862
2026	\$ 766,295,210	\$ 3,112,877,429	\$ 2,346,582,219	95.00%	0.63875	\$ 14,239,354
2027	\$ 766,295,210	\$ 3,268,521,300	\$ 2,502,226,090	95.00%	0.63875	\$ 15,183,821
2028	\$ 766,295,210	\$ 3,431,947,365	\$ 2,665,652,155	95.00%	0.63875	\$ 16,175,510
2029	\$ 766,295,210	\$ 3,603,544,734	\$ 2,837,249,524	95.00%	0.63875	\$ 17,216,785
	\$ 13,793,313,780	\$ 44,230,146,789	\$ 30,436,833,009			\$ 184,694,507

Notes:

- (1) Southwest Houston Reinvestment Zone Number 20 is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 2012. Tax Years 2012 to 2029 increase at annual rate of 5%
- (3) Tax Year 2012 Uncertified Property Values based on Hawes Hill Calderon Report dated August 15, 2012
- (4) Collection Rate for Tax Year 2012 to Tax Year 2028 estimated at 95%

Exhibit 4: Revenue Schedule: 2013 Annexed Area - City of Houston

Tax Year(1)	Base Value (2)	Projected Value (3)	Captured Appraised Value	Collection Rate (4)	Tax Rate	Increment Revenue
2012	\$ 226,758,612	\$ 226,758,612	\$ -	0.00%	0.63875	\$ -
2013	\$ 226,758,612	\$ 238,096,543	\$ 11,337,931	0.00%	0.63875	\$ -
2014	\$ 226,758,612	\$ 250,001,370	\$ 23,242,758	0.00%	0.63875	\$ -
2015	\$ 226,758,612	\$ 262,501,438	\$ 35,742,826	0.00%	0.63875	\$ -
2016	\$ 226,758,612	\$ 275,626,510	\$ 48,867,898	0.00%	0.63875	\$ -
2017	\$ 226,758,612	\$ 289,407,836	\$ 62,649,224	0.00%	0.63875	\$ -
2018	\$ 226,758,612	\$ 303,878,227	\$ 77,119,615	0.00%	0.63875	\$ -
2019	\$ 226,758,612	\$ 319,072,139	\$ 92,313,527	0.00%	0.63875	\$ -
2020	\$ 226,758,612	\$ 335,025,746	\$ 108,267,134	0.00%	0.63875	\$ -
2021	\$ 226,758,612	\$ 351,777,033	\$ 125,018,421	0.00%	0.63875	\$ -
2022	\$ 226,758,612	\$ 369,365,885	\$ 142,607,273	0.00%	0.63875	\$ -
2023	\$ 226,758,612	\$ 387,834,179	\$ 161,075,567	0.00%	0.63875	\$ -
2024	\$ 226,758,612	\$ 407,225,888	\$ 180,467,276	0.00%	0.63875	\$ -
2025	\$ 226,758,612	\$ 427,587,182	\$ 200,828,570	0.00%	0.63875	\$ -
2026	\$ 226,758,612	\$ 448,966,541	\$ 222,207,929	0.00%	0.63875	\$ -
2027	\$ 226,758,612	\$ 471,414,868	\$ 244,656,256	0.00%	0.63875	\$ -
2028	\$ 226,758,612	\$ 494,985,612	\$ 268,227,000	0.00%	0.63875	\$ -
2029	\$ 226,758,612	\$ 519,734,892	\$ 292,976,280	0.00%	0.63875	\$ -
		\$ 6,379,260,501	\$ 2,297,605,485			\$ -

Notes:

- (1) Southwest Houston Reinvestment Zone Number 20 is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 2012. Tax Years 2012 to 2029 increase at annual rate of 5%
- (3) Tax Year 2012 Uncertified Property Values based on Hawes Hill Calderon Report dated August 15, 2012
- (4) Collection Rate for Tax Year 2012 to Tax Year 2028 estimated at 95%
- (5) The City of Houston participates in the 2012 Annexed Area at 0% of the City Tax rate.