

City of Houston, Texas, Ordinance No. 2015-1050

AN ORDINANCE APPROVING THE FOURTH AMENDMENT TO THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER NINETEEN, CITY OF HOUSTON, TEXAS (UPPER KIRBY ZONE); AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLANS; EXTENDING THE DURATION OF THE ZONE TO DECEMBER 31, 2040; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

\* \* \* \* \*

**WHEREAS**, by Ordinance No. 1999-767 adopted July 21, 1999, the City Council of the City of Houston, Texas (the "City") created Reinvestment Zone Number Nineteen, City of Houston, Texas (the "Zone") pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Code") for the purposes of development and redevelopment in the area of the City generally referred to as Upper Kirby (the "Creation Ordinance"); and

**WHEREAS**, by Ordinance No. 1999-773, adopted on July 28, 1999, the City approved the Project Plan and Reinvestment Zone Financing Plan for the Zone, as approved and recommended by the Board of Directors of the Zone (together with subsequent amendments, the "Plans"); and

**WHEREAS**, the City enlarged the boundaries of the Zone by Ordinance No. 2015-1049 on November 4 2015<sup>1</sup>; and

**WHEREAS**, Chapter 311 of the Code authorizes the Board of Directors of the Zone to adopt an amendment to the Plans, which amendment becomes effective upon approval by City Council; and

<sup>1</sup> Ordinance number enlarging the Zone's boundaries and date of Council approval to be inserted by the City Secretary.

**WHEREAS**, the Board of Directors of the Zone adopted and recommended subsequent amendments to the Plans, which the City Council approved, by Ordinance No. 2007-140 on January 31, 2007, Ordinance No. 2008-976 on November 5, 2008, and Ordinance No. 2009-1216 on December 2, 2009; and

**WHEREAS**, the Board of Directors of the Zone, at its July 16, 2014 board meeting, considered and adopted another set of proposed amendments to the Plans (the "Fourth Amendment"), and recommended the Fourth Amendment for approval by City Council; and

**WHEREAS**, the Board of Directors of the Zone, at its board meeting, approved enlargement of the boundaries of the Zone and has requested City Council's approval of the boundary enlargement; and

**WHEREAS**, the Fourth Amendment includes projects for the enlarged area; and

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

**WHEREAS**, a public hearing on the Fourth Amendment is required to be held in accordance with the provisions of Section 311.011 of the Code; and

**WHEREAS**, 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**, City Council conducted a public hearing on the proposed Fourth Amendment on October 21, 2015; and

**WHEREAS**, at the public hearing, interested persons were allowed to speak for or against the proposed Fourth Amendment and the concept of tax increment financing; and

**WHEREAS**, evidence was received and presented at the public hearing in favor of the proposed Fourth Amendment and the concept of tax increment financing; and

**WHEREAS**, in the Creation Ordinance, the termination date specified for the Zone was December 31, 2014, establishing a 15-year duration period for the Zone. Subsequently, by Ordinance No. 2009-2015 adopted by City Council on December 2, 2009, the duration of the Zone was extended to December 31, 2029; and

**WHEREAS**, pursuant to the Fourth Amendment, the Zone's projects have been expanded, requiring additional time to implement the projects in the Plans, rendering inadequate the initial and subsequent duration of the Zone; and

**WHEREAS**, the addition of eleven years to the duration of the Zone, extending the duration to December 31, 2040, will permit the Zone to complete the purposes for which it was established under current conditions and circumstances, and to implement the Fourth Amendment; and

**WHEREAS**, an amendment to the Plans to extend the Zone's duration for an additional eleven years has been approved by the Zone's Board of Directors and submitted to the City for review and approval; and

**WHEREAS**, pursuant to Code Section 311.007(c) and Section 311.017(a), City Council may, by ordinance, extend a reinvestment zone's termination date to a date later than the date originally established for termination of a zone; and

**WHEREAS**, the Zone's Board of Directors has requested City Council to extend the termination date of the Zone for an additional eleven years; and

**WHEREAS**, the findings contained in the Creation Ordinance continue to apply to the Zone, and all terms and conditions of the Creation Ordinance, except as modified by this Ordinance, remain in full force and effect; and

**WHEREAS**, the City desires to approve the Fourth Amendment and extend the Zone's duration to December 31, 2040; **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 found and declared to be true and correct and are adopted as part of this Ordinance.

**Section 2. Approval of the Amendment.** That the Plans are amended by adding "Part E," attached to this Ordinance as **EXHIBIT A**. The Fourth Amendment is determined to be feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the Fourth Amendment.

**Section 3. Distribution to Taxing Units.** That the City Secretary is directed to provide copies of the Fourth Amendment to each taxing unit levying ad valorem taxes in the Zone.

**Section 4. Extension of the Duration of the Zone.** That the duration of Reinvestment Zone Number Nineteen, City of Houston, Texas, is hereby extended to December 31, 2040. Except as provided in the preceding sentence of this Ordinance, the Creation Ordinance shall continue in full force and effect.

**Section 5. Severability.** That if any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or its application to any person or set of circumstances, is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining provisions of this Ordinance shall not be affected, it being the intent of City Council in adopting this Ordinance that no portion, provision or regulation shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion, provision, or regulation, and all provisions of this Ordinance are declared to be severable for that purpose.

**Section 6.** 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 4<sup>th</sup> day of November, 2015.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is NOV 10 2015.

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

CAPTION PUBLISHED IN DAILY COURT  
REVIEW  
DATE: NOV 10 2015

Prepared by Legal Department                     *Donna Capps*                      
 DRC:drc October 27, 2015                      Assistant City Attorney  
 Requested by Andrew F. Icken, Chief Development Officer, Office of the Mayor

L. D. File No. 0421500154003  
 G:\REAL ESTATE\TIRZITIRZ 19 Upper Kirby\Project Plan\4th Amendment\ORD FINAL 4th Amend P-Plan Upper Kirby 10-27-15 (2).docx

AYE	NO	
✓		<b>MAYOR PARKER</b>
....	....	<b>COUNCIL MEMBERS</b>
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		NGUYEN
✓		PENNINGTON
✓		GONZALEZ
✓		GALLEGOS
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		ROBINSON
✓		KUBOSH
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT A**

**PART E – FOURTH AMENDMENT TO THE PROJECT PLAN  
AND REINVESTMENT ZONE FINANCING PLAN  
FOR THE UPPER KIRBY ZONE**

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

**UPPER KIRBY ZONE**

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

**November 2015**

REINVESTMENT ZONE NUMBER NINETEEN, CITY OF HOUSTON, TEXAS  
UPPER KIRBY ZONE  
Fourth Amended Project Plan and Reinvestment Zone Financing Plan  
Part E Plan

Table of Contents

Introduction:.....1

Section One:.....1

The Part A Plan.....2

The Part B Plan.....2

The Part C Plan.....2

The Part D Plan.....2

Section Two:.....2

The Part E Plan.....2

Overview:.....3

The Part E Plan Initiatives.....3

Goal 1.....3

Goal 2.....3

Goal 3.....3

Goal 4.....3

Goal 5.....3

Project Plan and Reinvestment Zone Financing Plan for the Zone:.....4

Estimated and Proposed Uses of Land.....4

Proposed Changes of Zoning Ordinances, Master Plan of Municipality,  
Building Codes, and other Municipal Ordinances.....4

Estimated Non-Project Cost Items.....4

Method of Relocating Persons to be Displaced as a Result of  
Implementing the Plan.....4

Reinvestment Zone Financing Plan:.....4

Estimated Project Costs:.....4

Proposed Kind, Number, and Location of all Proposed Public Works or  
Public Improvements to be Financed in the Zone.....5

Estimated Amount of Bond Indebtedness; Estimated Time When Related  
Costs or Monetary Obligations Incurred.....5

Methods and Sources of Financing Project Costs and Percentage of  
Increment from Taxing Units to Contribute Tax Increment to the Zone.....5

Current Total Appraised Value of Taxable Real Property.....5

Estimated Captured Appraised Value of Zone During Each Year of  
Existence.....5

Zone Duration.....5

Maps and Exhibits:

Map 1	Map of Existing Land Uses
Map 2	Map of Proposed Land Uses
Exhibit 1	Parts A, B, C, D & E Plan Project Costs
Exhibit 2	Part E Plan Net Revenue Schedule: All Entities
Exhibit 3	Part E Plan Net Revenue and Transfers Schedule: All Entities
Exhibit 3A	Part E Plan Net Revenue Schedule: City of Houston

## **Introduction:**

The purpose of the Project Plan and Reinvestment Zone Financing Plan and amendments (the "Plans") for Reinvestment Zone Number Nineteen, City of Houston, Texas (the "Zone") sets forth goals, expectations and redevelopment plans and programs necessary to create and support an environment attractive to private investment in the Upper Kirby area. Land area within the Zone includes commercial, multifamily, and mixed-use properties in an area generally bounded by Westheimer on the north, Bissonnet on the south, Buffalo Speedway on the west, and South Shepherd on the east, plus two roadway extensions along the Kirby Drive right-of-way north from Westheimer to San Felipe and the Richmond Avenue right-of-way from Buffalo Speedway to the Southern Pacific railway line. The intent of the Plans is to implement improvements that will result in the long-term stability and viability of the area.

The City created the Zone on July 21, 1999, by Ordinance No. 1999-767, for an area covering 838.78 acres located primarily north of the Southwest Freeway within the limits of the Interstate 610 loop. The City adopted the Plans for the area by Ordinance No. 1999-773 on July 28, 1999 (the "Part A Plan"). On January 31, 2007, by Ordinance No. 2007-140, the City approved the Amended Project Plan and Reinvestment Zone Financing Plan for the Zone (the "Part B Plan"). On November 5 2008, by Ordinance No. 2008-976, the City approved the Second Amended Project Plan and Reinvestment Zone Financing Plan (the "Part C Plan"), which consisted primarily of a reallocation of funds within the approved Part B Plan and the addition of new project categories, including construction of the Upper Kirby Civic Complex. On December 2, 2009, by Ordinance No. 2009-1216, the City approved a Third Amended Project Plan and Reinvestment Zone Financing Plan (the "Part D Plan"). The Part D Plan restated the goals and objectives of the Parts A, B, C and D Plans and included provisions for the extension of the Zone's duration to December 31, 2029.

The Zone and the City now desire to further amend the Plans. This Fourth Amendment to the Plans (the "Part E Plan") consists of Section One and Section Two.

## **Section One:**

**The Part A Plan:** The primary focus of the Part A Plan was to address problems related to extreme traffic congestion, deficient traffic infrastructure, deficient storm sewer infrastructure, inadequate or absent sidewalk infrastructure, limited secondary street network, lack of pedestrian safety, numerous abandoned and vacant structures, and substandard and underutilized parks. The corrective methodology defined in the Part A Plan consisted primarily of roadway and street reconstruction, public utility infrastructure improvements, street lighting, sidewalk construction, the creation of pedestrian environments, and real property acquisition.

**The Part B Plan:** The Part B Plan sought to build upon the goals previously defined in the Part A Plan. The Part B Plan further defined Zone functions specific to assisting in the development of commercial, retail, mixed use, and high density residential development. Additionally, criteria was defined that provided for improvements to secondary streets such as Wakeforest, Lake, Eastside and other smaller streets unable to accommodate traffic circulation. For example, a Houston Galveston Area Council accident analysis conducted on Kirby Drive revealed an accident rate higher than the State average due to narrow lanes and the absence of a pedestrian

refuge in the center of the roadway. The Part B Plan sought to implement the redefined goals while remaining consistent with the Part A Plan through continued focus on roadway and street reconstruction, associated public utility replacement and system upgrades, street lighting, and the development of pedestrian environments through the construction of sidewalks, street lighting, landscaping, street furniture, pedestrian amenities, and the acquisition of real property.

The Part C Plan: The Part C Plan further defined the fundamental goals and objectives identified in the Part A and Part B Plans. The primary intent of the Part C Plan was to provide adequate community facilities within the Upper Kirby District and surrounding neighborhoods. Thus, the Upper Kirby Civic Complex was developed to include Levy Park and encompass an estimated 10.5 acres. The complex included public parking, a theater, community meeting space, and a public art plaza.

The Part D Plan: The Part D Plan included provisions for additional funds associated with the extended term of the Zone. The additional funds were to be used for public works and other public improvement project costs categories consistent with the Parts A, B, and C Plans, resulting in an overall increase in project costs of \$168,563,586 to alleviate blight and deteriorated site and street conditions, provide public services and facilities, and encourage the sound growth of residential, retail, and commercial development in the Upper Kirby area.

## **Section Two:**

### The Part E Plan:

The Zone has made significant strides to reverse deterioration and spur economic revitalization within the boundaries of the Zone. Nevertheless, much remains to be accomplished. Although the Zone is adjacent to major activity centers, it still has areas that include a predominance of defective and inadequate sidewalk and street layouts, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, unsanitary and unsafe conditions, deteriorated site improvements and other factors that endanger life and property by fire or other causes and that substantially impair and arrest sound growth of the City of Houston and Harris County.

The Part E Plan contemplates improvements that will enhance the community by attracting new businesses and residents to the Upper Kirby area.

Consistent with the Parts A, B, C, and D Plans, the Part E Plan provides for the design and construction of utility systems, roadways and streets, flood remediation infrastructure, parks, related recreational infrastructure, public art, lighting, and landscaping. The goals of the Zone are to create a new urban neighborhood while respecting the historic character of the area, enhance gateways between Upper Kirby and adjacent districts, develop connections with other neighborhoods and activity centers, and enhance the civic pride of area residents.

The Part E goals are in relationship to the original goals of the Zone, as follows:

Goal 1: *The creation of pedestrian-friendly, safe environments through the reconstruction of streets and sidewalks, with ample lighting and streetscape amenities.*

Streetscape enhancements are required to create an environment that will stimulate investment in retail, residential, and commercial developments. Enhanced streetscapes components will include sidewalks, lighting, signage, street trees, landscaping, benches, and other pedestrian amenities. The reconstruction of key streets and major thoroughfares will enhance the level of service in the area. The construction of sidewalk systems, including ADA compliant ramps and other treatments, will improve pedestrian safety, enhance the visual environment, and provide connectivity both within the community and to adjacent districts. All improvements will be coordinated with the street reconstruction programs of the City of Houston, METRO, TxDOT, and other public entities. Attention will be placed on the leveraging of Zone monies through the funding of elements not addressed by the CIP programs of sister agencies.

Goal 2: *Redevelopment and upgrades to public green space, parks, and other appropriate recreational facilities.*

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 3: *The reinforcement of pedestrian-attractive retail developments along Westheimer, Alabama, Richmond, Bissonnet, Buffalo Speedway, Kirby, and Shepherd corridors.*

The retention and expansion of retail and commercial developments along Westheimer Road, West Alabama Street, Richmond Avenue, Bissonnet Street, Buffalo Speedway, Kirby Drive and Shepherd Drive is 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 and residential projects in the area. In particular, it is envisioned to assist in development of primary commercial and retail corridors by implementing an enhanced pedestrian environment with an emphasis on parking, lighting, street trees, landscaping, wide sidewalks, public art and adequate pedestrian amenities.

Goal 4: *Cultural and Public Facilities.*

Increasing public and cultural facilities for current Upper Kirby residents and adjacent districts is an important public policy goal of the Part E Plan. Zone funds will be leveraged with private, public, and non-profit developers to integrate cultural and public facilities initiatives into ongoing and proposed redevelopment projects within the Zone. As such, property acquisition is anticipated. These projects, along with improved infrastructure, additional fire, police, library, public health facilities, and cultural/community centers, will result in improved security and enhance the quality of life for existing and new residents and businesses.

Goal 5: *Economic Development.*

In cases where existing public infrastructure is insufficient or inadequate to stimulate private investment and economic development, the Zone and the City propose funding of an economic development program to directly incentivize private enterprise that affects the Zone, and to 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.

**A. Project Plan and Reinvestment Zone Financing Plan for the Zone.**

Existing and Proposed Uses of Land (Texas Tax Code §311.011(b)(1)): **MAP 1** reflects the existing land use and **MAP 2** reflects proposed land uses within the boundaries of the Zone. The existing and proposed land uses include single-family residential, multi-family residential, commercial, office, industrial, 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 Cost Items (Texas Tax Code §311.011(b)(3)): The non-project costs reflect, in part, costs that Harris County Improvement District Number Three ("HCID No. 3") will make towards the total development plan. HCID No. 3-sponsored costs reflect the investment and commitment that has been made and that will continue to be made by the property owners for improvements and services that would not be borne by the Zone. Total anticipated costs that will be made by HCID No. 3 are \$13.5 million.

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** details the proposed public improvement project and administrative 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, and thus may vary significantly from is the costs shown on **EXHIBIT 1**.

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

Economic Feasibility (Texas Tax Code §311.011(c)(3)): An economic feasibility study has been completed for the area in the Zone. **EXHIBIT 2**, **EXHBIT 3**, and **EXHIBIT 3A** of the Part E Plan, attached, are projected revenues for the Zone. The Part E Plan estimates total project costs of \$186,701,045 The Zone and the City find and determine that the Plan is economically feasible.

Estimated Amount of Bond Indebtedness; Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011(c)(4), §311.011(c)(5)): Notes or bonds have been issued by the Zone. Future note and bond issues will occur as tax increment revenues allow. The value

and timing of these future notes or bonds issues will correlate to debt capacity as derived from the attached revenue and project schedules, and by actual market conditions for the issue and sale of such notes and bonds. The Zone will also explore other financing methods, including developer agreements, and 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. As outlined in **EXHIBIT 2**, **EXHIBIT 3**, and **EXHIBIT 3A**, tax year 1999 as the base year for the Zone, and tax year 2040 is the scheduled termination date, using an estimated collection rate of 95%, and a City of Houston contribution of 100% of the tax rate of \$0.63108/\$100, approximately \$523,410,135 of increment is estimated to be generated by the Zone for use in funding Project Costs.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011(c)(7)): The current estimated total appraised value of taxable real property in the Zone is \$1,999,626,269.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code §311.011(c)(8)): The estimated captured appraised value of the Zone for each year of its remaining 14-year duration is set forth in **EXHIBIT 3A**.

Zone Duration (Texas Tax Code §311.011(c)(9)): When initially created by City Council on July 21, 1999, the termination date specified for the Zone was December 31, 2014. On December 2, 2009, the City adopted Ordinance No. 2009-1215 extending the duration of the Zone to December 31, 2029. Due to the magnitude of mixed use development within the Zone, a greater demand continues to be placed on the already distressed infrastructure than was originally projected. To adequately address future drainage, mobility, and quality of life issues resulting from existing and projected densities, it is therefore recommended that the life of the Zone be extended to December 31, 2040 as part of this Part E Plan, or on an earlier date as adopted by a subsequent City Council Ordinance, or when all project costs, tax increment bonds, and bond interest have been paid, and all contractual obligations completed.



# City of Houston TIRZ #19 Landuse

- Legend:**
- Pavement
  - Single Family Residential
  - Multi-Family Residential
  - Commercial
  - Office
  - Industrial
  - Public & Institutional
  - Transportation & Utility
  - Park and Open Spaces
  - Undeveloped
  - Agriculture Production
  - Unknown

City of Houston  
Planning & Development Department  
GIS Services Division  
Map Date: September 2009

Copyright © 2009 by the City of Houston. All rights reserved. This map is a product of the City of Houston GIS Services Division. It is not to be used for any other purpose without the express written permission of the City of Houston. # 1912





**Exhibit 1 - Parts A, B, C, D & E Project Costs**

Non-Educational Project Costs

Infrastructure Improvements:

	Part A Plan Estimated Costs	Part B Plan Estimated Costs	Part C Plan Estimated Costs	Part D Plan Estimated Costs	Part E Plan Estimated Cost	Cumulative	Costs through 06/30/15	Remaining Costs
<u>Utility System Improvements</u>								
Storm Drainage Improvements	\$ 1,500,000	\$ 24,500,000	\$ 4,600,000	\$ 18,800,000	\$ 42,000,000	\$ 91,400,000	\$ 41,245,076	\$ 50,154,924
<b>Total Utility System Improvements - Part A, B, C, D &amp; E</b>	<b>\$ 1,500,000</b>	<b>\$ 24,500,000</b>	<b>\$ 4,600,000</b>	<b>\$ 18,800,000</b>	<b>\$ 42,000,000</b>	<b>\$ 91,400,000</b>	<b>\$ 41,245,076</b>	<b>\$ 50,154,924</b>
<u>Traffic Mobility Improvements</u>								
Traffic Operational Improvements	\$ 100,000	\$ 780,000	-	-	-	\$ 880,000	\$ -	\$ 880,000
Esplanades on Kirby Drive	\$ 500,000	-	-	-	-	\$ 500,000	\$ -	\$ 500,000
Pedestrian Improvements	\$ -	\$ 660,000	\$ 590,000	\$ 1,200,000	\$ 8,000,000	\$ 10,450,000	\$ -	\$ 10,450,000
Street Paving Projects	\$ 5,400,000	\$ 6,300,000	\$ 25,300,000	\$ 70,450,000	\$ 56,000,000	\$ 163,450,000	\$ 7,919,398	\$ 155,530,602
<b>Total Traffic Mobility Improvements- Part A, B, C, D &amp; E</b>	<b>\$ 6,000,000</b>	<b>\$ 7,740,000</b>	<b>\$ 25,890,000</b>	<b>\$ 71,650,000</b>	<b>\$ 64,000,000</b>	<b>\$ 175,280,000</b>	<b>\$ 7,919,398</b>	<b>\$ 167,360,602</b>
<b>Total Infrastructure Improvements - Part A, B, C, D &amp; E</b>	<b>\$ 7,500,000</b>	<b>\$ 32,240,000</b>	<b>\$ 30,490,000</b>	<b>\$ 90,450,000</b>	<b>\$ 106,000,000</b>	<b>\$ 266,680,000</b>	<b>\$ 49,164,474</b>	<b>\$ 217,515,526</b>

Safety & Security Infrastructure Improvements

Highway 59 Overpass Security Improvements	\$ 200,000	-	-	-	\$ 250,000	\$ 450,000	\$ -	\$ 450,000
Sidewalk Improvements	\$ 1,400,000	-	-	-	-	\$ 1,400,000	\$ -	\$ 1,400,000
<b>Total Safety &amp; Security Improvements - Part A, B, C, D &amp; E</b>	<b>\$ 1,600,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 1,850,000</b>	<b>\$ -</b>	<b>\$ 1,850,000</b>

Public Recreation/Public Service Improvements

Levy Park Improvements	\$ 750,000	\$ 200,000	-	-	\$ 16,000,000	\$ 16,950,000	\$ -	\$ 16,950,000
Westpark Rail/Trail System	\$ 150,000	-	-	-	\$ 28,000,000	\$ 28,150,000	\$ -	\$ 28,150,000
Upper Kirby Wayfinding Project	\$ -	\$ 100,000	-	\$ 28,586	-	\$ 128,586	\$ -	\$ 128,586
Richmond Paving/Drainage Improvements	\$ -	-	\$ 5,870,000	\$ 19,700,000	\$ 80,000,000	\$ 105,570,000	\$ -	\$ 105,570,000
<b>Total Public Recreation/Public Service Improvements - Part A, B, C, D &amp; E</b>	<b>\$ 900,000</b>	<b>\$ 300,000</b>	<b>\$ 5,870,000</b>	<b>\$ 19,728,586</b>	<b>\$ 124,000,000</b>	<b>\$ 150,798,586</b>	<b>\$ -</b>	<b>\$ 150,798,586</b>
Upper Kirby Civic Complex	\$ -	-	\$ 12,400,000	\$ 46,350,000	\$ (43,548,955)	\$ 15,201,045	\$ 15,201,045	\$ -
<b>Total Public Facility Improvements - Part A, B, C, D &amp; E</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,400,000</b>	<b>\$ 46,350,000</b>	<b>\$ (43,548,955)</b>	<b>\$ 15,201,045</b>	<b>\$ 15,201,045</b>	<b>\$ -</b>
<b>Total Public Recreational and Public Facility Improvements - Part A, B, C, D &amp; E</b>	<b>\$ 900,000</b>	<b>\$ 300,000</b>	<b>\$ 18,270,000</b>	<b>\$ 66,078,586</b>	<b>\$ 80,451,045</b>	<b>\$ 165,999,631</b>	<b>\$ 15,201,045</b>	<b>\$ 150,798,586</b>

Financing Cost:

Financing Cost	\$ -	-	\$ 4,600,000	\$ 10,000,000	\$ 70,000,000	\$ 84,600,000	\$ 8,069,109	\$ 76,530,891
<b>Total Financing Costs - Part A, B, C, D &amp; E</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,600,000</b>	<b>\$ 10,000,000</b>	<b>\$ 70,000,000</b>	<b>\$ 84,600,000</b>	<b>\$ 8,069,109</b>	<b>\$ 76,530,891</b>

Zone Administration:

Operations for Duration of Zone	\$ 450,000	\$ 1,050,000	\$ 90,529	\$ 1,875,000	\$ 2,200,000	\$ 5,665,529	\$ 1,504,909	\$ 4,160,620
Zone Creation	\$ 150,000	\$ 60,000	-	\$ 190,000	\$ 200,000	\$ 600,000	\$ 221,672	\$ 378,328
<b>Total Zone Administration Costs - Part A, B, C, D &amp; E</b>	<b>\$ 600,000</b>	<b>\$ 1,110,000</b>	<b>\$ 90,529</b>	<b>\$ 2,065,000</b>	<b>\$ 2,400,000</b>	<b>\$ 6,265,529</b>	<b>\$ 1,726,581</b>	<b>\$ 4,538,948</b>
<b>Total Non-Educational Project Costs - Part A, B, C, D &amp; E</b>	<b>\$ 10,600,000</b>	<b>\$ 33,650,000</b>	<b>\$ 53,450,529</b>	<b>\$ 168,593,586</b>	<b>\$ 259,101,045</b>	<b>\$ 525,395,160</b>	<b>\$ 74,161,209</b>	<b>\$ 451,233,951</b>

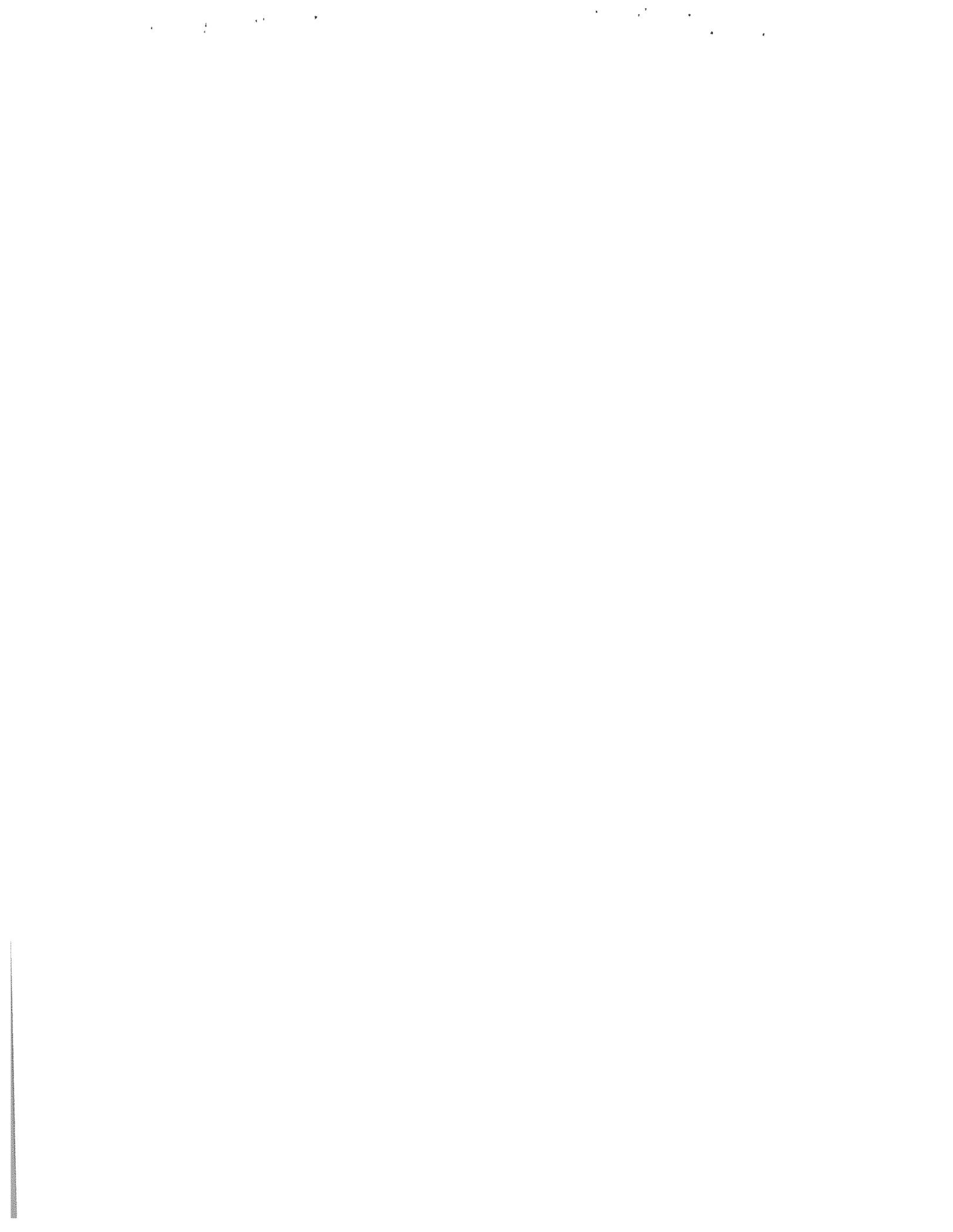
Education Project Costs

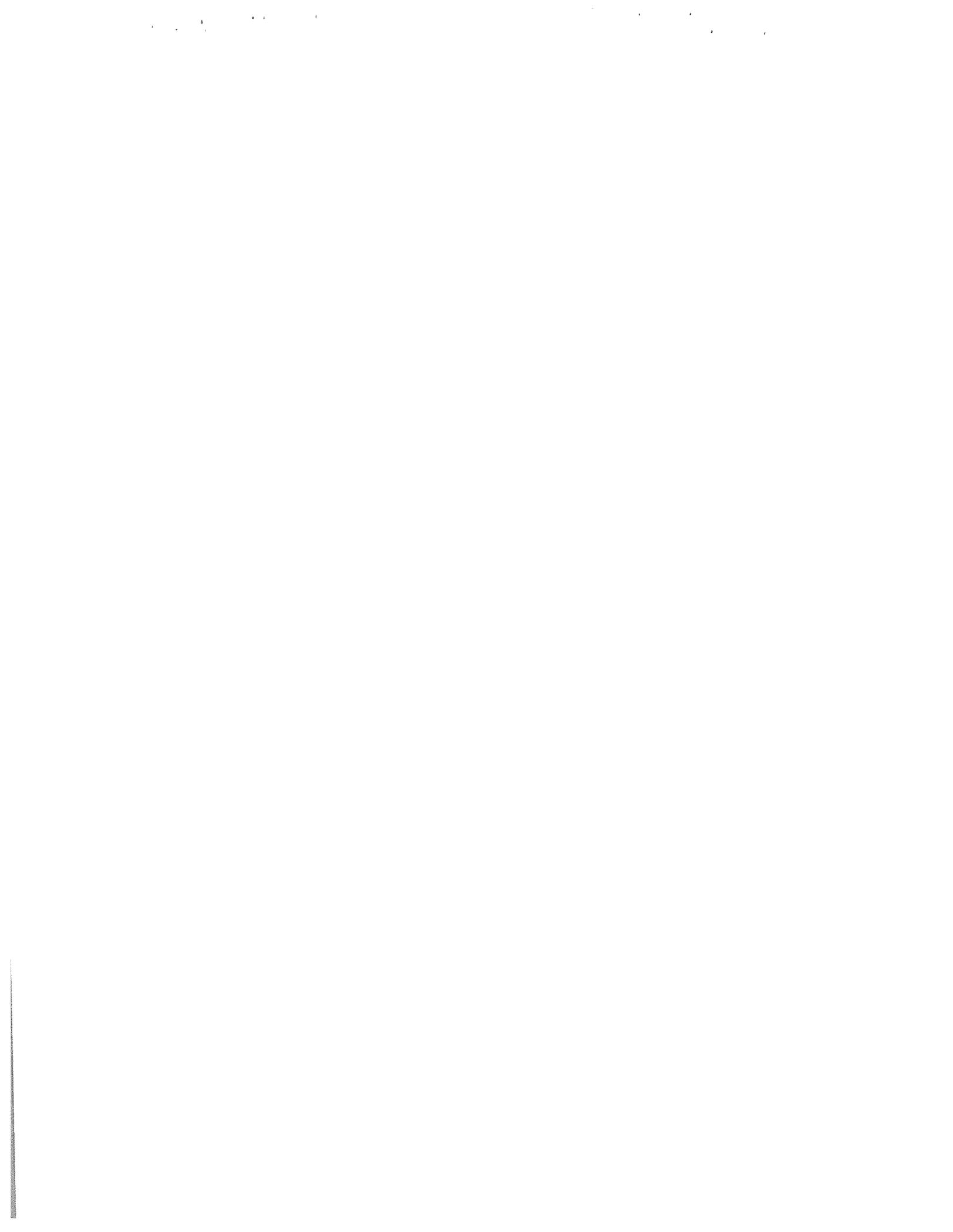
Educational Facilities	\$ 5,572,812	\$ -	\$ -	\$ -	\$ -	\$ 5,572,812	\$ 4,789,439	\$ 783,373
<b>Total Education Project Costs - Part A, B, C, D &amp; E</b>	<b>\$ 5,572,812</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,572,812</b>	<b>\$ 4,789,439</b>	<b>\$ 783,373</b>

**PROJECT PLAN TOTAL**

<b>PROJECT PLAN TOTAL</b>	<b>\$ 16,172,812</b>	<b>\$ 33,650,000</b>	<b>\$ 53,450,529</b>	<b>\$ 168,593,586</b>	<b>\$ 259,101,045</b>	<b>\$ 530,967,972</b>	<b>\$ 78,950,648</b>	<b>e</b>
---------------------------	----------------------	----------------------	----------------------	-----------------------	-----------------------	-----------------------	----------------------	----------







**EXHIBIT 2**

**Part E Plan Net Revenue Schedule: All Entities  
2016 Amended Project Plan and Reinvestment Zone Financing Plan**

<b>TY</b>	<b>City of Houston</b>	<b>Total Revenue</b>	<b>Net Revenue (Total Revenue less Transfers)</b>
2015	\$ 10,739,970	\$ 10,739,970	\$ 10,202,972
2016	\$ 11,333,510	\$ 11,333,510	\$ 10,766,835
2017	\$ 11,950,792	\$ 11,950,792	\$ 11,353,252
2018	\$ 12,592,765	\$ 12,592,765	\$ 11,963,126
2019	\$ 13,260,416	\$ 13,260,416	\$ 12,597,395
2020	\$ 13,954,774	\$ 13,954,774	\$ 13,257,035
2021	\$ 14,676,906	\$ 14,676,906	\$ 13,943,061
2022	\$ 15,427,924	\$ 15,427,924	\$ 14,656,528
2023	\$ 16,208,982	\$ 16,208,982	\$ 15,398,533
2024	\$ 17,021,282	\$ 17,021,282	\$ 16,170,218
2025	\$ 17,866,075	\$ 17,866,075	\$ 16,972,771
2026	\$ 18,744,659	\$ 18,744,659	\$ 17,807,426
2027	\$ 19,658,386	\$ 19,658,386	\$ 18,675,467
2028	\$ 20,608,663	\$ 20,608,663	\$ 19,578,230
2029	\$ 21,596,951	\$ 21,596,951	\$ 20,517,103
2030	\$ 22,624,770	\$ 22,624,770	\$ 21,493,531
2031	\$ 23,693,702	\$ 23,693,702	\$ 22,509,017
2032	\$ 24,805,391	\$ 24,805,391	\$ 23,565,122
2033	\$ 25,961,548	\$ 25,961,548	\$ 24,663,471
2034	\$ 27,163,951	\$ 27,163,951	\$ 25,805,754
2035	\$ 28,414,450	\$ 28,414,450	\$ 26,993,728
2036	\$ 29,714,969	\$ 29,714,969	\$ 28,229,221
2037	\$ 31,067,509	\$ 31,067,509	\$ 29,514,134
2038	\$ 32,474,151	\$ 32,474,151	\$ 30,850,443
2039	\$ 33,937,058	\$ 33,937,058	\$ 32,240,205
2040	\$ 35,458,482	\$ 35,458,482	\$ 33,685,558
	<b>\$ 550,958,037</b>	<b>\$ 550,958,037</b>	<b>\$ 523,410,135</b>

### EXHIBIT 3

#### Part E Plan Net Revenue and Transfers Schedule: All Entities 2016 Amended Project Plan and Reinvestment Zone Financing Plan

Tax Year	Increment Revenue		Transfers		Net Revenue (Total Revenue less Transfers)
	City of Houston	Total Revenue	Admin Fee	Total Transfers	
2015	\$ 10,739,970	\$ 10,739,970	\$ 536,999	\$ 536,999	\$ 10,202,972
2016	\$ 11,333,510	\$ 11,333,510	\$ 566,676	\$ 566,676	\$ 10,766,835
2017	\$ 11,950,792	\$ 11,950,792	\$ 597,540	\$ 597,540	\$ 11,353,252
2018	\$ 12,592,765	\$ 12,592,765	\$ 629,638	\$ 629,638	\$ 11,963,126
2019	\$ 13,260,416	\$ 13,260,416	\$ 663,021	\$ 663,021	\$ 12,597,395
2020	\$ 13,954,774	\$ 13,954,774	\$ 697,739	\$ 697,739	\$ 13,257,035
2021	\$ 14,676,906	\$ 14,676,906	\$ 733,845	\$ 733,845	\$ 13,943,061
2022	\$ 15,427,924	\$ 15,427,924	\$ 771,396	\$ 771,396	\$ 14,656,528
2023	\$ 16,208,982	\$ 16,208,982	\$ 810,449	\$ 810,449	\$ 15,398,533
2024	\$ 17,021,282	\$ 17,021,282	\$ 851,064	\$ 851,064	\$ 16,170,218
2025	\$ 17,866,075	\$ 17,866,075	\$ 893,304	\$ 893,304	\$ 16,972,771
2026	\$ 18,744,659	\$ 18,744,659	\$ 937,233	\$ 937,233	\$ 17,807,426
2027	\$ 19,658,386	\$ 19,658,386	\$ 982,919	\$ 982,919	\$ 18,675,467
2028	\$ 20,608,663	\$ 20,608,663	\$ 1,030,433	\$ 1,030,433	\$ 19,578,230
2029	\$ 21,596,951	\$ 21,596,951	\$ 1,079,848	\$ 1,079,848	\$ 20,517,103
2030	\$ 22,624,770	\$ 22,624,770	\$ 1,131,238	\$ 1,131,238	\$ 21,493,531
2031	\$ 23,693,702	\$ 23,693,702	\$ 1,184,685	\$ 1,184,685	\$ 22,509,017
2032	\$ 24,805,391	\$ 24,805,391	\$ 1,240,270	\$ 1,240,270	\$ 23,565,122
2033	\$ 25,961,548	\$ 25,961,548	\$ 1,298,077	\$ 1,298,077	\$ 24,663,471
2034	\$ 27,163,951	\$ 27,163,951	\$ 1,358,198	\$ 1,358,198	\$ 25,805,754
2035	\$ 28,414,450	\$ 28,414,450	\$ 1,420,723	\$ 1,420,723	\$ 26,993,728
2036	\$ 29,714,969	\$ 29,714,969	\$ 1,485,748	\$ 1,485,748	\$ 28,229,221
2037	\$ 31,067,509	\$ 31,067,509	\$ 1,553,375	\$ 1,553,375	\$ 29,514,134
2038	\$ 32,474,151	\$ 32,474,151	\$ 1,623,708	\$ 1,623,708	\$ 30,850,443
2039	\$ 33,937,058	\$ 33,937,058	\$ 1,696,853	\$ 1,696,853	\$ 32,240,205
2040	\$ 35,458,482	\$ 35,458,482	\$ 1,772,924	\$ 1,772,924	\$ 33,685,558
	<b>\$ 550,958,037</b>	<b>\$ 550,958,037</b>	<b>\$ 27,547,902</b>	<b>\$ 27,547,902</b>	<b>\$ 523,410,135</b>

\$ 299,550,183

**EXHIBIT 3-A**

**Part E Plan Net Revenue Schedule: City of Houston  
2016 Amended Project Plan and Reinvestment Zone Financing Plan**

**City of Houston Jurisdiction**

Tax Year	Fiscal Year	Base Value (1)	Projected Value (2)	Captured Appraised Value	Collection Rate (3)	Tax Rate	Increment Revenue	Admin Fee	Increment Revenue Due to TIRZ
2015	2016	\$ 683,628,290	\$ 2,475,038,529	\$ 1,791,410,239	95.00%	0.63108	\$ 10,739,970	\$ 536,999	\$ 10,202,972
2016	2017	\$ 683,628,290	\$ 2,574,040,070	\$ 1,890,411,780	95.00%	0.63108	\$ 11,333,510	\$ 566,676	\$ 10,766,835
2017	2018	\$ 683,628,290	\$ 2,677,001,672	\$ 1,993,373,382	95.00%	0.63108	\$ 11,950,792	\$ 597,540	\$ 11,353,252
2018	2019	\$ 683,628,290	\$ 2,784,081,739	\$ 2,100,453,449	95.00%	0.63108	\$ 12,592,765	\$ 629,638	\$ 11,963,126
2019	2020	\$ 683,628,290	\$ 2,895,445,009	\$ 2,211,816,719	95.00%	0.63108	\$ 13,260,416	\$ 663,021	\$ 12,597,395
2020	2021	\$ 683,628,290	\$ 3,011,262,809	\$ 2,327,634,519	95.00%	0.63108	\$ 13,954,774	\$ 697,739	\$ 13,257,035
2021	2022	\$ 683,628,290	\$ 3,131,713,322	\$ 2,448,085,032	95.00%	0.63108	\$ 14,676,906	\$ 733,845	\$ 13,943,061
2022	2023	\$ 683,628,290	\$ 3,256,981,855	\$ 2,573,353,565	95.00%	0.63108	\$ 15,427,924	\$ 771,396	\$ 14,656,528
2023	2024	\$ 683,628,290	\$ 3,387,261,129	\$ 2,703,632,839	95.00%	0.63108	\$ 16,208,982	\$ 810,449	\$ 15,398,533
2024	2025	\$ 683,628,290	\$ 3,522,751,574	\$ 2,839,123,284	95.00%	0.63108	\$ 17,021,282	\$ 851,064	\$ 16,170,218
2025	2026	\$ 683,628,290	\$ 3,663,661,637	\$ 2,980,033,347	95.00%	0.63108	\$ 17,866,075	\$ 893,304	\$ 16,972,771
2026	2027	\$ 683,628,290	\$ 3,810,208,102	\$ 3,126,579,812	95.00%	0.63108	\$ 18,744,659	\$ 937,233	\$ 17,807,426
2027	2028	\$ 683,628,290	\$ 3,962,616,426	\$ 3,278,988,136	95.00%	0.63108	\$ 19,658,386	\$ 982,919	\$ 18,675,467
2028	2029	\$ 683,628,290	\$ 4,121,121,083	\$ 3,437,492,793	95.00%	0.63108	\$ 20,608,663	\$ 1,030,433	\$ 19,578,230
2029	2030	\$ 683,628,290	\$ 4,285,965,927	\$ 3,602,337,637	95.00%	0.63108	\$ 21,596,951	\$ 1,079,848	\$ 20,517,103
2030	2031	\$ 683,628,290	\$ 4,457,404,564	\$ 3,773,776,274	95.00%	0.63108	\$ 22,624,770	\$ 1,131,238	\$ 21,493,531
2031	2032	\$ 683,628,290	\$ 4,635,700,746	\$ 3,952,072,456	95.00%	0.63108	\$ 23,693,702	\$ 1,184,685	\$ 22,509,017
2032	2033	\$ 683,628,290	\$ 4,821,128,776	\$ 4,137,500,486	95.00%	0.63108	\$ 24,805,391	\$ 1,240,270	\$ 23,565,122
2033	2034	\$ 683,628,290	\$ 5,013,973,927	\$ 4,330,345,637	95.00%	0.63108	\$ 25,961,548	\$ 1,298,077	\$ 24,663,471
2034	2035	\$ 683,628,290	\$ 5,214,532,884	\$ 4,530,904,594	95.00%	0.63108	\$ 27,163,951	\$ 1,358,198	\$ 25,805,754
2035	2036	\$ 683,628,290	\$ 5,423,114,200	\$ 4,739,485,910	95.00%	0.63108	\$ 28,414,450	\$ 1,420,723	\$ 26,993,728
2036	2037	\$ 683,628,290	\$ 5,640,038,768	\$ 4,956,410,478	95.00%	0.63108	\$ 29,714,969	\$ 1,485,748	\$ 28,229,221
2037	2038	\$ 683,628,290	\$ 5,865,640,319	\$ 5,182,012,029	95.00%	0.63108	\$ 31,067,509	\$ 1,553,375	\$ 29,514,134
2038	2039	\$ 683,628,290	\$ 6,100,265,931	\$ 5,416,637,641	95.00%	0.63108	\$ 32,474,151	\$ 1,623,708	\$ 30,850,443
2039	2040	\$ 683,628,290	\$ 6,344,276,569	\$ 5,660,648,279	95.00%	0.63108	\$ 33,937,058	\$ 1,696,853	\$ 32,240,205
2040	2041	\$ 683,628,290	\$ 6,598,047,631	\$ 5,914,419,341	95.00%	0.63108	\$ 35,458,482	\$ 1,772,924	\$ 33,685,558
<b>Total</b>							<b>\$ 550,958,037</b>	<b>\$ 27,547,902</b>	<b>\$ 523,410,135</b>

**Notes:**

- (1) Base Year is Tax Year 1999
- (2) Projected Value for TY13 to TY40 increase by 4% growth rate.