

City of Houston, Texas, Ordinance No. 2015- 1052

AN ORDINANCE APPROVING THE THIRD 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, Section 311.011 of the Code 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, the Board of Directors of the Zone considered and adopted, and the City approved, a second amendment to the Plans on March 20, 2013, by Ordinance No. 2013-213; and

WHEREAS, at its October 14, 2015 board meeting, the Board of Directors of the Zone considered and adopted a third amendment to the Plans that included the removal of certain territory from the Zone's boundaries as well as an annexation of additional territory into the Zone's boundaries ("Third Amendment"), and has recommended the Third Amendment for approval by the City; and

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

WHEREAS, the Third Amendment includes the implementation and continuation of projects in the original area (except for the area removed from the Zone's boundaries as described herein) as well as in the area to be annexed into the Zone; and

WHEREAS, Section 311.011 of the Code requires that a public hearing be held on the Third 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 Third Amendment on October 21, 2015; and

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

WHEREAS, the City Council approved the change in the Zone's boundaries, which includes the removal of certain territory from the Zone and the annexation of additional territory into the Zone, by Ordinance No. 2015-1051¹;

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

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

¹ Ordinance number of the ordinance changing the Zone's boundaries to be inserted by the City Secretary.

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 Third Amendment. That the Plans are hereby amended by adding "Part D," attached to this Ordinance as Exhibit "A." The Third Amendment 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 Third 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 4th day of November, 2015.

APPROVED this _____ day of _____, 2015.

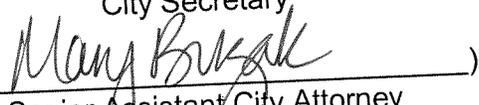
Mayor of the City of Houston

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

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: NOV 10 2015


City Secretary

(Prepared by Legal Department
(MFB:mfb October 22, 2015)
(Requested by Andy Icken, Chief Development Officer, Office of the Mayor)
(L.D. File No. 0421300019006)


Senior Assistant City Attorney

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

EXHIBIT "A"

Third Amended Project Plan and
Reinvestment Zone Financing Plan (Part "D")

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

SOUTHWEST HOUSTON ZONE

**THIRD AMENDED
PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN**

October 13, 2015

REINVESTMENT ZONE NUMBER TWENTY, CITY OF HOUSTON, TEXAS

Part D – Third Amended Project Plan and Reinvestment Zone Financing Plan

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REINVESTMENT ZONE NUMBER TWENTY, CITY OF HOUSTON, TEXAS Third Amended Project Plan and Reinvestment Zone Financing Plan

Introduction

The Reinvestment Zone Number Twenty, City of Houston, Texas ("Zone"), was created by the City Council of the City of Houston, Texas ("City") on December 15, 1999, by Ordinance No. 1999-1330, in an area of the City commonly referred to as Sharpstown. The City adopted a Project Plan and Reinvestment Zone Financing 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"). On March 20, 2013, the boundary of the Zone was enlarged by Ordinance No. 2013-0212, to include an additional 860 acres of land, and the City approved the second Amended Project Plan and Reinvestment Zone Financing Plan for the Zone by Ordinance No. 2013-0213 ("Part C Plan").

Section 1

The Part A Plan:

The Part A Plan covered an estimated 2,015 acres and established goals and redevelopment plans 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 and Part C Plans: The Part B Plan and the Part C Plan collectively 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, repositioning of the Sharpstown Mall, and assistance to underutilized and distressed properties, primarily located along the eastern sections of Bellaire Boulevard. The Part C Plan further provided for the enhancement of and improvements to the area annexed into the Zone as part of the Part C Plan.

Section Two:

The Part D Plan

The Zone and the City now propose the third amendment to the Project Plan and Reinvestment Zone Financing Plan for the Zone ("Part D Plan"). Under the Part D Plan, the primary goals of the Zone are expanded to provide a source of funding through tax increments generated by redevelopment to better eliminate the blight and substandard conditions existing and provide a way to remediate unsafe and unsanitary conditions in the Zone, and encourage the sound growth of the residential, retail, and commercial sectors in the Zone through the purchase, demolition and reconstruction of property, as well as design and construction of improved mobility systems, streetscape enhancements, pedestrian amenities, public utility system upgrades, adequate public facilities, and parkland and public space improvements.

The Part D Plan (i) provides for the enhancement of and improvements to approximately 456.4 acres of land added into the Zone boundaries as part of the Part D Plan and (ii) includes areas covered by the Part A, Part B and Part C Plans, except for 29 acres of exclusively residential area previously included in the Part C Plan that will be removed from the Zone boundaries as part of the Part D Plan. The Part D Plan consists of (i) a summary of the redevelopment efforts of the Zone, (ii) restatement of the Zone's redevelopment goals for the Zone, (iii) redesignation of the Zone's project cost categories and allocations to align with current goals, and (iv) anticipated use of expenditures for the cost of operating Zone and project facilities.

A. Summary of Redevelopment Efforts

The area within the boundaries of the Zone continues to evolve as both commercial and residential opportunities improve. Areas known locally as "Harwin" and "Chinatown" continue to gain strength as regional shopping and dining destinations, bolstered in part by substantial functional and aesthetic improvements to Bellaire Boulevard funded by the Zone. The extension of Rogerdale Road from Bellaire Boulevard to the Westpark Tollway has created new opportunities for commercial office development. Houston Baptist University is expanding its educational and economic impact in the community, in part as a result of a Chapter 380 development agreement involving the Zone, the Southwest Houston Redevelopment Authority, and the City.

In addition, the Zone anticipates ongoing projects to further positively impact the community. Engineering is complete for improvements to Fondren Road from Westpark Drive to US 59 with construction to be funded with existing available funds. The Zone has also acquired property along Brays Bayou for purposes of green space and stormwater management. Existing funds have also been set aside for improvements to Lansdale Park, Crain Park and Sharpstown Swimming Pool.

B. Redevelopment Plan Concepts and Goals

The redevelopment concepts and goals of the Part D Plan restate the prior redevelopment concepts and goals, updated based on the results of the Zone's redevelopment efforts. To the extent that prior statements of redevelopment concepts conflict with the concepts and goals articulated in the Part D Plan, the concepts and goals outlined below control.

Goal 1: Improve and enhance corridors, mobility and connectivity throughout the Zone.

Public streets and public utility systems are required to create an environment that will stimulate private investment 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 by funding street enhancement elements not addressed by the CIP programs of sister agencies. The Part A, Part B and Part C Plans resulted in substantial improvements to Bellaire Boulevard, Rogerdale Road and upcoming enhancements to Fondren Road. The Part D Plan proposes mobility improvements along the Harwin Drive corridor and an extension of improvements south along Fondren Road.

Goal 2: Enhance public infrastructure, facilities and services throughout the Zone.

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: Develop and enhance 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. The Part C and Part D Plans have resulted in incorporation of substantial green space, park lands and recreation areas, including addition of Lansdale Park, Crain Park, Lee LeClear Tennis Center, Braeburn Glen Park and Bonham Park, in the Zone for purposes of improvements to these facilities along with anticipated improvements to Sharpstown Swimming Pool and Sharpstown Golf Course.

Goal 4: Reinforce pedestrian-attractive retail developments along primary and secondary corridors.

The retention and expansion of retail and commercial developments along primary arterials, such as the Bellaire Boulevard, Fondren Road, Beechnut Street, Hillcroft Street, Harwin Drive, and Bissonnet Street corridors, and secondary roadways 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 projects in the area.

C. Authorized Projects and Project Costs

The amended and restated project costs are detailed in Table 1, below. The dollar amounts for each category are approximate and may be amended from time to time by the Board of Directors of the Zone with approval of the City Council.

Table 1: Reinvestment Zone No. 20 Project Costs

	Part A	Part B	Part C	Part D	Total Plan Costs
	2000 Plan Estimated Costs	2009 Estimated Costs	2013 Plan Estimated Costs	2015 Estimated Costs	
Non-Educational Project Costs					
Roadway and Street Reconstruction Projects	\$ 11,806,000	\$ 35,393,667	\$ 65,000,000	\$ 85,000,000	\$ 85,000,000
Public Utility Improvements	\$ 3,650,000	\$ 15,167,286	\$ 25,000,000	\$ 5,000,000	\$ 5,000,000
Parks, Plazas, Trails, Pedestrian Bridges	\$ 3,060,000		\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Storm Water /Detention /Reclamation Projects			\$ 20,000,000	\$ 10,000,000	\$ 10,000,000
Cultural & Public Facility Improvements		\$ 5,250,000	\$ 5,250,000	\$ 5,000,000	\$ 5,000,000
Redevelopment Opportunities				\$ 15,000,000	\$ 15,000,000
Land Assembly			\$ 25,000,000	\$ 10,000,000	\$ 10,000,000
Economic Development Grants			\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Total Project Costs	\$ 18,516,000	\$ 55,810,953	\$ 160,250,000	\$ 150,000,000	\$ 150,000,000

D. Project Plan

Existing and Proposed Uses of Land (Texas Tax Code § 311.011(b)(1)): Map 7, attached hereto, depicts the existing land uses in the original areas of the Zone as well as the area to be annexed into the Zone. Proposed land uses shall include similar, but enhanced, multi-family residential, commercial retail, office, public and institutional, transportation, 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 project costs referenced in Table 1 are inclusive of project costs to be incurred by the Zone only. The costs that would otherwise be project costs but are derived from other parties, such as the Texas Department of Transportation or private sources, are non-project costs. Funding identified in Table 1 for corridor improvement projects will be leveraged to acquire non-project funding.

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 or relocated as a result of the Part D Plan.

E. Reinvestment Zone Financing Plan

Estimated Project Costs (Texas Tax Code § 311.011(c)(1)): Table 1 details proposed public improvement to be funded utilizing resources from the Zone. As set forth in the Part D Plan, the dollar amounts are approximate and may be amended from time to time by the Board of Directors of the Zone with approval of the City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on Table 1. The project categories describe generally the kind of improvements contemplated by this Part D Plan.

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 described throughout the Part D Plan, including but not limited to those presented in Map 8, such as roadway, streetscape and overall enhancements along corridors such as Harwin Drive and Fondren Road. Other projects include improvements to Lee LeClear Tennis Center, Braeburn Glen Park, Bonham Park and Sharpstown Golf Course.

Economic 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 Houston Reinvestment Zone, prepared by CDS Market Research in May 1999 and the Transportation Improvements Bellaire Boulevard/Fondren Road Corridor Plan completed by HNTB, February 2003. Exhibit 1 constitutes updated incremental revenue estimates for the Part A, Part B, Part C and Part D Plans. The incremental revenue estimates are projected to be sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone for the remainder of the Zone. The Zone and the City find and determine that the Part A, Part B, Part C and Part D 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)): Issuance of notes and bonds by the Zone will occur as tax increment revenues allow. The value and timing of the issuance of notes or bonds will correlate to debt capacity as derived from the attached revenue and project schedules, as well as actual market conditions for the issue and sale of such notes and bonds.

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 pay-as-you-go project financing, the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. Tax increment associated with this Part D Plan will consist of contributions from the City. This figure is calculated using a City contribution of \$0.60112/\$100 of assessed valuation.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code § 311.011(c)(7)): As of September 2015, the current appraised value of taxable real property in the Zone is \$1,997,392,000, exclusive of the proposed Part D Plan annexation area.

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 during each remaining year of its existence is contained in Exhibit 1.

Zone Duration (Texas Tax Code § 311.011(c)(9)): When the Zone was created by the City on December 15, 1999, its duration was established at 30 years. The Zone will terminate on December 31, 2029.

TAX INCREMENT REINVESTMENT ZONE NO. 20
Projected Assessed Valuations

Tax Year	City Taxable Base Value (1)	City Taxable Value (2)	City Captured Appraised Valuation (2)	City Tax Increment Revenues (4)	100% of City Tax Rate (3)	Total TIRZ Revenues Available	Cumulative TIRZ Revenues Available	Discount Rate		
								3.5%	5.0%	7.0%
2015	\$ (756,454,323)	\$1,997,392,000	\$ 1,240,937,677	\$ 7,310,334	0.60112	\$ 7,310,334	\$ 7,310,334	\$ 7,310,334	\$ 7,063,125	\$ 14,326,769
2016	\$ (756,454,323)	\$2,077,287,680	\$ 1,320,833,357	\$ 7,780,998	0.60112	\$ 15,091,332	\$ 15,091,332	\$ 15,091,332	\$ 7,263,645	\$ 21,786,275
2017	\$ (756,454,323)	\$2,160,379,187	\$ 1,403,924,864	\$ 8,270,488	0.60112	\$ 23,361,819	\$ 23,361,819	\$ 23,361,819	\$ 7,499,506	\$ 29,437,152
2018	\$ (756,454,323)	\$2,246,794,355	\$ 1,490,340,032	\$ 8,779,557	0.60112	\$ 32,141,377	\$ 32,141,377	\$ 32,141,377	\$ 7,650,877	\$ 37,275,072
2019	\$ (756,454,323)	\$2,336,666,129	\$ 1,580,111,806	\$ 9,308,990	0.60112	\$ 41,450,367	\$ 41,450,367	\$ 41,450,367	\$ 7,837,920	\$ 45,295,863
2020	\$ (756,454,323)	\$2,430,132,774	\$ 1,673,678,451	\$ 9,859,600	0.60112	\$ 51,309,966	\$ 51,309,966	\$ 51,309,966	\$ 8,020,791	\$ 53,495,504
2021	\$ (756,454,323)	\$2,527,338,085	\$ 1,770,883,762	\$ 10,432,234	0.60112	\$ 61,742,200	\$ 61,742,200	\$ 61,742,200	\$ 8,374,618	\$ 61,870,122
2022	\$ (756,454,323)	\$2,628,431,608	\$ 1,871,977,285	\$ 11,027,773	0.60112	\$ 72,769,973	\$ 72,769,973	\$ 72,769,973	\$ 8,545,863	\$ 70,415,986
2023	\$ (756,454,323)	\$2,733,568,873	\$ 1,977,114,550	\$ 11,647,134	0.60112	\$ 84,417,107	\$ 84,417,107	\$ 84,417,107	\$ 8,713,512	\$ 79,129,498
2024	\$ (756,454,323)	\$2,842,911,628	\$ 2,086,457,305	\$ 12,291,270	0.60112	\$ 96,708,377	\$ 96,708,377	\$ 96,708,377	\$ 8,877,698	\$ 88,007,197
2025	\$ (756,454,323)	\$2,956,628,093	\$ 2,200,173,770	\$ 12,961,171	0.60112	\$ 109,669,548	\$ 109,669,548	\$ 109,669,548	\$ 9,038,549	\$ 97,045,745
2026	\$ (756,454,323)	\$3,074,893,216	\$ 2,318,438,893	\$ 13,657,868	0.60112	\$ 123,327,416	\$ 123,327,416	\$ 123,327,416	\$ 9,196,187	\$ 106,241,933
2027	\$ (756,454,323)	\$3,197,888,945	\$ 2,441,434,622	\$ 14,382,433	0.60112	\$ 137,709,849	\$ 137,709,849	\$ 137,709,849	\$ 9,350,733	\$ 115,592,666
2028	\$ (756,454,323)	\$3,325,804,503	\$ 2,569,350,180	\$ 15,135,980	0.60112	\$ 152,845,829	\$ 152,845,829	\$ 152,845,829	\$ 9,500,000	\$ 125,092,666

(1) Estimated Base Value, 1999-2000
(2) Includes 4.0% annual appreciation
(3) Proposed City Tax Rate for 2015

TAX INCREMENT REINVESTMENT ZONE NO. 20
Projected Zone Revenues

Tax Year	Coll. Year	100% of City Tax Rate (3)	City Tax Increment Revenues (4)	Total TIRZ Revenues Available	Cumulative TIRZ Revenues Available	Discount Rate		
						3.5%	5.0%	7.0%
2015	2016	0.60112	\$ 7,310,334	\$ 7,310,334	\$ 7,310,334	\$ 7,063,125	\$ 14,326,769	
2016	2017	0.60112	\$ 7,780,998	\$ 15,091,332	\$ 15,091,332	\$ 7,263,645	\$ 21,786,275	
2017	2018	0.60112	\$ 8,270,488	\$ 23,361,819	\$ 23,361,819	\$ 7,499,506	\$ 29,437,152	
2018	2019	0.60112	\$ 8,779,557	\$ 32,141,377	\$ 32,141,377	\$ 7,650,877	\$ 37,275,072	
2019	2020	0.60112	\$ 9,308,990	\$ 41,450,367	\$ 41,450,367	\$ 7,837,920	\$ 45,295,863	
2020	2021	0.60112	\$ 9,859,600	\$ 51,309,966	\$ 51,309,966	\$ 8,020,791	\$ 53,495,504	
2021	2022	0.60112	\$ 10,432,234	\$ 61,742,200	\$ 61,742,200	\$ 8,374,618	\$ 61,870,122	
2022	2023	0.60112	\$ 11,027,773	\$ 72,769,973	\$ 72,769,973	\$ 8,545,863	\$ 70,415,986	
2023	2024	0.60112	\$ 11,647,134	\$ 84,417,107	\$ 84,417,107	\$ 8,713,512	\$ 79,129,498	
2024	2025	0.60112	\$ 12,291,270	\$ 96,708,377	\$ 96,708,377	\$ 8,877,698	\$ 88,007,197	
2025	2026	0.60112	\$ 12,961,171	\$ 109,669,548	\$ 109,669,548	\$ 9,038,549	\$ 97,045,745	
2026	2027	0.60112	\$ 13,657,868	\$ 123,327,416	\$ 123,327,416	\$ 9,196,187	\$ 106,241,933	
2027	2028	0.60112	\$ 14,382,433	\$ 137,709,849	\$ 137,709,849	\$ 9,350,733	\$ 115,592,666	
2028	2029	0.60112	\$ 15,135,980	\$ 152,845,829	\$ 152,845,829	\$ 9,500,000	\$ 125,092,666	

(1) Estimated Base Value, 1999-2000
(2) Includes 4.0% annual appreciation
(3) Proposed City Tax Rate for 2015

2015 ANNEXED PORTION OF THE ZONE

Tax Year	City Taxable Base Value (1)	City Taxable Value (2)	City Captured Appraised Valuation (2)	City Tax Increment Revenues (4)	100% of City Tax Rate (3)	Total TIRZ Revenues Available	Cumulative TIRZ Revenues Available	Discount Rate
								3.5%
2015	\$ (277,691,000)	\$377,691,000	\$ 11,107,640	\$ 65,435	0.60112	\$ 65,435	\$ 65,435	\$ 61,084
2016	\$ (277,691,000)	\$388,788,640	\$ 12,659,586	\$ 133,487	0.60112	\$ 196,922	\$ 196,922	\$ 181,482
2017	\$ (277,691,000)	\$400,350,586	\$ 14,673,609	\$ 204,261	0.60112	\$ 401,183	\$ 401,183	\$ 359,484
2018	\$ (277,691,000)	\$424,859,193	\$ 17,188,192	\$ 277,867	0.60112	\$ 681,050	\$ 681,050	\$ 593,440
2019	\$ (277,691,000)	\$453,853,561	\$ 20,162,561	\$ 354,416	0.60112	\$ 1,035,466	\$ 1,035,466	\$ 881,758
2020	\$ (277,691,000)	\$487,367,704	\$ 23,676,704	\$ 434,028	0.60112	\$ 1,469,494	\$ 1,469,494	\$ 1,222,900
2021	\$ (277,691,000)	\$525,422,412	\$ 27,731,412	\$ 516,824	0.60112	\$ 1,986,318	\$ 1,986,318	\$ 1,615,382
2022	\$ (277,691,000)	\$568,422,412	\$ 32,348,308	\$ 602,931	0.60112	\$ 2,589,249	\$ 2,589,249	\$ 2,057,771
2023	\$ (277,691,000)	\$616,422,412	\$ 37,549,881	\$ 705,618	0.60112	\$ 3,294,867	\$ 3,294,867	\$ 2,548,686
2024	\$ (277,691,000)	\$674,422,412	\$ 43,499,516	\$ 821,477	0.60112	\$ 4,116,344	\$ 4,116,344	\$ 3,086,791
2025	\$ (277,691,000)	\$742,422,412	\$ 50,199,536	\$ 953,211	0.60112	\$ 5,069,555	\$ 5,069,555	\$ 3,670,900
2026	\$ (277,691,000)	\$820,422,412	\$ 58,799,536	\$ 1,107,211	0.60112	\$ 6,176,766	\$ 6,176,766	\$ 4,259,619
2027	\$ (277,691,000)	\$919,422,412	\$ 69,399,536	\$ 1,281,211	0.60112	\$ 7,457,977	\$ 7,457,977	\$ 4,971,600
2028	\$ (277,691,000)	\$1,039,422,412	\$ 82,999,536	\$ 1,487,211	0.60112	\$ 8,945,188	\$ 8,945,188	\$ 5,793,666

(1) Estimated Base Value, 1999-2000
(2) Includes 4.0% annual appreciation
(3) Proposed City Tax Rate for 2015

SCHEDULE D (AMENDED)
TAX INCREMENT REINVESTMENT ZONE NO. 20
CITY OF HOUSTON (Original and Annexed)
Projected Assessed Valuations

SCHEDULE C
TAX INCREMENT REINVESTMENT ZONE NO. 20
CITY OF HOUSTON (Original and Annexed)
Projected Zone Revenues and Ongoing Expenses Prior to New Projects

TOTAL ZONE (ORIGINAL AND ANNEXED/DEANNEXED)

Tax Roll Jan 1	City Taxable Base Value (1)	City Taxable Value (2)	City Captured Appraised Valuation (2)	Tax Year	Coll. Year	100% of City Tax Rate (3)	City Tax Increment Revenues (4)	Total TIRZ Revenues Available	Cumulative TIRZ Revenues Available
2015	\$ (1,034,145,323)	\$ 2,275,083,000	\$ 1,240,937,677	1	2015	0.60112	\$ 7,310,334	\$ 7,310,334	\$ 7,310,334
2016	\$ (1,034,145,323)	\$ 2,366,086,320	\$ 1,331,940,997	2	2016	0.60112	\$ 7,846,432	\$ 7,846,432	\$ 15,156,767
2017	\$ (1,034,145,323)	\$ 2,460,729,773	\$ 1,426,584,450	3	2017	0.60112	\$ 8,403,975	\$ 8,403,975	\$ 23,560,741
2018	\$ (1,034,145,323)	\$ 2,559,158,964	\$ 1,525,013,641	4	2018	0.60112	\$ 8,983,819	\$ 8,983,819	\$ 32,544,560
2019	\$ (1,034,145,323)	\$ 2,661,525,322	\$ 1,627,379,999	5	2019	0.60112	\$ 9,586,857	\$ 9,586,857	\$ 42,131,417
2020	\$ (1,034,145,323)	\$ 2,767,986,335	\$ 1,733,841,012	6	2020	0.60112	\$ 10,214,016	\$ 10,214,016	\$ 52,345,432
2021	\$ (1,034,145,323)	\$ 2,878,705,789	\$ 1,844,560,466	7	2021	0.60112	\$ 10,866,261	\$ 10,866,261	\$ 63,211,694
2022	\$ (1,034,145,323)	\$ 2,993,854,020	\$ 1,959,708,697	8	2022	0.60112	\$ 11,544,597	\$ 11,544,597	\$ 74,756,291
2023	\$ (1,034,145,323)	\$ 3,113,608,181	\$ 2,079,462,858	9	2023	0.60112	\$ 12,250,066	\$ 12,250,066	\$ 87,006,356
2024	\$ (1,034,145,323)	\$ 3,238,152,508	\$ 2,204,007,185	10	2024	0.60112	\$ 12,983,753	\$ 12,983,753	\$ 99,990,110
2025	\$ (1,034,145,323)	\$ 3,367,678,608	\$ 2,333,533,285	11	2025	0.60112	\$ 13,746,789	\$ 13,746,789	\$ 113,736,898
2026	\$ (1,034,145,323)	\$ 3,502,385,753	\$ 2,468,240,430	12	2026	0.60112	\$ 14,540,345	\$ 14,540,345	\$ 128,277,244
2027	\$ (1,034,145,323)	\$ 3,642,481,183	\$ 2,608,335,860	13	2027	0.60112	\$ 15,365,644	\$ 15,365,644	\$ 143,642,888
2028	\$ (1,034,145,323)	\$ 3,788,180,430	\$ 2,754,035,107	14	2028	0.60112	\$ 16,223,955	\$ 16,223,955	\$ 159,866,842
							\$ 159,866,842	\$ 159,866,842	\$ 159,866,842

ANTICIPATED ONGOING COSTS, DEBT AND REMAINING REVENUE

Acceleration Rate	Accrued Municipal Services	Accrued Administrative Services	Debt Service on Existing Projects	Remaining TIRZ Revenues Available
4%	\$ 446,000	\$ 365,517	\$ 4,167,960	\$ 2,330,857
	\$ 446,000	\$ 392,322	\$ 4,167,960	\$ 2,840,151
	\$ 446,000	\$ 420,199	\$ 4,167,960	\$ 3,369,816
	\$ 446,000	\$ 449,191	\$ 4,167,960	\$ 3,920,668
	\$ 446,000	\$ 479,343	\$ 4,167,960	\$ 4,493,554
	\$ 446,000	\$ 510,701	\$ 4,167,960	\$ 5,089,355
	\$ 446,000	\$ 543,313	\$ 4,167,960	\$ 5,708,988
	\$ 446,000	\$ 577,230	\$ 4,167,960	\$ 6,353,407
	\$ 446,000	\$ 612,503	\$ 4,167,960	\$ 7,023,602
	\$ 446,000	\$ 649,188	\$ 4,167,960	\$ 7,720,606
	\$ 446,000	\$ 687,339	\$ 4,167,960	\$ 8,445,489
	\$ 446,000	\$ 727,017	\$ 4,167,960	\$ 9,199,368
	\$ 446,000	\$ 768,282	\$ 4,167,960	\$ 9,983,402
	\$ 446,000	\$ 811,198	\$ 4,167,960	\$ 10,798,797
	\$ 6,244,000	\$ 7,993,342	\$ 58,351,440	\$ 87,278,060

Boundary Description
Tax Increment Reinvestment Zone Number 20
2015 Annexation
City of Houston, Harris County, Texas

Lying wholly in the City of Houston, the Zone Annexation is comprised of three tracts totaling +/- 456 acres with each tract generally described below.

Tract 1 is +/- 424.4 acres with beginning point being west right-of-way (ROW) of Hillcroft Ave., northeast corner of 1.5447 acre tract (TR 1E SHARPSTOWN INDUSTRIAL PARK), and boundary line of TIRZ No. 20;

Then south along west ROW of Hillcroft Ave. and boundary line of TIRZ No. 20 to north ROW of Harwin Dr.;

Then generally west along north ROW of Harwin Dr. and boundary line of TIRZ No. 20 to west ROW of Fondren Rd.;

Then south along west ROW of Fondren Rd. across ROW of Harwin Dr. and along boundary line of TIRZ No. 20 to south easement of flood control channel (D133-00-00 Bintliff Ditch);

Then west along south easement of flood control channel (D133-00-00 Bintliff Ditch) to east boundary of 4.768 acre tract (TR 2 DUNNRIDGE);

Then south along east boundary of said 4.768 acre tract to southeast corner of said tract;

Then west along south boundary of said 4.768 tract, and tracts 4, 6D, 6C, 8A, 10C & 10D, 12, 14 & 16B, TRS 16A 16A-1 35 & 35A, 34, 33, 32, 20X (.041667 INT COMMON LAND & ELE), 22, 22A, 24 and 26 to southwest corner of 2.7836 acre tract (TR 26 DUNNRIDGE) and boundary line of TIRZ No. 20;

Then north along west boundary of said 2.7836 acre tract and boundary line of TIRZ No. 20 to north ROW of Harwin Dr.;

Then generally west along north ROW of Harwin Dr. and boundary line of TIRZ No. 20 to east ROW of northbound feeder road of W. Sam Houston Parkway S.;

Then north along east ROW of northbound feeder road of W. Sam Houston Parkway S. to south boundary of +/-4.9 acre tract (TR R10 ROW ABST 855 I E WADE);

Then generally east along south boundary of said +/-4.9 acre tract, +/- 8.08 acre tract (PT TR R20 ABST 253 C ENNIS), 10.2 acre tract (TR R10 ABST 854 I E WADE), 13.8 acre tract (TR R 10 ABST 1049 S SMITH), and north boundary of 20.6189 acre parcel (LTS 23 & 25 & TRS 1A 3A 5A 7A 9A 11A 15A 17A 19A & 21A DUNNRIDGE) to northeast corner of said 20.6189 acre parcel;

Then southeast along south boundary of said 13.8 acre tract to northwest corner of 4.291 acre tract (TR 1 BLK 1 TOWN OF JEANETTA);

Then generally east along south boundary of said 13.8 acre tract and north boundary said 4.291 acre tract, across ROW of Fondren Rd., and 4.9 acre tract (TR R 10 ABST 852 J H WALTON), and 10.5 acre tract (TR R 20 ABST 1026 GC&SFRR CO SEC 2) to west ROW of Hillcroft Ave. and boundary line of TIRZ No. 20;

Then south along west ROW of Hillcroft Ave. and boundary line of TIRZ No. 20 to northeast corner of 1.5447 acre tract (TR 1E SHARPSTOWN INDUSTRIAL PARK) and beginning point of +/- 424 acre **Tract 1**;

Tract 2 is +/- 14.7 acres with beginning point being west ROW of feeder road (southbound) of US Hwy 59 and north ROW of Beechnut St;

Then east across ROW of US Hwy 59 and along north ROW of Beechnut St to east ROW of Brae Acres Rd.;

Then south along east ROW of Brae Acres Rd. to northwest corner of +/- 8.66 acre tract (TR C BLK 18 SHARPSTOWN SEC 3), Bonham Park, City of Houston;

Then generally east along north boundary of said +/- 8.66 acre tract to northeast corner of said tract;

Then south along east boundary said +/- 8.66 acre tract to southeast corner of said tract;

Then west along south boundary said +/- 8.66 acre tract to southwest corner of said tract and west ROW Brae Acres Rd.;

Then north along west boundary of said +/- 8.66 acre tract and west ROW of Brae Acres Rd. to a point due east of southeast corner of +/- 0.95 acre parcel (LT 43 BRAEBURN ACRES SEC 2);

Then west across ROW of Brae Acres Rd. to east boundary of said +/- 0.95 acre parcel and west ROW of Brae Acres Rd.;

Then north along west ROW of Brae Acres Rd. to south ROW of Beechnut St.;

Then west along south ROW of Beechnut St. to west ROW of feeder road (southbound) of US Hwy 59 and boundary line of TIRZ 20;

Then northeast along west ROW of feeder road (southbound) of US Hwy 59 and boundary line of TIRZ 20 to north ROW of Beechnut St. and beginning point of +/- 14.7 acre **Tract 2**;

Tract 3 is +/- 17.3 acres with beginning point being northeast corner of 1.538 acre tract (Units 1-24 BLDG A-E BISSONNET T/H CONDO), south ROW of Bissonnet St. and boundary line of TIRZ No. 20;

Then north across ROW of Bissonnet St. and along west boundary of 6.38 acre tract (TR 12 ABST 1012 L COTTON) to northwest corner of said tract;

Then east along north boundary of said 6.38 acre tract, across Brays Bayou (D100-00-00) to east easement and west boundary of 3.0133 acre tract (LTS 11 THRU 17 BLK 7 BRAEBURN GLEN SEC 1) and boundary line of Braeburn Glen Park, City of Houston;

Then northwest along west boundary of said 3.0133 acre tract, boundary line of Braeburn Glen Park, and 1.8986 acre tract (TRS 5 THRU 10 BLK 7 BRAEBURN GLEN SEC 1) to northwest corner of said 1.8989 acre tract;

Then northeast along north boundary of said 1.8986 acre tract, boundary line of Braeburn Glen Park to west boundary of +/- 1.879 acre tract (LTS 13 THRU 22 BLK 9 BRAEBURN GLEN SEC 1);

Then northwest along west boundary of said +/- 1.879 acre tract, boundary line of Braeburn Glen Park to northwest corner of said tract;

Then east northeast and east along north boundary of said +/- 1.879 acre tract, boundary line of Braeburn Glen Park to northeast corner of said tract and west ROW of S. Gessner Rd.;

Then generally south along west ROW of S. Gessner Rd., boundary line of Braeburn Glen Park to a point +/- 146 feet north of southeast corner of said 6.38 acre tract (TR 12 ABST 1012 L COTTON);

Then west southwest along boundary line of Braeburn Glen Park +/- 129 feet to a point +/- 165 feet north of south boundary of said 6.38 acre tract;

Then generally south along boundary line of Braeburn Glen Park +/- 153 feet to south boundary of said 6.38 acre tract and north ROW of Bissonnet St.;

Then generally west along south boundary of said 6.38 acre tract, north ROW of Bissonnet St. to a point north of northwest corner of 6.7045 acre parcel (RES A BLK 1 EPIPHANY);

Then south across ROW of Bissonnet St. to south ROW of Bissonnet St. and northwest corner of said 6.7045 acre parcel;

Then west along south ROW of Bissonnet St. and boundary line of TIRZ No. 20, across Brays Bayou (D100-00-00) easement to northeast corner of 1.538 acre tract (Units 1-24 BLDG A-E BISSONNET T/H CONDO) and the beginning point of +/-17.3 acre **Tract 3**;

Boundary Description
Tax Increment Reinvestment Zone Number 20
2015 De-Annexation
City of Houston, Harris County, Texas

Lying wholly in the City of Houston, the Zone De-Annexation is comprised of one tract totaling +/-29 acres and generally described below.

Tract 1 is +/- 29 acres being de-annexed from the City of Houston TIRZ No. 20 (2013 Annex) with beginning point being east ROW of Fondren Road, south ROW of feeder road (northbound) US Hwy 59 and boundary line of TIRZ 20;

Then northeast along south ROW of feeder road (northbound) of US Hwy 59 and boundary line of TIRZ 20 to north corner of +/- 0.2075 acre parcel (LT 7 BLK 18 SHARPSTOWN SEC 2);

Then generally southeast along east boundary of said +/- 0.2075 acre parcel and north ROW of Roos Rd. to east ROW of Torquay Ln.;

Then generally southwest along east ROW of Torquay Ln. to east ROW of Marinette Drive;

Then southeast along east ROW of Marinette Drive to south ROW of Sharpview Dr.;

Then southwest along south ROW of Sharpview Dr. to north corner of 0.2298 acre lot (LT 1 BLK 29 SHARPSTOWN SEC 2);

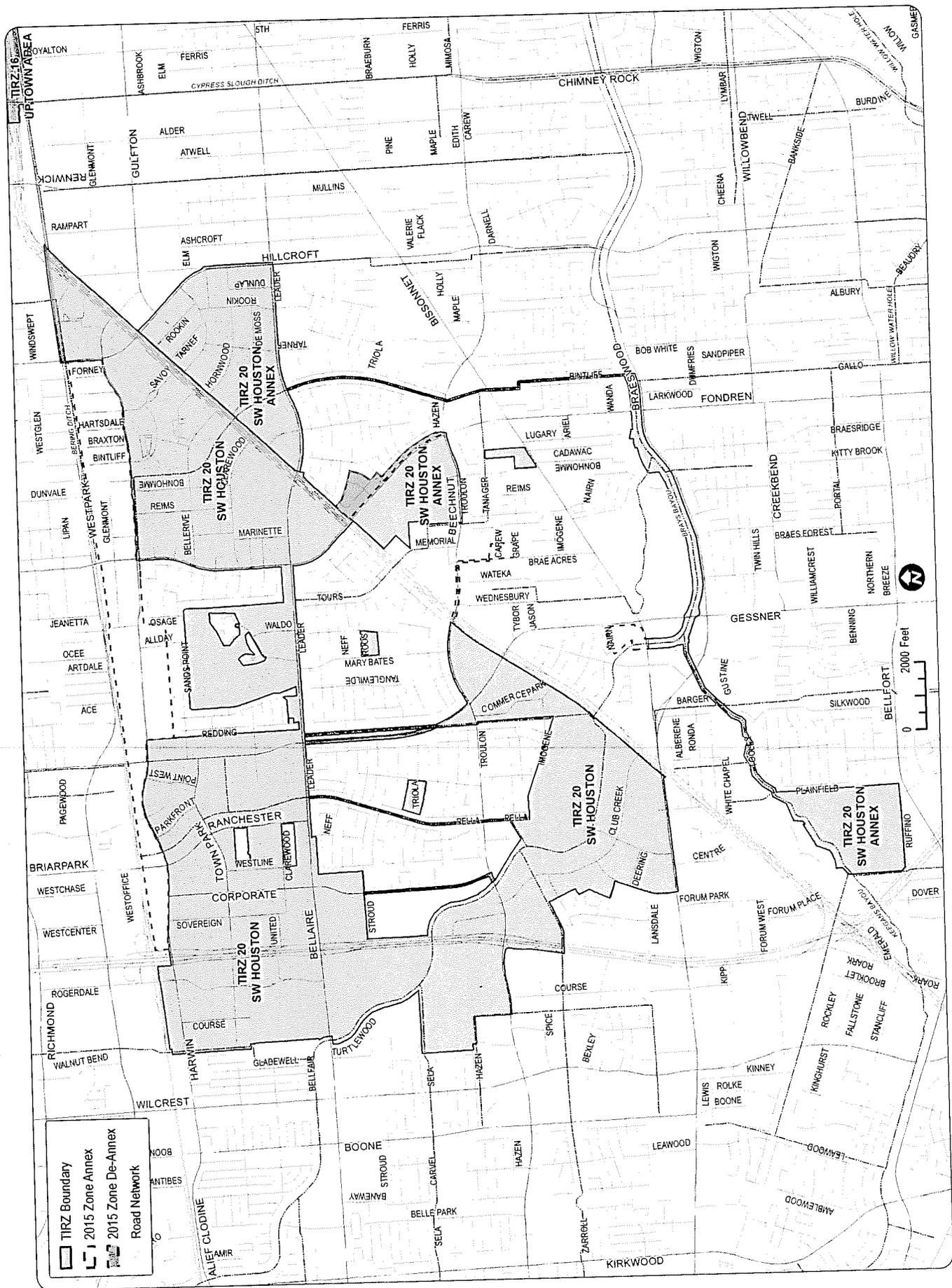
Then generally south southeast along east boundary of said 0.2298 acre lot, and LTS 2-12 BLK 29, and LTS 24-14 BLK 34, and LTS 57-54 BLK 42 to southeast corner LT 45 BLK 42 (SHARPSTOWN SEC 2);

Then west southwest along south boundary of LT 45 BLK 42 (SHARPSTOWN SEC 2) to northeast corner of LT 53 BLK 42 (SHARPSTOWN SEC 2);

Then south along east boundary of LT 53 BLK 42 (SHARPSTOWN SEC 2) to north ROW of Beechnut St.;

Then west along north ROW of Beechnut St. to east ROW of Fondren Rd.;

Then generally northwest along east ROW of Fondren Road to south ROW of feeder road (northbound) US Hwy 59 and boundary line of TIRZ 20 and beginning point of +/- 29 acre **Tract 1**;



Data Sources: City of Houston, Harris County, HHC LLP
 Map Source: HHC LLP, www.hhc.org, Oct. 1, 2015

SOUTHWEST HOUSTON

2015 TRZ 20 Annex / De-Annex

- Annex
- De-Annex
- City of Houston TRZ
- TRZ 20 Original
- TRZ 20 Annex
- Public School
- Highway / Tollway
- Waterway
- City Limits

De-Annex
29 Acres

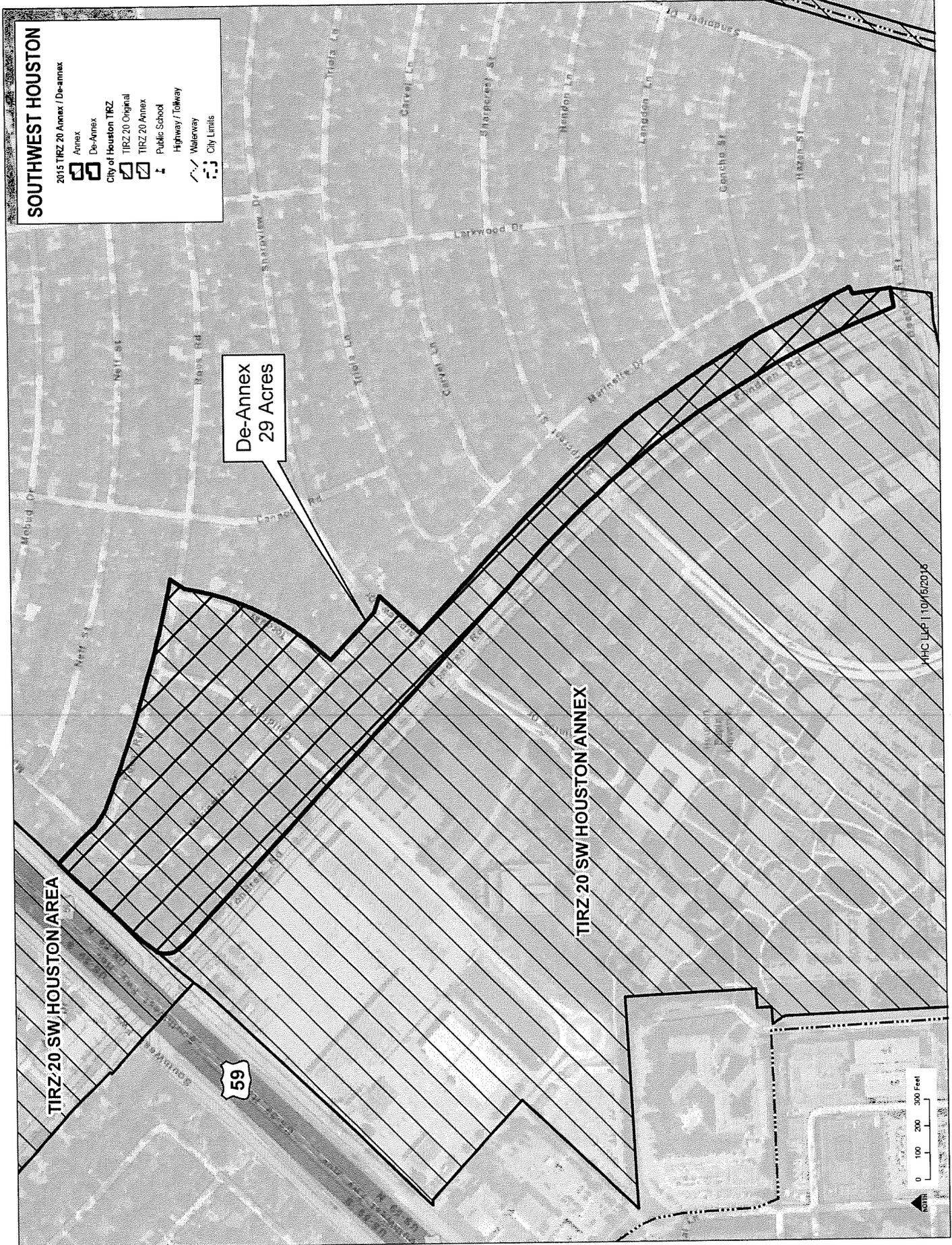
TIRZ 20 SW HOUSTON AREA

TIRZ 20 SW HOUSTON ANNEX

59

0 100 200 300 Feet

AHC LRF | 10/6/2016



SOUTHWEST HOUSTON

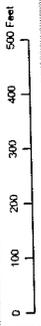
2015 TRZ 20 Annex / De-Annex

- Annex
- De-Annex
- City of Houston TRZ
- TRZ 20 Original
- TRZ 20 Annex
- Public School
- Highway / Tollway
- Waterway
- City Limits

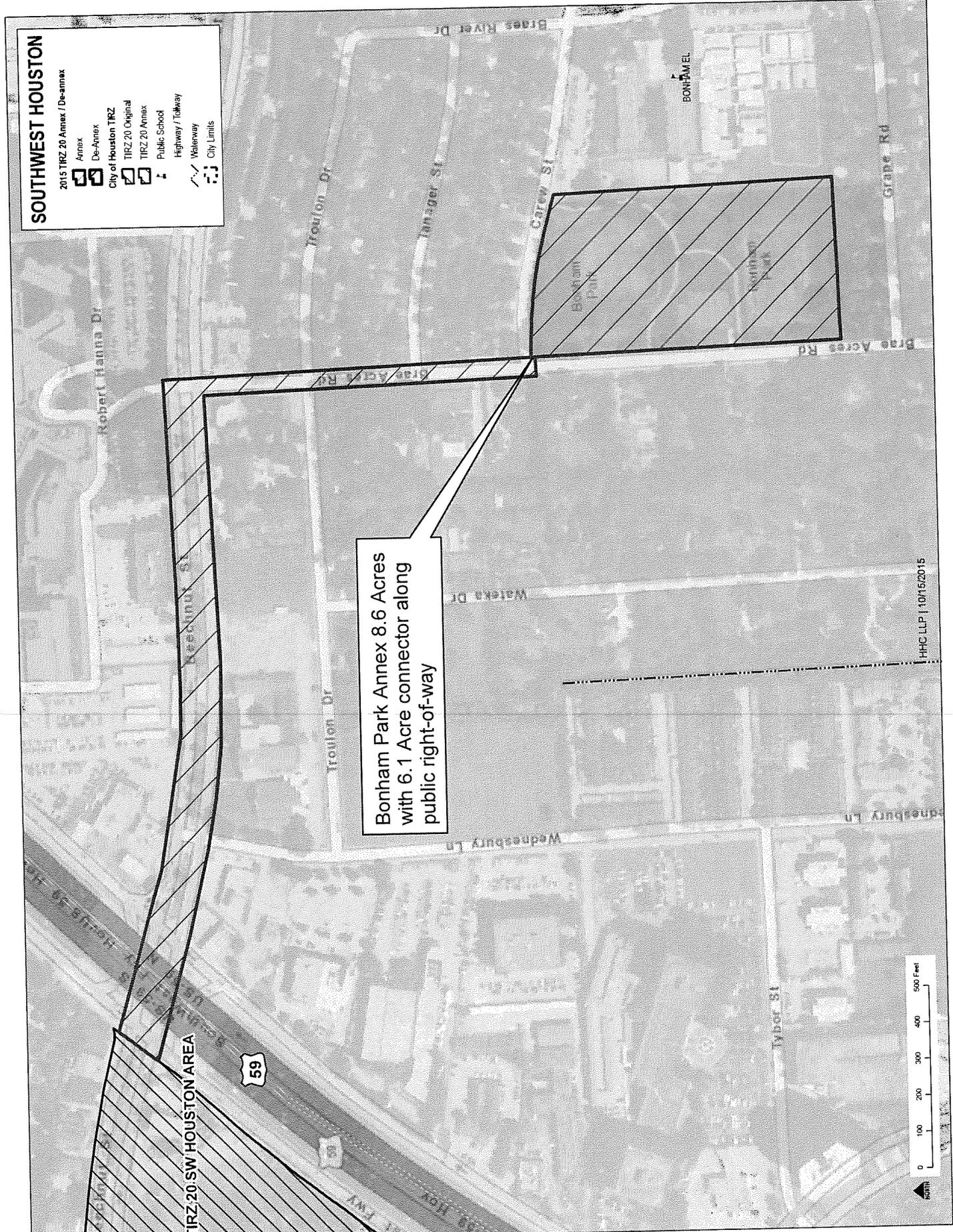
Bonham Park Annex 8.6 Acres
with 6.1 Acre connector along
public right-of-way

TRZ 20 SW HOUSTON AREA

59



HHG LLP | 10/16/2015



SOUTHWEST HOUSTON

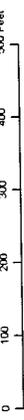
2015 TIRZ 20 Annex / De-annex

- Annex
- De-Annex
- City of Houston TIRZ
- TIRZ 20 Original
- TIRZ 20 Annex
- Public School
- Highway / Tollway
- Waterway
- City Limits

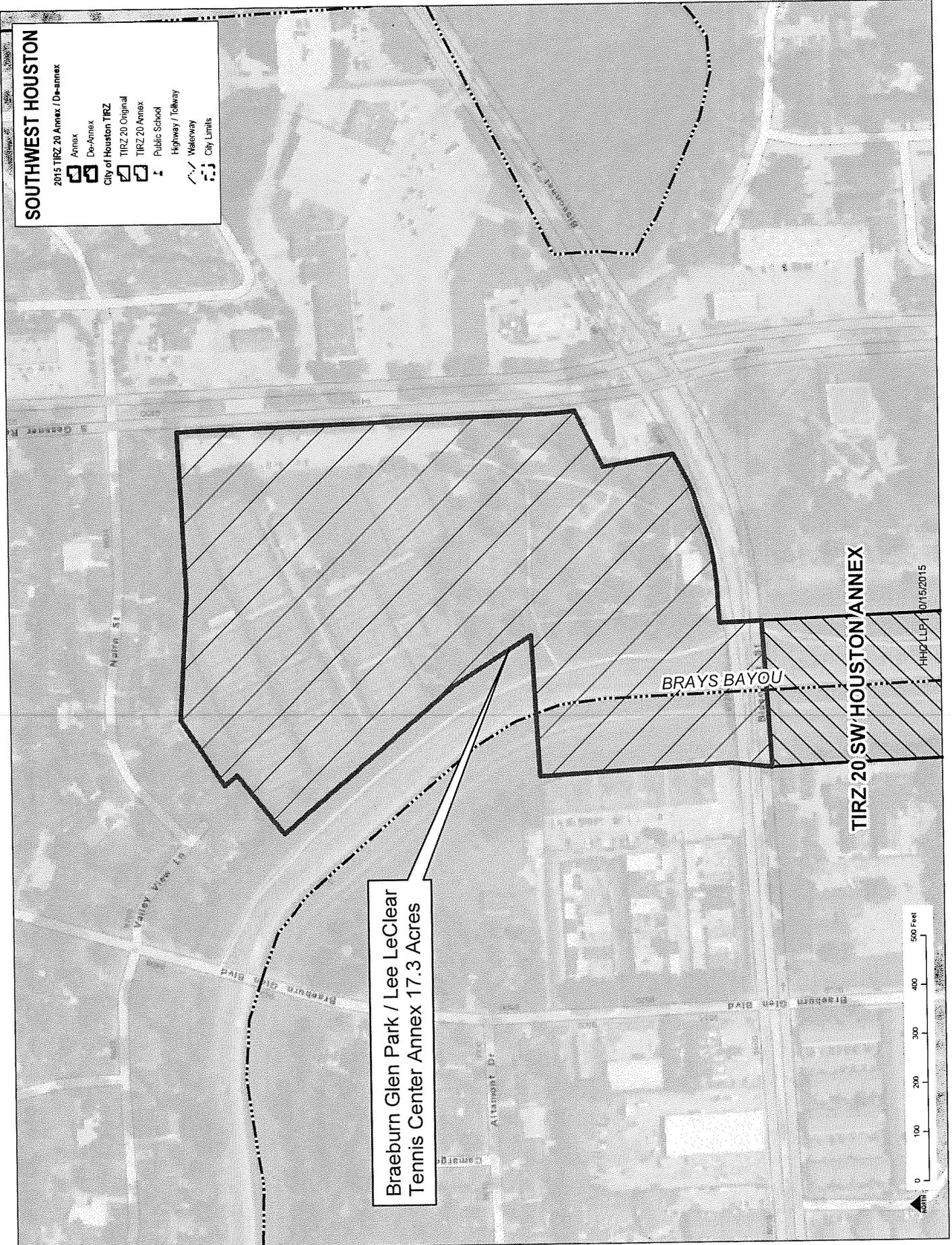
Braeburn Glen Park / Lee LeClear
Tennis Center Annex 17.3 Acres

BRAYS BAYOU

TIRZ 20 SW HOUSTON ANNEX



HHO LLS / 07/15/2015



SOUTHWEST HOUSTON

2015 TIRZ 20 Annex / De-Annex

- Annex
- De-Annex
- City of Houston TIRZ
- TIRZ 20 Original
- TIRZ 20 Annex
- Public School
- Highway / Tollway
- Waterway
- City Limits

Harwin Annex
424.4 Acres

TIRZ 20 SW HOUSTON AREA

TIRZ 20 SW HOUSTON AREA

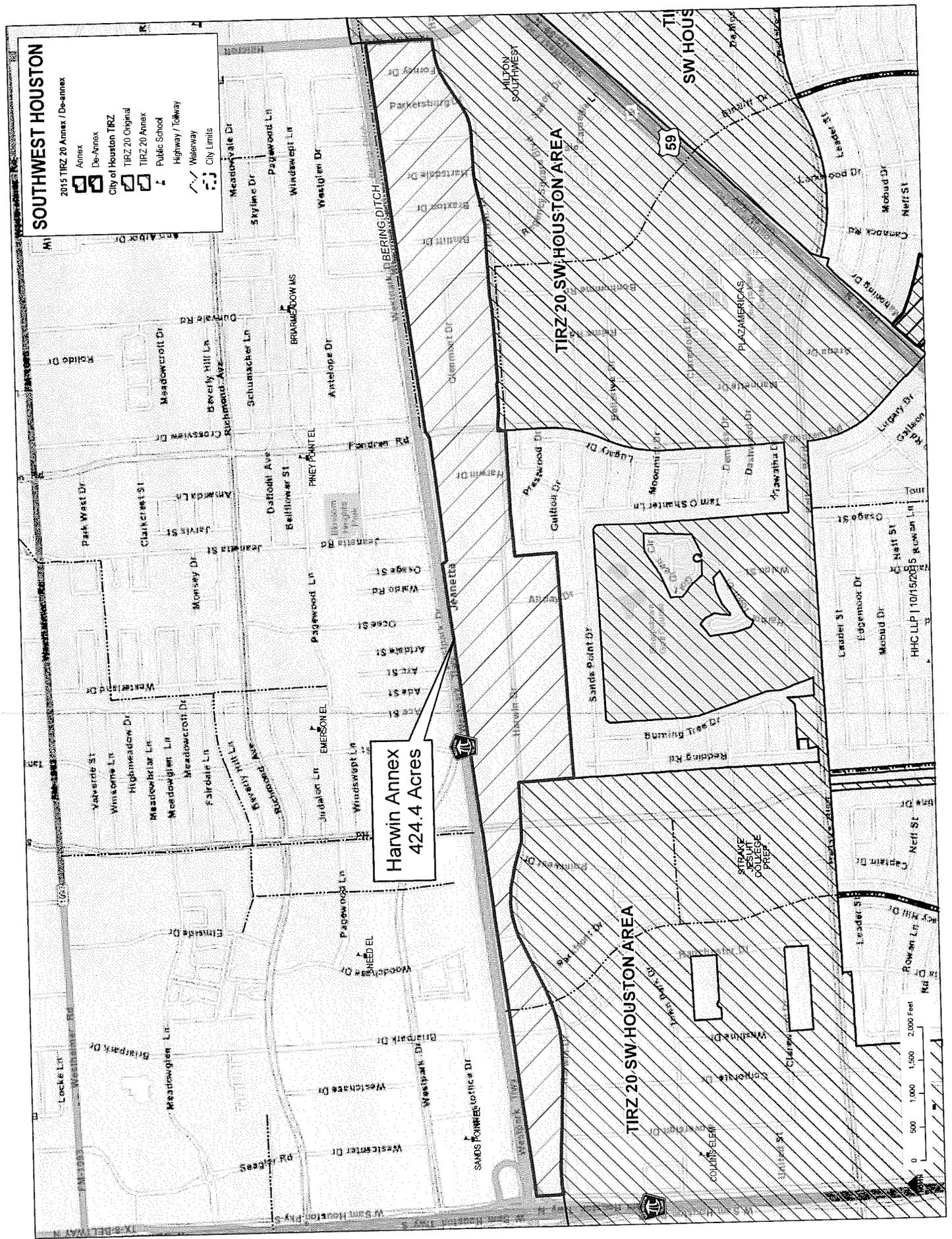
59

TIRZ 20 SW HOUSTON

STRAKE COLLEGE PREP

0 500 1000 1500 2000 Feet

HHC LLP | 10/15/2015





SOUTHWEST HOUSTON

- * Proposed Park and Golf Course Improvement
- Proposed Hanwin Corridor Improvement
- Proposed Fondren Corridor Improvement
- 2015 TIRZ 20 Annex/ De-Annex
- City of Houston TIRZ
- TIRZ 20 Original
- TIRZ 20 Annex
- Property for Detention Basin
- City Limits
- Council District
- Public School
- Waterway

Hanwin Corridor Improvement
(Gessner to Fondren)

Sharpstown Golf Course
Improvement

Fondren Corridor Improvement
(US 59 to Beechnut)

TIRZ 20
SW HOUSTON
ANNEX

Bonham Park
Improvement

Lee LeClear Park
Improvement

Detention Basin
Club Creek Dr.

Estimated Project Costs

Proposed Projects	
\$19,865,000	Hanwin Corridor
\$ 2,000,000	Lee LeClear Park
\$ 250,000	Bonham Park
\$ 2,000,000	Sharpstown Golf Course
\$ 5,620,000	Detention Basin, Parking and Trails
\$ 9,345,000	Fondren Corridor
\$39,080,000	TOTAL COSTS