

City of Houston, Texas, Ordinance No. 2019 - 996

**AN ORDINANCE APPROVING THE FIRST AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER TWENTY-TWO, CITY OF HOUSTON, TEXAS (LELAND WOODS ZONE); AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLANS; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.**

\* \* \* \* \*

**WHEREAS**, by Ordinance No. 2003-1330, adopted December 23, 2003, the City Council of the City of Houston, Texas ("City"), pursuant to the provisions of Chapter 311, Texas Tax Code, as amended ("Code"), created Reinvestment Zone Number Twenty-two, City of Houston, Texas ("Zone"), for the purposes of development in the area of the City generally referred to as the Leland Woods; and

**WHEREAS**, the Board of Directors of the Zone ("Board") adopted, and the City Council approved, by Ordinance No. 2007-499, the Project Plan and Reinvestment Zone Financing Plan for the Zone ("Plan"); and

**WHEREAS**, the Code authorizes the Board to adopt an amendment to the Plan, subject to, and effective upon, approval thereof by the City Council; and

**WHEREAS**, the Board, at its June 18, 2018 board meeting, considered and adopted a proposed first amendment to the Plan ("First Amendment"), and recommended the First Amendment for approval by the City Council; and

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

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

**WHEREAS**, the City Council conducted a public hearing on the proposed First Amendment on November 20, 2019; and

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

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

**WHEREAS**, the City Council has approved the annexation of additional territory into the Zone pursuant to Ordinance No. 2019- 995<sup>1</sup>; and

**WHEREAS**, the First Amendment includes the implementation and continuation of projects for the enlarged Zone; and

**WHEREAS**, the City desires to approve the First Amendment as described herein;

**NOW, THEREFORE,**

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

**Section 1.** Recitals. That the findings and recitals contained in the preamble of this Ordinance are found and declared to be true and correct and are hereby adopted as part of this Ordinance for all purposes.

**Section 2.** Approval of the First Amendment. That the existing Plan is hereby amended by adding "Part "H," attached to this Ordinance as Exhibit "A". The First Amendment is hereby found to be feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the First Amendment.

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

**Section 4.** Severability. That if any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same 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 thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

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

**Section 5. Emergency.** 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.

PASSED AND ADOPTED this 4th day of December, 2019.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is DEC 1 0 2019.

Pat J. Harrel  
City Secretary **Assistant**

Prepared by Legal Department Arva D. Howard  
AH/ems 11-22-19 Senior Assistant City Attorney  
Requested by Andrew F. Icken  
Chief Development Officer, Office of the Mayor  
L.D. File No. 0421400158009

CAPTION PUBLISHED IN DAILY COURT  
REVIEW  
DATE: DEC 1 0 2019

**EXHIBIT "A"**

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

AYE	NO	
✓		<b>MAYOR TURNER</b>
....	....	<b>COUNCIL MEMBERS</b>
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		MARTHA CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	

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

**Leland Woods Zone**

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

**June 18, 2018**

REINVESTMENT ZONE NUMBER TWENTY-TWO, CITY OF HOUSTON, TEXAS

First Amended Project Plan and Reinvestment Zone Financing Plan

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## REINVESTMENT ZONE NUMBER TWENTY-TWO, CITY OF HOUSTON, TEXAS

### First Amended Project Plan and Reinvestment Zone Financing Plan

#### **Introduction**

The Reinvestment Zone Twenty-Two, City of Houston, Texas ("Zone"), was created by the City of Houston, Texas ("City") on December 23, 2003, by Ordinance No. 2003-1330.

The purpose of the tax increment reinvestment zone (the "Zone") is to finance construction of public facilities and infrastructure necessary to catalyze residential and commercial development and redevelopment within the Zone boundaries.

Expenditures associated with the design and construction of public facilities infrastructure, as well as other specific project related costs, will be funded by tax increment revenues derived from increases in property values following new residential and commercial development.

#### **Section I**

##### **Part A**

The original reinvestment zone covers approximately 80.42 acres and included two continuous parcels of undeveloped land immediately south of West Little York and east of Homestead Road in Northeast Houston. The original plan contemplated the development of 373 single family homes, at affordable price points, along with green space and required street and underground utility infrastructure. A modest amount of residential development has occurred in the initial phase of this development with approximately 80 homes built to date. Property was acquired by a new homebuilder whose plans provide for the completion of the residential development originally targeted for the zone. Plans are for the construction of approximately 175 new homes, ranging in price from \$195K – \$220K.

Project costs in the initial project plan and reinvestment zone financing plan consisted of basic infrastructure costs for Water, Sanitary Sewer, Storm Sewer, Streets, Detention, Contingency and Engineering. Also included were costs for Recreational amenities, landscaping in open spaces, Sound Barrier fencing, and Sidewalks on East Little York. The City's intention in the creation of the zone was to assist with and facilitate the development of affordable housing in the North East quadrant of the City.

##### **Part B**

The Zone and the City now propose the first amendment to the Project Plan and Reinvestment Zone Financing Plan for the Zone. This Amended Plan provides for the enhancement of and improvements to approximately 2,530 acres of land added into the Zone boundaries as part of this plan amendment to allow for continued improvements in the area and permit the Zone to achieve the objective and projects for which it was established.

In the original project plan, development was expected to begin in 2007 with residential build out completed in 2013. The updated plan provides for completion of the original housing development within the next three years, and the support of new residential, commercial, and mixed-use developments to occur. The build out assumptions for the annexed territory assume that new commercial buildout for the first phase will begin in late 2020 and will continue over the life of the TIRZ. It is anticipated that the initial planned development will consist of a trucking service center, a training facility for truck mechanics, and a small retail strip center.

The development of green space and recreational amenities is a priority and focus of the planned development activity in the annexed area, with several parks, hike and bike trailing systems contemplated. Harris County and the Harris County Flood Control District have planned for improvements to mitigate serious flooding in the area, and it is anticipated that zone resources may be utilized to provide for public area improvements along the area bayous drainage facilities.

Development in the annexed area, and revenues generated from the same will be utilized to aid and assist in the redevelopment and repositioning of the area commercial corridors with the addition of sidewalks, lighting, drainage and detention, and green spaces to serve the broader community. S&B Infrastructure, Ltd. has provided detailed cost estimates for the infrastructure along the major corridors within the proposed annexed area. Currently estimated at over \$86.8M, the cost to renew and replace area infrastructure, with attention to roads, drainage, detention, sidewalks, and public amenities clearly demonstrates the need for the TIRZ expansion. Such improvements are expected to catalyze significant investment in the redevelopment of the area.

## **Section II**

### **Authorized Projects and Project Costs**

The amended and restated project plan and reinvestment zone financing plan costs are shown in Exhibit I. The zone may adjust costs among line items as costs and priorities change. The dollar amounts for each category are approximate and to the extent inflation or other factors or changes in priorities impact actual costs, the amounts may be adjusted from time to time by the Board of Directors of the zone, upon approval of applicable annual budgets by the City Council.

#### **The Amended Plan**

##### Existing and Proposed Uses of Land (Texas Tax Code § 311.011(b)(1)):

*Existing Conditions:* Existing land uses within the Zone are varied, and include predominately undeveloped, vacant land, single- family residential development, and a mixed commercial development, including a significant number of trucking and logistics related businesses. Overall the area is in need of investment to replace and relocate infrastructure including water, wastewater and

drainage facilities, and a sufficient roadway network to support redevelopment and new development within the area. **Map 1**-depicts the boundary of the original area, the proposed annexation area.

*Surrounding Land Uses:* Land surrounding the Zone ranges from single family residential to commercial uses. **Map 2** provides an aerial view of the zone and surrounding area.

Current land use in the proposed annexation area is depicted in **Map 3**. The proposed land uses shall include single-family residential, commercial, retail, parks and open spaces, tax exempt land used for drainage and detention, with increasingly diminished undeveloped land over time.

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 completed in conformance with existing building code regulations of the City of Houston. There are no proposed changes of any city development ordinances, master plans, or building codes.

Estimated Non-Project Costs (Texas Tax Code § 311.011(b)(3)):

The project costs referenced in **Exhibit 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 City of Houston, Harris County, Harris County Drainage District, the Texas Department of Transportation or private sources, are non-project costs. Funding identified in **Exhibit 1** for improvements 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)):

There will be no persons displaced as a result of implementing the plan.

**Area improvements and Community Projects**

The following list of projects are those that have been identified by the area Civic Associations as important to the area for quality of life, mobility, and redevelopment of the area. Their inclusion in the plan is intended to serve both as a recommended priority use for any surplus revenues after developer reimbursements or debt service, and also as a general guide for the longer-range planning efforts of the Board of Directors.

- 1) Halls Bayou improvements—hike/bike trails, lighting, benches, landscaping.
- 2) Improvements to Tidwell to four lanes, with sidewalks, lighting.
- 3) Brock Park redevelopment
- 4) Sidewalks on Houston Ave.
- 5) Little York extension/expansion

- 6) Sanitary Sewer and Water line upgrades to enable redevelopment on commercial corridors.
- 7) Lakewood Library and Park Improvements.
- 8) Improvements to Highway 90 with sidewalks, and safety measures.

## **B. Reinvestment Zone Finance Plan**

### Estimated Project Costs (Texas Tax Code § 311.011(c)(1)):

**Exhibit 1** lists the estimated project costs for the Zone administrative costs. As set forth in this 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 **Exhibit 1**.

### Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone (Texas Tax Code § 311.011(c)(2)):

These details are described throughout the Plan, including but not limited to roadway construction/reconstruction, stormwater conveyance and management systems, water, wastewater improvements, municipal facilities, sidewalks, lighting, trails, park and green space improvements, and landscaping enhancements. Municipal facilities funded by the TIRZ will be done so with city direction.

### Economic Feasibility (Texas Tax Code § 311.011(c)(3)):

As stated in the Original Plan, the Zone substantially retards the provision of housing accommodations and constitutes an economic and social liability for the City of Houston. The Zone, including the proposed area to be annexed, substantially impairs and arrests the sound growth of the City, has an inadequate sidewalk and street layout, and lacks the necessary infrastructure to support development and redevelopment. Given these conditions, the annexed area would benefit greatly from the annexation into the existing Tax Increment Reinvestment Zone, and facilitate street and other needed infrastructure improvements, making the area more appealing to residential and supporting commercial development.

While development has not occurred as anticipated when the Zone was originally created, current economic conditions and growth, along with recent/planned infrastructure improvements support commercial and residential development in the area.

The City and the Zone find that the development plan is viable with projected revenue estimates sufficient to fund initial anticipated project costs. Surplus revenues will be prioritized to fund community improvements based on cost and revenue availability. This is subject to the development time line and buildout being constructed by the developers. **Exhibit 3A provides revenues for Original Zone; Exhibit 3B provides** the incremental revenue estimates for the annexed area.

### 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 projects and revenue schedules included in the **Project Plan**, 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 the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. Tax increment will consist of contributions from the City. If the County elects to participate, their revenues would be incorporated in the funding of all project costs. This figure is calculated as follows:

City contribution of \$0.567920/\$100 of assessed valuation (100% of tax rate)

Current Total Appraised Value of Taxable Real Property (Texas Tax Code § 311.011(c)(7)):

As of November 2019, the current appraised value of taxable real property in the Original Zone is \$22,399,551, while the appraised value in the proposed area to be annexed is \$55,592,447.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code § 311.011(c)(8)):

It is projected that taxable property values in the proposed annexed area for the Zone will increase to approximately \$249,178,482 by 2033. **Exhibits 3A and 3B** show the annual captured value of these increases in property value during the existence of the Zone.

Zone Duration (Texas Tax Code § 311.011(c)(9)):

The Zone was established by the City on December 23, 2003 and will terminate on December 31, 2033. The Zone may terminate at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of proposed revenue bonds, notes or other obligations, if any, that all project costs, bonds, and interest on bonds have been paid in full.

Exhibit 1 – Estimated project costs Original and Annexed area

	1997 (A) Plan Estimated Costs	2019 (B) Plan Estimated Costs	Total Plan Estimated Costs	Costs Through 6/30/2019	Remaining Costs
<b>Infrastructure Improvements:</b>					
Water, Sanitary Sewer, Storm Sewer, Detention, Contingency and Engineering	6,089,985	-	6,089,985	5,099	\$ 6,084,886
Street Improvements	-	51,870,825	51,870,825	-	\$ 51,870,825
Streetscape Enhancements	-	300,000	300,000	-	\$ 300,000
Drainage/Detention	-	10,728,156	10,728,156	-	\$ 10,728,156
Stormwater	-	10,028,156	10,028,156	-	\$ 10,028,156
Sidewalks	-	3,535,194	3,535,194	-	\$ 3,535,194
Municipal Facilities	-	6,000,000	6,000,000	-	\$ 6,000,000
Parks, Recreational Amenities, Hike and Bike	220,000	6,813,000	7,033,000	-	\$ 7,033,000
Sound Barrier	229,500	-	229,500	-	\$ 229,500
Fencing	-	250,000	250,000	-	\$ 250,000
<b>Total Infrastructure Improvements</b>	<b>6,539,485</b>	<b>89,525,331</b>	<b>96,064,816</b>	<b>5,099</b>	<b>96,059,717</b>
<b>Total Other Project Costs</b>					
Financing Costs	1,800,000	-	1,800,000	-	\$ 1,800,000
Zone Creation	53,000	-	53,000	12,728	\$ 40,272
Zone Administration	165,000	1,560,000	1,725,000	577,391	\$ 1,147,609
<b>Project Plan Total</b>	<b>8,557,485</b>	<b>91,085,331</b>	<b>99,642,816</b>	<b>595,218</b>	<b>99,047,598</b>

Exhibit 2 – Net Revenue and Transfer Schedule All Jurisdictions

Tax Year (1)	Increment Revenue				Net Revenue (Total Increment Revenue less Total Transfers)
	City	City Admin (5%)	City Affordable Housing	Total Admin/ Transfers	
2019	\$ 120,603	\$ 6,030	\$ 40,201	\$ 46,231	\$ 74,372
2020	\$ 191,887	\$ 9,594	\$ 63,962	\$ 73,557	\$ 118,330
2021	\$ 312,337	\$ 15,617	\$ 104,112	\$ 119,729	\$ 192,608
2022	\$ 433,520	\$ 21,676	\$ 144,507	\$ 166,183	\$ 267,337
2023	\$ 603,997	\$ 30,200	\$ 201,332	\$ 231,532	\$ 372,465
2024	\$ 676,366	\$ 33,818	\$ 225,455	\$ 259,274	\$ 417,092
2025	\$ 718,948	\$ 35,947	\$ 239,649	\$ 275,597	\$ 443,351
2026	\$ 740,407	\$ 37,020	\$ 246,802	\$ 283,823	\$ 456,584
2027	\$ 782,562	\$ 39,128	\$ 260,854	\$ 299,982	\$ 482,580
2028	\$ 826,404	\$ 41,320	\$ 275,468	\$ 316,788	\$ 509,616
2029	\$ 871,999	\$ 43,600	\$ 290,666	\$ 334,266	\$ 537,732
2030	\$ 919,417	\$ 45,971	\$ 306,472	\$ 352,443	\$ 566,974
2031	\$ 968,733	\$ 48,437	\$ 322,911	\$ 371,348	\$ 597,385
2032	\$ 1,020,021	\$ 51,001	\$ 340,007	\$ 391,008	\$ 629,013
2033	\$ 1,073,361	\$ 53,668	\$ 357,787	\$ 411,455	\$ 661,906
	\$ 10,260,561	\$ 513,028	\$ 3,420,187	\$ 3,933,215	\$ 6,327,346
<b>Notes:</b>					
(1) Redevelopment Authority is scheduled to terminate in Tax Year 2033					
(2) Collection rate of 98% is assumed; Growth of 4% is assumed.					

Exhibit 3A – Revenue Schedule Original Area

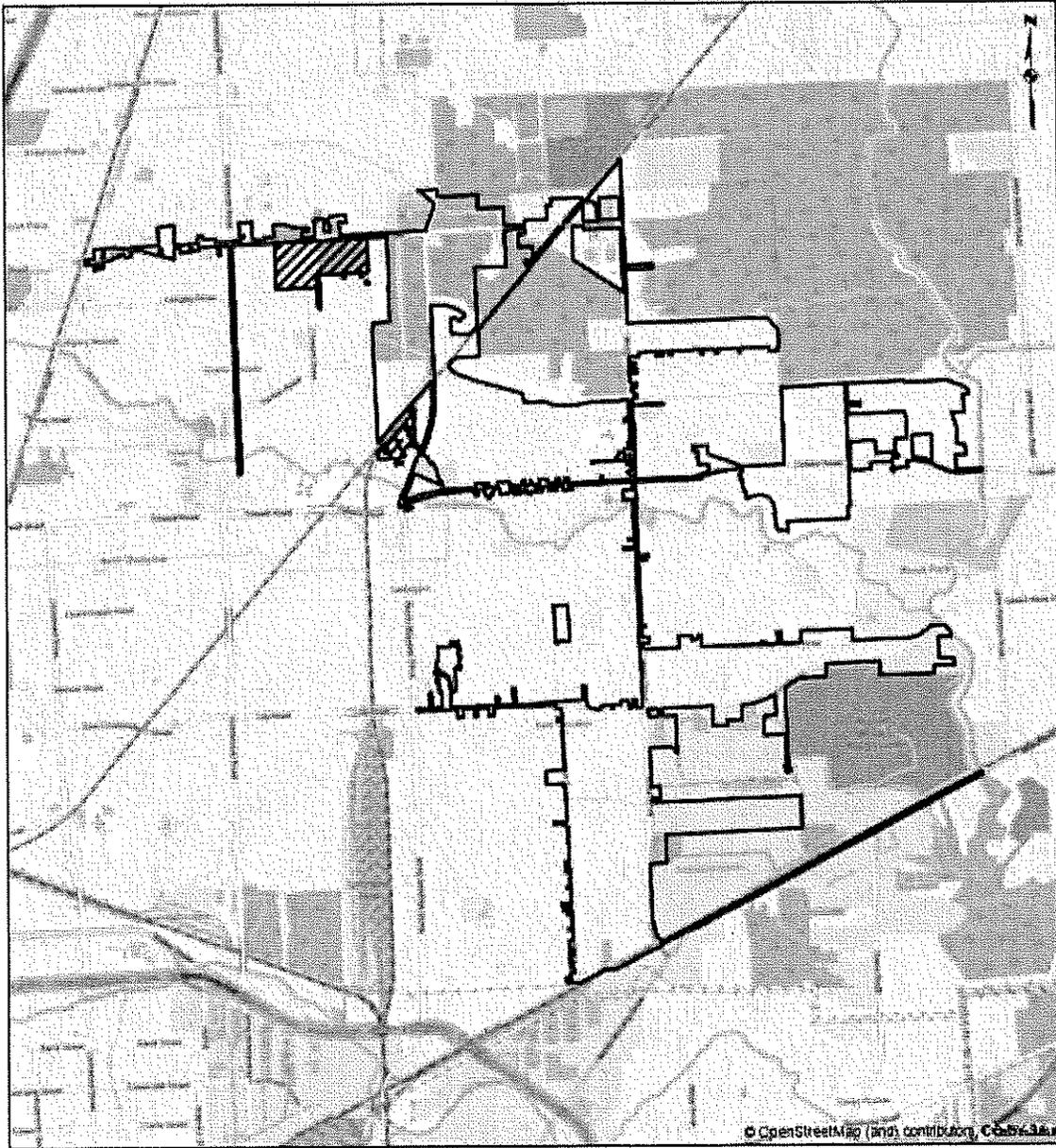
Tax Year	Base Value Original Area	Taxable Value Original Area	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	City Affordable Housing	Net Revenue (Less Transfers)
2019	730,340	\$22,399,551	\$21,669,211	98.00%	0.56792	\$ 120,603	\$ 6,030	40,201	\$ 74,372
2020	730,340	\$27,295,533	\$26,565,193	98.00%	0.56792	\$ 147,852	\$ 7,393	49,284	\$ 91,175
2021	730,340	\$30,587,354	\$29,857,014	98.00%	0.56792	\$ 166,173	\$ 8,309	55,391	\$ 102,473
2022	730,340	\$34,010,849	\$33,280,509	98.00%	0.56792	\$ 185,227	\$ 9,261	61,742	\$ 114,223
2023	730,340	\$37,571,282	\$36,840,942	98.00%	0.56792	\$ 205,043	\$ 10,252	68,348	\$ 126,443
2024	730,340	\$41,274,134	\$40,543,794	98.00%	0.56792	\$ 225,651	\$ 11,283	75,217	\$ 139,152
2025	730,340	\$42,925,099	\$42,194,759	98.00%	0.56792	\$ 234,840	\$ 11,742	78,280	\$ 144,818
2026	730,340	\$44,642,103	\$43,911,763	98.00%	0.56792	\$ 244,396	\$ 12,220	81,465	\$ 150,711
2027	730,340	\$46,427,787	\$45,697,447	98.00%	0.56792	\$ 254,334	\$ 12,717	84,778	\$ 156,840
2028	730,340	\$48,284,899	\$47,554,559	98.00%	0.56792	\$ 264,670	\$ 13,234	88,223	\$ 163,213
2029	730,340	\$50,216,295	\$49,485,955	98.00%	0.56792	\$ 275,420	\$ 13,771	91,807	\$ 169,842
2030	730,340	\$52,224,946	\$51,494,606	98.00%	0.56792	\$ 286,599	\$ 14,330	95,533	\$ 176,736
2031	730,340	\$54,313,944	\$53,583,604	98.00%	0.56792	\$ 298,226	\$ 14,911	99,409	\$ 183,906
2032	730,340	\$56,486,502	\$55,756,162	98.00%	0.56792	\$ 310,317	\$ 15,516	103,439	\$ 191,362
2033	730,340	\$58,745,962	\$58,015,622	98.00%	0.56792	\$ 322,893	\$ 16,145	107,631	\$ 199,117
						\$3,542,243	\$177,112	\$1,180,748	\$2,184,383
<b>Notes:</b>									
(1) Redevelopment Authority is scheduled to terminate in Tax Year 2033									
(2) Collection rate of 98% is assumed; Growth of 4% is assumed.									

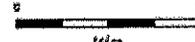
Exhibit 3B – Revenue Schedule Annexed Area

Tax Year	Base Value Annexed Area	Taxable Value Annexed Area	Captured Appraised Value	Collection Rate	Tax Rate	Increment Revenue	City Admin (5%)	City Affordable Housing	Net Revenue (Less Transfers)
2019	\$ 55,592,447	\$ 55,592,447	\$ -	98.00%	0.56792	\$ -	\$ -		\$ -
2020	\$ 55,592,447	\$ 63,504,447	\$ 7,912,000	98.00%	0.56792	\$ 44,035	\$ 2,202	14,678	\$ 27,155
2021	\$ 55,592,447	\$ 81,854,447	\$ 26,262,000	98.00%	0.56792	\$ 146,164	\$ 7,308	48,721	\$ 90,135
2022	\$ 55,592,447	\$ 100,204,447	\$ 44,612,000	98.00%	0.56792	\$ 248,293	\$ 12,415	82,764	\$ 153,114
2023	\$ 55,592,447	\$ 127,274,447	\$ 71,682,000	98.00%	0.56792	\$ 398,954	\$ 19,948	132,985	\$ 246,022
2024	\$ 55,592,447	\$ 136,574,447	\$ 80,982,000	98.00%	0.56792	\$ 450,715	\$ 22,536	150,238	\$ 277,941
2025	\$ 55,592,447	\$ 142,574,447	\$ 86,982,000	98.00%	0.56792	\$ 484,108	\$ 24,205	161,369	\$ 298,534
2026	\$ 55,592,447	\$ 144,713,064	\$ 89,120,617	98.00%	0.56792	\$ 496,011	\$ 24,801	165,337	\$ 305,874
2027	\$ 55,592,447	\$ 150,501,586	\$ 94,909,139	98.00%	0.56792	\$ 528,228	\$ 26,411	176,076	\$ 325,740
2028	\$ 55,592,447	\$ 156,521,650	\$ 100,929,203	98.00%	0.56792	\$ 561,733	\$ 28,087	187,244	\$ 346,402
2029	\$ 55,592,447	\$ 162,782,516	\$ 107,190,069	98.00%	0.56792	\$ 596,579	\$ 29,829	198,860	\$ 367,890
2030	\$ 55,592,447	\$ 169,293,816	\$ 113,701,369	98.00%	0.56792	\$ 632,818	\$ 31,641	210,939	\$ 390,238
2031	\$ 55,592,447	\$ 176,065,569	\$ 120,473,122	98.00%	0.56792	\$ 670,507	\$ 33,525	223,502	\$ 413,479
2032	\$ 55,592,447	\$ 183,108,192	\$ 127,515,745	98.00%	0.56792	\$ 709,704	\$ 35,485	236,568	\$ 437,651
2033	\$ 55,592,447	\$ 190,432,519	\$ 134,840,072	98.00%	0.56792	\$ 750,468	\$ 37,523	250,156	\$ 462,789
						\$ 6,718,318	\$ 335,916	\$ 2,239,439	\$ 4,142,963
Notes:									
	(1) Reinvestment Zone is scheduled to terminate in Tax Year 2033								
	(2) Collection rate of 98% is assumed; Growth of 4% is assumed. \$ 0								

MAPS

Map 1 – Boundary Map



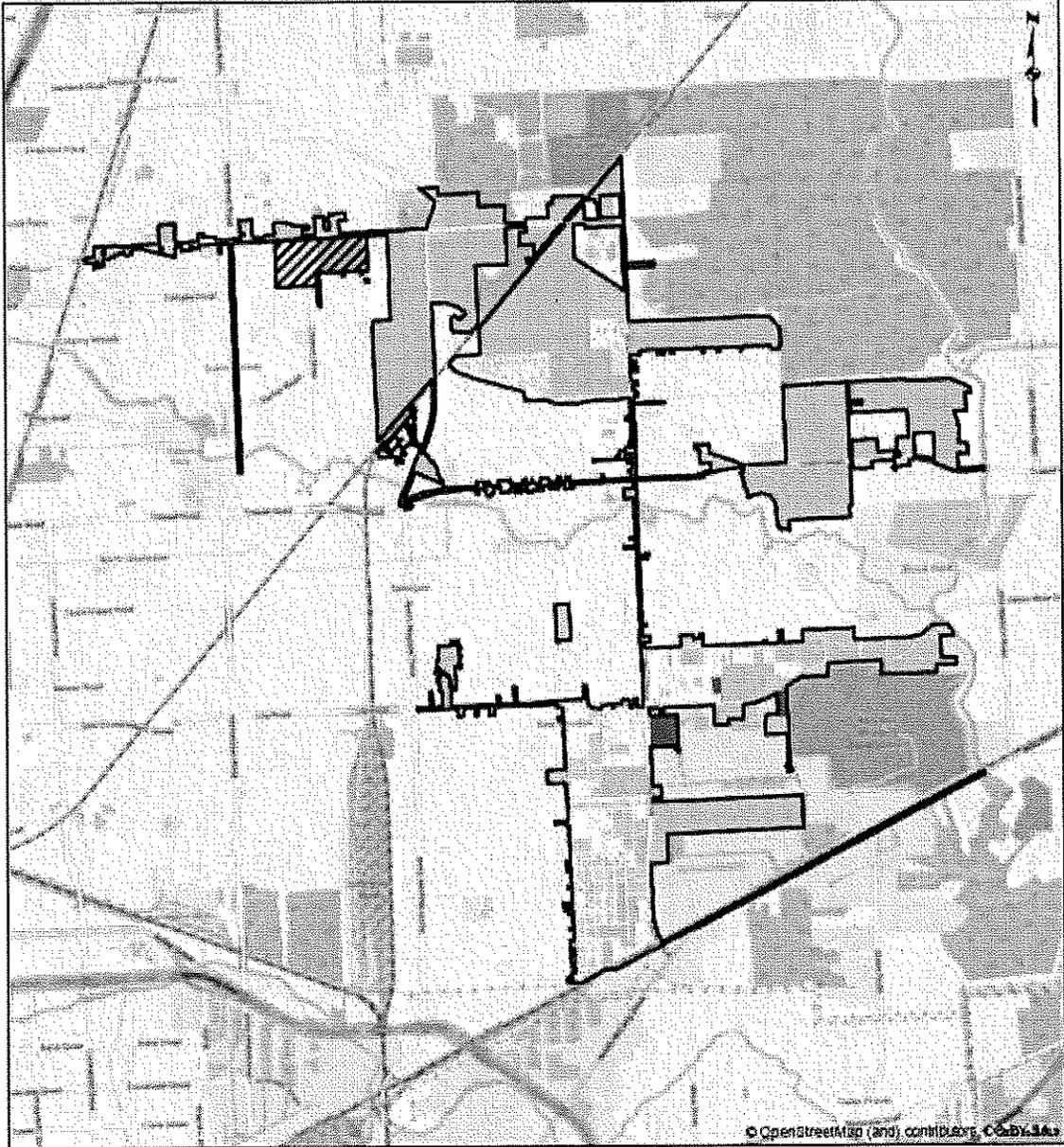
<p><b>MAP INFORMATION</b></p> <p> TIRZ Expansion Option 2 TIRZ Island Waiver</p>	<p><b>TIRZ Expansion Option 2</b> City of Houston, Texas</p>		
	<p>Scale: 1:48,000 Print Size: 8.5" x 11"</p>  <p>0 1 Miles</p> <p><small>CIS Name (ESR/): HAD 1983 State Place Texas South Central PPS 4304 Part</small></p>	<p><b>Bill Calderón</b> Calderón Economic Development Strategies LLC www.calderonedes.com 713.724.4462</p>	

Map 2 – Aerial View of Property in and surrounding the Zone



<p><b>MAP INFORMATION</b></p> <p> TIRZ Expansion Option 2 TIRZ Lakeland Woods</p>	<p><b>TIRZ Expansion Option 2</b> City of Houston, Texas</p>	 <p><b>Bill Calderón</b> Calderón Economic Development Strategies LLC www.calderonedcs.com 713.724.4460</p>	
	<p>1:48,000 Print Size: 8.5" x 11"</p> <p>0 1 Miles</p> <p>GIS Name: (SRM) TIRZ 1283 State Plane Texas South Central FIPS 4204 Feet</p>		

Map 3 – Land Use/Property Classification of Property in the Zone



<p><b>MAP INFORMATION</b></p> <ul style="list-style-type: none"> <li> TIRZ Expansion Option 2</li> <li> TIRZ Lands (Vacant)</li> <li> Agricultural Land</li> <li> Commercial (Vacant)</li> <li> Industrial (Improved)</li> <li> Residential (Vacant)</li> <li> Tax Exempt</li> </ul>	<p><b>TIRZ Expansion Option 2</b> City of Houston, Texas</p>	 <p><b>Bill Calderón</b> Calderón Economic Development Strategies LLC www.calderonedes.com 713.724.4660</p>	 <p>Map of Houston, TX</p>
	<p>1:48,000 Print Size: 8.5" x 11"</p>  <p>0 1/4 Miles</p> <p>©19 Harris (2011); HAD 1988 State Plane Texas South Central FIPS 4204 Feet</p>		