

City of Houston, Texas, Ordinance No. 2015 - 1092

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY OF HOUSTON LOCATED IN THE SUNNYSIDE AND SOUTHPARK NEIGHBORHOODS OF HOUSTON AND GENERALLY BOUNDED BY THE INTERSTATE HIGHWAY 610 ON THE NORTH, FUQUA STREET ON THE SOUTH, CULLEN STREET ON THE EAST, AND STATE HIGHWAY 288 ON THE WEST AS REINVESTMENT ZONE NUMBER TWENTY-SIX, CITY OF HOUSTON, TEXAS (SUNNYSIDE ZONE), FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, as amended (“Code”), the City may designate a contiguous or noncontiguous area within the City as a reinvestment zone if the area satisfies the requirements of certain sections of the Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan for the designation of a proposed reinvestment zone within a contiguous area of the City known as the “Sunnyside” area (“proposed zone”) which provides that City of Houston ad valorem taxes are to be deposited into the tax increment fund; and

WHEREAS, a notice of the November 4, 2015 public hearing on the designation of the proposed zone was published on October 27, 2015 in the Houston Chronicle, a newspaper of general circulation in the City; and

WHEREAS, at the public hearing on November 4, 2015, interested persons were allowed to speak for or against the designation of the proposed zone, its boundaries, or the concept of tax increment financing; and

WHEREAS, evidence was received and presented at the public hearing in favor of the designation of the proposed zone and its proposed boundaries pursuant to the provisions of the Code; and

WHEREAS, no owner of real property in the proposed zone protested the inclusion of his property in the proposed zone; and

WHEREAS, the City has done all things required by the Code or other law as a condition to the designation of the proposed zone; and

WHEREAS, the total appraised value of taxable real property in the proposed zone and all other reinvestment zones previously designated by the City is approximately \$34,094,709,305; and

WHEREAS, the total appraised value of taxable real property in the City and in the industrial districts created by the City is approximately \$209,813,417,945; and

WHEREAS, the total area within the proposed zone is approximately 3,142 acres; and

WHEREAS, less than thirty percent (30%) of the property in the proposed zone is currently used for residential purposes, as that term is defined in Code Section 311.006(d); and

WHEREAS, the City intends to participate in the proposed zone by contributing tax increment to the tax increment fund for the proposed zone from taxes levied and collected by the City at one hundred percent (100%) of its tax rate for the thirty (30) years duration of the proposed zone;

WHEREAS, the City by Ordinance No. 2013-1006 has previously entered into two Agreements with Harris County Municipal Utility District 390 (the "District") to

reimburse the District for costs and expenses for construction of certain improvements within the proposed zone (the "Agreements") and desires that the Agreements be treated by the Zone as a developer reimbursement agreements of the Zone, but if the District, the Zone and the City are unable to reach agreement, the city desire to reduce its participation by an amount sufficient to meet the obligations of the Agreements with the District; **NOW, THEREFORE,**

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

Section 1. Findings.

(a) That the findings and recitals contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.

(b) That the City Council further finds and declares that the proposed improvements in the proposed zone will significantly enhance the value of all taxable real property in the proposed zone and will be of general benefit to the City.

(c) That the City Council further finds and declares that the proposed zone meets the criteria and requirements of Code Section 311.005 because the area substantially arrests and impairs the sound growth of the City, retards the provision of housing accommodations and constitutes an economic and social liability, and is a menace to the public health, safety, morals and welfare in its present condition and use because of the presence of:

(1) A substantial number of substandard, slum, deteriorated, and deteriorating structures;

(2) The predominance of defective or inadequate sidewalk or street layout;

(3) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;

(4) Unsanitary and unsafe conditions;

(5) The deterioration of site and other improvements; and

(6) Conditions that endanger life or property by fire or other cause.

(d) That the City Council further finds and declares that the proposed zone meets the criteria and requirements of Code Section 311.005 because the area is predominately open and undeveloped, and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City.

(e) That the City Council, pursuant to the requirements of the Code, further finds and declares:

(1) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Houston;

(2) That less than thirty percent (30%) of the property in the proposed zone is used for residential purposes within the meaning of Code Section 311.006(d);

(3) That the total appraised value of taxable real property in the proposed zone and in the City's existing reinvestment zones does not exceed twenty-five percent (25%) of the total appraised value of taxable real property in the City and the industrial districts created by the City; and

(4) That development or redevelopment of the property within the boundaries of the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

Section 2. Exception to Guidelines. That the City hereby excepts the proposed zone from compliance with any City tax increment reinvestment zone guidelines established by the City pursuant to Resolution No. 90-203 that are applicable to and not satisfied by the proposed zone. Section 1 of Resolution No. 90-203 specifically authorizes the City Council to grant exceptions on a zone-by-zone basis.

Section 3. Designation of Zone. That the City, acting pursuant to the provisions of the Code, specifically Section 311.005(a), does hereby designate as a reinvestment zone the area described in Exhibit "A" attached hereto and depicted on the map attached hereto as Exhibit "B" to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number Twenty-Three, City of Houston, Texas ("Zone").

Section 4. Board of Directors. That there is created a Board of Directors for the Zone, which shall consist of seven (7) members appointed by the City. Any other taxing unit that levies taxes on real property in the Zone and has approved the payment of all or part of the tax increment produced by the taxing unit into the tax increment fund for the Zone may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the appointment is received by the City. Failure of a taxing unit to appoint a director by January 1, 2016, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position, which shall be filled as provided below. If more than two (2) taxing units

that levy taxes on real property in the Zone and have approved the payment of all or part of the tax increment produced by the taxing unit into the tax increment fund for the Zone appoint a director, the number of directors on the Board of Directors shall be increased by one (1) for each taxing unit above two (2) that appoints a director to the Board, provided, if more than four (4) taxing units that levy taxes on real property in the Zone and have approved the payment of all or part of the tax increment produced by the taxing unit into the tax increment fund for the Zone appoint a director, the number of directors on the Board of Directors shall be increased by two (2) for each taxing unit above four (4) that appoints a director to the Board, provided further that the maximum number of directors shall not exceed fifteen (15). The City shall be entitled to appoint a person to one (1) position of each of the two (2) positions created as a result of more than four (4) taxing units appointing directors, which position shall be filled as provided below.

The Mayor is hereby authorized to nominate and appoint the directors to Positions One through Seven of the Board of Directors, any position unfilled on January 1, 2016, and any City position created by the appointment of a director by more than two taxing units that levy taxes on real property in the Zone and have approved the payment of all or part of the tax increment produced by the taxing unit into the tax increment fund for the Zone, subject to the consent and approval of the City Council. The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning January 1, 2016, while the directors appointed to even-numbered positions shall be appointed to one-year terms, beginning January 1, 2017. All subsequent appointments shall be for two-year terms. The Mayor shall annually

nominate and appoint, subject to City Council approval, a director to serve as chair for a term of one year beginning January 1st of the following year. The City Council authorizes the Board of Directors to elect from its members a vice chairman and such other officers as the Board of Directors deem appropriate.

The Board of Directors shall make recommendations to the City Council concerning the administration of the Zone. The Board of Directors shall prepare or cause to be prepared and adopted a project plan and a reinvestment zone financing plan for the Zone as described in Code Section 311.011, and shall submit such plans to the City Council for approval. The City, pursuant to Code Section 311.010(a), hereby authorizes the Board of Directors to exercise all of the City's powers necessary to administer, manage, or operate the Zone and to prepare the project plan and reinvestment zone financing plan, including the power to employ consultants, legal counsel, and financial advisors, or enter into any reimbursement agreements with consultants, legal counsel, and financial advisors payable solely from the tax increment fund established pursuant to Section 8 of this Ordinance that may be reasonably necessary or convenient to assist the Board of Directors in the administration, management, or operation of the Zone and the preparation of the project plan and reinvestment zone financing plan, or to implement the project plan and reinvestment zone financing plan.

Notwithstanding the foregoing, the Board of Directors shall not be authorized to issue bonds, impose taxes or fees, exercise the power of eminent domain, or give final approval to the project plan and reinvestment zone financing plan. The Board of

Directors of the Zone may not exercise any power granted to the City by Code Section 311.008 without additional authorization from the City.

Section 5. Duration of the Zone. That the Zone shall take effect immediately upon the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2045, or at an earlier or later time designated by subsequent ordinance, or at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, and the interest thereon, have been paid in full, in accordance with Code Section 311.017.

Section 6. Tax Increment Base. That the tax increment base of the City or any other taxing unit participating in the Zone for the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1st of the year in which the Zone is designated as a reinvestment zone ("Tax Increment Base").

Section 7. Approval of the City's Level of Participation in the Zone. That the City will participate in the Zone by contributing tax increment to the tax increment fund for the Zone from taxes levied and collected by the City at the rates and in the amounts reflected in the project plan and reinvestment zone financing plan for the Zone, which rates may be amended from time to time, beginning on January 1, 2016.

Section 8. Tax Increment Fund. That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments, as defined below, shall be deposited into the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured

in the manner prescribed by law for funds of Texas cities. The annual Tax Increment shall equal the property taxes levied and collected by the City and any other taxing unit participating in the Zone for that year on the captured appraised value, as defined in Code Section 311.012, of real property located in the Zone that is taxable by the City or any other taxing unit participating in the Zone, less any amounts that are to be allocated from the Tax Increment pursuant to the Code and any amount necessary to reimburse the District under the Agreements, if the District, the Zone and the City are unable to reach agreement on treating the Agreements as obligations of the Zone. All revenues from the sale of any tax increment bonds, notes, or other obligations hereafter issued by the City for the benefit of the Zone, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs for the Zone, as defined by the Code, to satisfy the claims of holders of tax increment bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Code Section 311.010(b).

Section 9. Severability. 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 or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the City Council in

adopting this Ordinance that no portion hereof or regulations connected herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity of any portion hereof, and all provisions of this Ordinance are declared severable for that purpose.

Section 10. Open Meetings. It is hereby found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Tex. Gov't Code Ann., Ch. 551, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof have been discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 11. Emergency. 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 of its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 10th 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 16 2015.

CAPTION PUBLISHED IN DAILY COURT
 REVIEW
 DATE: NOV 17 2015



City Secretary

 GAD

(Prepared by Legal Department
 (SEK November 4, 2015 Sr. Assistant City Attorney)
 (Requested by Andrew F. Icken, Chief Development Officer)
 (L.D. File No. _____)

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

EXHIBIT "A"

Boundary Description
Tax Increment Reinvestment Zone No. 26 (Sunnyside / South Acres)
City of Houston, Harris County

Lying wholly in the City of Houston Municipal Limits, TIRZ No. 26 (Sunnyside / South Acres) is +/- 3,152 acre tract centered on the intersection of Airport Blvd. and Scott St. in the Sunnyside Place and South Acres neighborhoods with the point of beginning being the south right-of-way (ROW) of S Loop (610) Fwy. East access road (eastbound) and east ROW of Cullen Blvd;

Then south along the east ROW of Cullen Blvd. to north ROW of Fuqua St. and City of Houston Mun. Limits;

Then west along the north ROW of Fuqua St. and City of Houston Mun. Limits to west ROW of Segrest Dr.;

Then north along west ROW of Segrest Dr. to south ROW of Almeda-Genoa Rd.;

Then west along south ROW of Almeda-Genoa Rd. to east ROW of Scott St.;

Then south along east ROW of Scott St. to north ROW of Fuqua St. and City of Houston Mun. Limits;

Then west along north ROW of Fuqua St. and City of Houston Mun. Limits to west ROW of Furman Rd.;

Then north along west ROW of Furman Rd. to south ROW of Almeda-Genoa Rd.;

Then west along south ROW of Almeda-Genoa Rd. to east ROW of east access road (northbound) to State Highway 288 (South Fwy.);

Then generally north along east ROW of east access road (northbound) to State Highway 288 (South Fwy.) to north ROW of W. Airport Blvd.;

Then east along north ROW of Airport Blvd. to west ROW of Scott St.;

Then north along west ROW of Scott St. to south ROW of Reed Rd.;

Then west along south ROW of Reed Rd. to east ROW of east access road (northbound) to State Highway 288 (South Fwy.);

Then generally north along east ROW of east access road (northbound) to State Highway 288 (South Fwy.) to north ROW of Holmes Rd.;

Then east northeast along north ROW of Holmes Rd. and south boundary of Southern Pacific Rail easement to a point due south of southwest corner of 13.5937 acre tract (TRS 4A 5A 7 7A 11B-1 & 21 L ABST 270 B H FREELING);

Then north across Southern Pacific Rail easement to southwest corner of said 13.5937 acre tract;

Then north and northeast along west boundary of said 13.5937 acre tract and parallel to east ROW of State Hwy. 288 access road (northbound) to northeast corner of said tract;

Then generally east from northeast corner of said 13.5937 acre tract and parallel to south ROW of S Loop (610) Fwy. East access road (eastbound) across Southern Pacific Rail easement to east ROW of Scott St. and northwest corner of 0.9790 acre tract (TR 1E ABST 270 B H FREELING);

Then east southeast along north boundary of said 0.9790 acre tract, across Southern Pacific Rail Easement to north ROW of Holmes Road;

Then east northeast along north ROW of Holmes Road to north ROW of S Loop (610) Fwy. East access road (eastbound);

Then east along north ROW of S Loop (610) Fwy. East access road (eastbound) to east ROW of Cullen Blvd. and **point of beginning of +/- 3,152 acre tract;**

Save and Except Tract 1 is +/- 302 acres centered on the intersection of Redbud and Vera Lou Streets in the Brookhaven subdivision with the point of beginning being the west ROW of Cullen Blvd. and south ROW of S Loop (610) Fwy. East access road (eastbound);

Then south along west ROW of Cullen Blvd to north ROW of Belfort St.;

Then west along north ROW of Belfort St. to east ROW of Scott St.;

Then generally north along the east ROW of Scott St. to south ROW of Holmes Rd.;

Then east northeast along south ROW of Holmes Rd. to south ROW of S Loop (610) Fwy. East access road (eastbound);

Then east along south ROW of S Loop (610) Fwy. East access road (eastbound) to west ROW of Cullen Blvd. and point of beginning of +/- 302 acre **Save and Except Tract 1;**

Save and Except Tract 2 is +/- 356 acres centered on the intersection of Alvin and Edgar Streets within the Blue Bonnet Estates subdivision with the point of beginning being the west ROW of Cullen Blvd. and south ROW of Belfort St.;

Then south along west ROW of Cullen Blvd to north ROW of Reed Rd.;

Then west along north ROW of Reed Rd. to east ROW of Scott St.;

Then north along the east ROW of Scott St. to south ROW of Belfort St.;

Then generally east along south ROW of Belfort St. to west ROW of Cullen Blvd. and point of beginning of +/- 356 acre **Save and Except Tract 2;**

Save and Except Tract 3 is +/- 632 acres centered on the intersection of Tavenor and Donegal Way Streets within the Cloverland Subdivision with the point of beginning being the west ROW of Cullen Blvd. and north ROW of Holloway Dr.;

Then south along west ROW of Cullen Blvd to north ROW of Kilkenny Dr.;

Then west along north ROW of Kilkenny Dr. to east ROW of Donegal Way;

Then south along east ROW of Donegal Way to south ROW of Swingle Rd.;

Then west along south ROW of Swingle Rd. to east ROW of Scott St.;

Then north along east ROW of Scott St. to southwest corner of 10.1497 acre tract (TR 7D ABST 774 T TOBIN);

Then east along south boundary of said 10.1497 acre tract to southeast corner of said tract and southwest corner of 0.1302 acre lot (LT 20 BLK 4 SOUTH ACRES ESTATES SEC 7) and west boundary of South Acres Estates Sec. 7 Blk 4;

Then north along east boundary of said 10.1497 acre tract and west boundary of South Acres Estates Sec. 7 Blk 4 to northwest corner of 0.2255 acre lot (LT 5 BLK 4 SOUTH ACRES ESTATES SEC 7);

Then east along north boundary of said 0.2255 acre lot, and Lots 1-4 to northeast corner of 0.1578 acre lot (LT 1 BLK 4 SOUTH ACRES ESTATES SEC 7) and west ROW of South Coast Dr.;

Then south along east boundary of said 0.1578 acre lot and west ROW of South Coast Dr. to a point due west of northwest corner of 0.1374 acre lot (LT 1 BLK 1 SOUTH ACRES ESTATES SEC 7);

Then east across ROW of South Coast Dr. and along north boundary of said 0.1374 acre lot, and LTS 2-7 BLK 1 SOUTH ACRES ESTATES SEC 7, across drainage easement (Swengel Ditch, D.D. #2) to east easement and west boundary of 0.1615 acre lot (W 60.64 FT OF LT 1 BLK 6 HILLWOOD SEC 4);

Then north along east drainage easement (Swengel Ditch, D.D. #2), west boundary of said 0.1615 acre lot, and Hillwood Subdivision Section 4-6, across ROW of E. Orem Dr. to southeast corner of 0.2571 acre lot (LT 15 BLK 13 CLOVERLAND SEC 8);

Then west along south boundary of said 0.2571 acre lot to west ROW of Segrest Dr. and southeast corner of 0.1928 acre lot (LT 31 BLK 14 CLOVERLAND SEC 8);

The north along east boundary of said 0.1928 acre lot, and 0.1446 acre lot (S 60 FT OF LT 30 BLK 14 CLOVERLAND SEC 8) to northeast corner of said 0.1446 acre lot;

Then west along north boundary of said 0.1446 acre lot to northwest corner of said lot and east boundary of 5.7710 acre tract (BLK 2 CLOVERLAND SEC 9);

Then north along west boundary of CLOVERLAND SEC 8 and east boundary of said 5.7710 acre tract to northeast corner of said tract and southeast corner of 0.2572 acre lot (LT 15 BLK 14 CLOVERLAND SEC 6);

Then west southwest along south boundary of said 0.2572 acre lot and CLOVERLAND SEC 6-7 and north boundary of 2.115 acre tract (BLK 1 CLOVERLAND SEC 9) to southwest corner of 0.1924 acre lot (S 66 FT OF LT 36 BLK 15 CLOVERLAND SEC 7);

Then generally north along west boundary of said 0.1924 acre lot, and Lots 30-36 (CLOVERLAND SEC 7) to northwest corner of 0.1543 acre lot (LT 30 & N 2 FT OF LT 31 BLK 15 CLOVERLAND SEC 7) and south boundary of +/- 1.845 acre tract (RES A BLK 15 CLOVERLAND SEC 7);

Then east along south boundary of said +/- 1.845 acre tract to southeast corner of said tract;

Then north along east boundary of said +/- 1.845 acre tract, across ROW of Hickok Ln. to north ROW of Hickok Ln. and south boundary of Cloverland Park, +/- 11.977 acre tract (TR A CLOVERLAND SEC 5 R/P & EXTN);

Then east along north ROW of Hickok Ln. and south boundary of said +/- 11.977 acre tract (Cloverland Park) to southwest corner of said tract;

Then north along east boundary of said +/- 11.977 acre tract to northeast corner of said tract;

Then west along north boundary of said +/- 11.977 acre tract to northwest corner of said tract and east ROW of Scott St.;

Then north along east ROW of Scott St. to southwest corner of +/- 18.979 acre tract (RES A BLK 1 SOUTH ACRES RANCH SEC 3);

Then east along south boundary of said +/- 18.979 acre tract, and +/- 3.598 acre tract (RES B BLK 1 SOUTH ACRES RANCH SEC 3) to southeast corner of said +/- 3.598 acre tract;

Then north along east boundary of said +/- 3.598 acre tract, and +/- 0.289 acre lot (ROW -STREET EXTENSION DEDICATED PER PLAT NM) to northeast corner of said 0.289 acre lot;

Then west along north boundary of said 0.289 acre lot, and said +/- 18.979 acre tract to northwest corner of said tract and east ROW of Scott St.;

Then north along east ROW of Scott St. to south ROW of South Acres Dr;

Then east along south ROW of South Acres Dr. to east ROW of Southview St.;

Then north along east ROW of Southview St. and west boundary of BLK 1 SOUTH ACRES ESTATES SEC 6 to northwest corner of 0.1393 acre lot (LT 1 BLK 1 SOUTH ACRES ESTATES SEC 6);

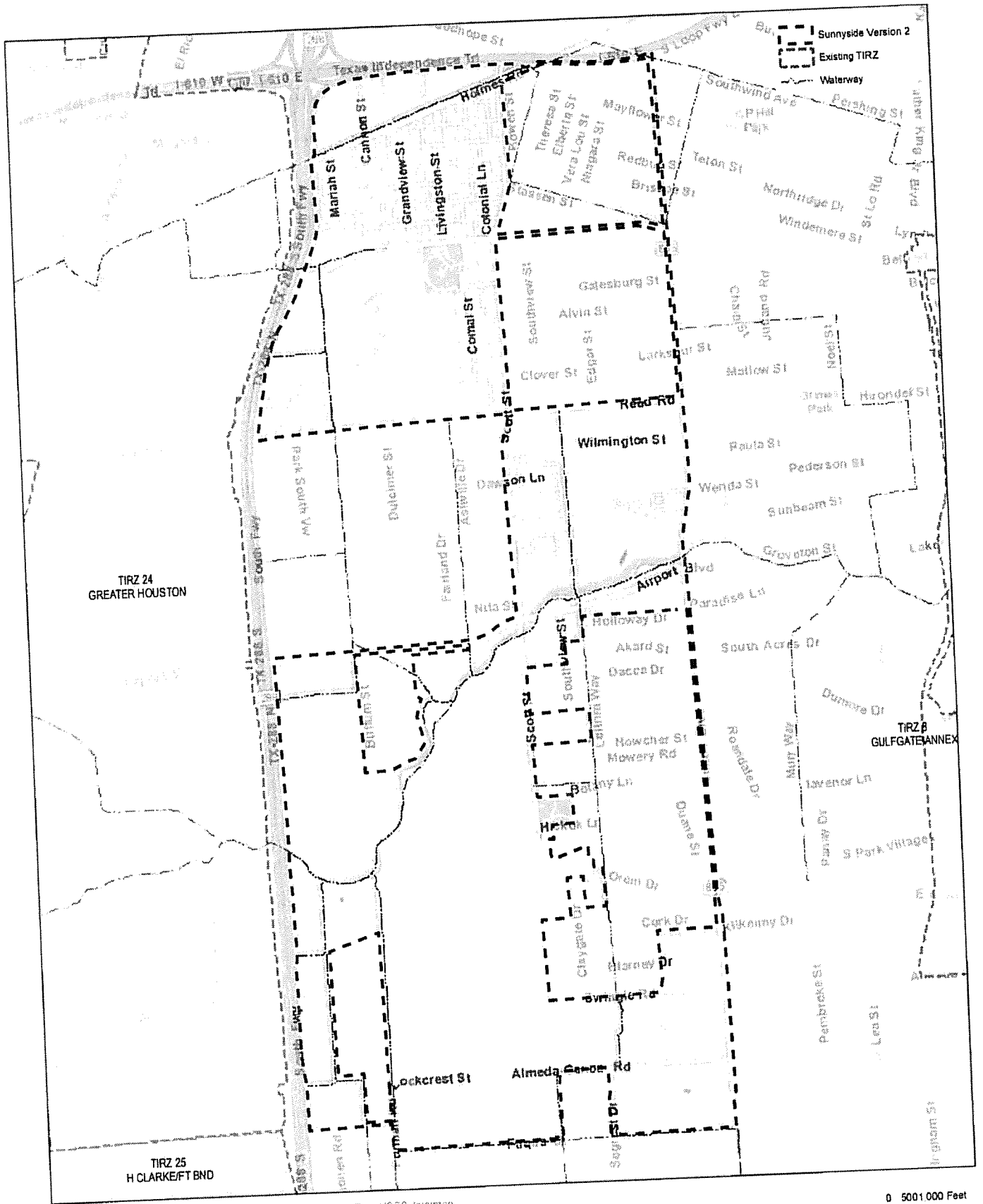
Then east along north boundary of said 0.1393 acre lot, and Lots 15-17 (BLK 1 SOUTH ACRES ESTATES SEC 6) across drainage easement (SWENGEL DITCH, D.D. #2) to west boundary of 0.1465 acre lot (LT 10 & N 3 FT OF LT 11 BLK 3 SOUTH ACRES ESTATES SEC 5);

Then north along east drainage easement (SWENGEL DITCH, D.D. #2) and west boundary of said 0.1465 acre lot and SOUTH ACRES ESTATES SEC 5, to northwest corner of 0.1641 acre lot (LT 1 & N 5 FT OF LT 2 BLK 3 SOUTH ACRES ESTATES SEC 5);

Then east along north boundary of said 0.1641 acre lot, and SOUTH ACRES ESTATES SEC 5 to west ROW of Cullen Blvd. and point of beginning of +/- 632 acre **Save and Except Tract 3**;

Save and Except REEDWOODS Lots 1-15 Blk 29;
Save and Except REEDWOODS Lots 1-2 Blk 30;
Save and Except BLUERIDGE SEC 2 Lot 1 Blk 30;
Save and Except BLUERIDGE SEC 2 Lots 1-17 Blk 31;
Save and Except BLUERIDGE SEC 2 Lot 1 Blk 32;
Save and Except SUGAR VALLEY BLK 7-21;
Save and Except SKYVIEW PARK SEC 1-10;
Save and Except ABST 886 D WHITE TR 12J;

EXHIBIT B



TIRZ 24
GREATER HOUSTON

TIRZ 25
H CLARKE/FT BND

TIRZ B
GULFGATE ANNEX

- Sunnyside Version 2
- Existing TIRZ
- Waterway

0 5001.000 Feet

Service Layer Credits Sources Esri DeLorme NAVTEQ TomTom USGS Intermap
 IPC, NRCAN Esri Japan MRTI, Esri China (Hong Kong) Esri (Thailand)
 09/25/15