

City of Houston, Texas, Ordinance No. 2012-571

AN ORDINANCE AMENDING CITY OF HOUSTON ORDINANCE NO. 2012-196, APPROVING THE THIRD AMENDMENT TO THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER THIRTEEN, CITY OF HOUSTON, TEXAS (OLD SIXTH WARD ZONE); AND DECLARING AN EMERGENCY.

* * * * *

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

Section 1. That City of Houston Ordinance No. 2012-196 (the "Ordinance") is hereby amended by substituting Exhibit "A" attached hereto and incorporated herein for all purposes for Exhibit "A" attached to the Ordinance.

Section 2. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction 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 the passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter

PASSED AND ADOPTED this 20th day of June, 2012.

APPROVED this ____ day of _____, 2012.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is JUN 26 2012.


City Secretary

(Prepared by Legal Dept.
 SOI 6/5/12
 Requested by David Feldman, City Attorney


 Assistant City Attorney

AYE	NO	
✓		MAYOR PARKER
....	COUNCIL MEMBERS
✓		BROWN
✓		DAVIS
✓		COHEN
✓		ADAMS
✓		SULLIVAN
✓		HOANG
✓		PENNINGTON
✓		GONZALEZ
✓		RODRIGUEZ
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		BURKS
✓		NORIEGA
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

EXHIBIT "A"

**TAX INCREMENT REINVESTMENT ZONE NUMBER THIRTEEN
CITY OF HOUSTON**

OLD SIXTH WARD ZONE

**Third Amendment
Project Plan and Reinvestment Zone Financing Plan**

Amended January 19, 2012

REINVESTMENT ZONE NUMBER THIRTEEN, CITY OF HOUSTON, TEXAS
 OLD SIXTH WARD ZONE
 Part D – Amending the Project Plan and Reinvestment Zone Financing Plan

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TAX INCREMENT REINVESTMENT ZONE NUMBER THIRTEEN
OLD SIXTH WARD ZONE
PART D – AMENDING THE PROJECT PLAN AND
REINVESTMENT ZONE FINANCING PLAN

Amended January 19, 2012

Introduction:

Reinvestment Zone Number Thirteen, City of Houston, Texas, also known as the Old Sixth Ward Tax Increment Reinvestment Zone (“Zone”) was created by Ordinance No. 1998-1256 adopted December 29, 1998 as requested by the Old Sixth Ward Neighborhood Association and petitioners in an area located west of downtown Houston, north of Memorial Drive and on approximately 150 acres of land known as the historic Old Sixth Ward neighborhood. The purposes of the Zone were to advance historic preservation, facilitate physical improvements to the historic Dow School, encourage affordable and market-rate housing projects, and encourage development and redevelopment in the area.

Section One:

The Part A and Part B Plan: The City Council adopted a Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 1999-0794, on July 28, 1999 (the “Part A Plan”). The Part A Plan was subsequently amended by Ordinance No. 1999-0827 on September 11, 1999 (the “Part B Plan”). Together the Part A and Part B Plans (the “Plans”) provided mechanisms needed to assist in the repositioning of the Old Sixth Ward from a blighted and deteriorated neighborhood into a viable residential community. Proposed public improvements included in the Plans addressed existing conditions consisting of substandard and deteriorating structures; inadequate and deteriorated streets, utilities, and sidewalks; faulty and obsolete lot layouts; safety issues; and school improvements.

The Part C Plan: Approved by Ordinance 2010-0819, adopted by City Council on October 13, 2010, the Part C Plan increased Non-Educational project costs from prior Plans. Specifically the Part C Plan provided additional funding for the design and construction of public roadways and utility systems, parks, land acquisition, historic preservation, cultural and public facilities improvements, environmental remediation, streetscape improvements and public art.

The Zone and the City now desire to amend the Plans as further described herein, (the “Part D Plan”).

Section Two:

The Part D Plan: The Part D Plan will remedy recent and historic negative trends along the Washington Avenue Corridor and within the Old Sixth Ward area by creating a viable and attractive environment for investment and redevelopment. Improvements have been identified that will enhance the community by attracting new businesses and residents to the area.

The Part D Plan provides for the enhancement of and improvements to the approximately 100 acres of land recently added to the Zone and includes the areas covered in the Part A, Part B, and Part C Plans. In addition, pursuant to Chapter 311 of the Texas Tax Code, as amended, if the zone finds that there are benefits to the zone in implementing projects in areas outside the boundaries of the Zone, the Zone may expend projects costs on those projects.

Public improvements proposed in this Part D Plan are in relationship to the original goals of the Zone and are as follows:

Proposed Goals for Improvements in the Zone:

Goal 1: The reinforcement of retail developments along the Washington Avenue corridor.

The retention and expansion of retail and commercial developments along Washington Avenue 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 residential projects in the area. In particular, it is envisioned to develop historic Washington Avenue into a key arterial/town center with an emphasis on parking, lighting, street trees, landscaping, wide sidewalks, public art and adequate pedestrian amenities.

Goal 2: The creation of pedestrian-friendly, safe environments through the reconstruction of the pedestrian realm with ample lighting and streetscape amenities.

Streetscape/pedestrian level enhancements are required to create an environment that will help stimulate investment in retail, residential, and commercial developments. Enhanced streetscapes components will include: sidewalks, lighting, signage, street trees, landscaping, benches and other pedestrian amenities. Construction of sidewalk systems including ADA compliant ramps and other treatments will improve pedestrian safety, enhance the visual environment and provide connectivity both within the community and to adjacent districts. Attention will be placed on the leveraging of Zone monies with sister agencies.

Goal 3: Improvements to public streets and public utility systems to create an environment that will stimulate private investment in retail, residential, and multi-family developments.

Reconstruction (major and minor) of key streets and utility systems will be taken to enhance the level of service in the area, improve functionality, replace aged facilities, and increase aesthetics. All roadway improvements will be integrated with street reconstruction projects of the City of Houston, and others as needed, and where possible, will add elements not included in those projects.

Goal 4: Redevelopment and upgrades to public green space, parks, and other appropriate recreational facilities.

Development of parks, public open green space, and related amenities including access and egress improvements, land acquisition, dedication of public easements, parking, and the construction of enhancements. All improvements will be integrated with adjacent land uses and provided with upgrades focused on connectivity, pedestrian safety, and the visual environment.

Goal 5: Cultural and Public Facilities, Affordable Housing and Historic Preservation.

Increasing public and cultural facilities, historic preservation initiatives, and affordable housing for Old Sixth Ward residents emerged as important public policy goals since the implementation of the Part A Plan. Zone funds will be leveraged with funds from private, public, and non-profit developers to integrate affordable housing and historic preservation initiatives into ongoing and proposed redevelopment projects in the Old Sixth Ward. As such, the acquisition and rehabilitation of historic structures and historic landmarks for the purposes of preservation and restoration is anticipated. These projects, along with improved infrastructure, will enhance the quality of life for existing and new residents and businesses.

A. PROJECT PLAN

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

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

Estimated Non-Project Costs (Texas Tax Code §311.011(b)(3)): No other Non-Project Costs are known at this time.

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

B. REINVESTMENT ZONE FINANCING PLAN

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

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 Plan.

Economic Feasibility Study and Finding of Feasibility (Texas Tax Code §311.011(c)(3)): Economic feasibility studies have been completed that demonstrate the economic potential of the Zone including the Apartment Market Study for a Low-Income Housing Tax Credit Development for the Texas Department of Housing and Community Affairs, by Patrick

O'Conner and Associated, Inc. in 1998. In addition, Exhibits 2 thru 5 constitute incremental revenue estimates for the TIRZ. The incremental revenue estimates are projected to be sufficient to cover the costs of the proposed redevelopment and infrastructure improvements in the Zone. The Plan estimates total project costs of \$67,565,970. The Zone and the City find and determine that the Part A Plan, Part B Plan, Part C Plan, and Part D Plan are economically feasible.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code §311.011(c)(4), §311.011(c)(5)): Notes have been issued by the Zone. On October 22, 2008, by Ordinance No. 2008-941, City Council approved an Agreement for Financing Public Infrastructure Improvements by and among the City of Houston, Reinvestment Zone Number Thirteen, and the Old Sixth Ward Redevelopment Authority. Subsequently on August 26, 2008, by Ordinance 2009-793, City Council approved a First Amended and Restated Agreement for Financing Public Infrastructure Improvements. Additional bonds or notes may be issued. The value and timing of these future bond or note issuances will correlate to the debt capacity as derived from the revenue schedules attached hereto, and by actual market conditions for the issuance and sale of such bonds or notes. The Zone will explore other financing methods as well, including developer agreement financing and collaboration with other entities for grant funding and partnerships.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code §311.011(c)(6)): Methods and sources of financing include the issuance of notes and bonds, as well as collaboration with developers and other entities for grant funding and partnerships. TY 1999 was the base year for the TIRZ, and TY 2028 is the scheduled termination date. As outlined in Exhibits 2 thru 5, at least \$31,692,074 million of increment is estimated to be generated by the TIRZ for use in funding project costs. This figure is calculated using an estimated collection rate of 95% and a City contribution of \$0.63875/\$100 of assessed valuation in the Original and Annexed Areas, a Houston Independent School District contribution of \$1.15670/\$100 of assessed valuation in the Original Area.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code §311.011(c)(7)): The current projected appraised value of taxable real property in the Zone, as of April 15, 2011, is \$143,153,271.

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

Zone Duration (Texas Tax Code §311.011(c)(9)): When the Zone was initially created by City Council on December 29, 1998, pursuant to Ordinance 1998-1256, the Zone was scheduled to take effect on January 1, 1999, and scheduled to terminate operation on December 31, 2028.

Affordable Housing (Texas Tax Code §311.011(f)): the Zone was created by petition of property owners constituting more than 50% of the assessed value of property in the Zone. One-third of tax increment revenues of the Zone are dedicated to the provision of affordable housing, which may be provided inside or outside the Zone as authorized by Chapter 311, Texas Tax Code. An estimated \$10,564,025 will be used for affordable housing over the remaining life of the Zone.

Exhibits

Map 1 - Map of Proposed and Existing Land Uses in Zone



Exhibit 1 – Parts A, B, C, and D Plan Project Costs

Project Cost Amendments: The following table includes the approved project cost for the Part A, Part B, Part C and the changes made to those budgets through this Part D amendment:

	Estimated Costs 1999 Plan	Estimated Costs 1999 Plan (Amended)	Estimated Costs 2010 Plan	Estimated Costs 2012 Plan	Total	Costs Through 06/30/11	Remaining Costs
Infrastructure Improvements:							
Public Utilities:							
Reconstruction of infrastructure	\$ 2,400,000	\$ 2,400,000	\$ -	\$ -	\$ 2,400,000	\$ 1,870,332	\$ 529,668
Public utilities	\$ -	\$ -	\$ 3,000,000	\$ 10,000,000	\$ 13,000,000	\$ -	\$ 13,000,000
Total Public Utilities	\$ 2,400,000	\$ 2,400,000	\$ 3,000,000	\$ 10,000,000	\$ 15,400,000	\$ 1,870,332	\$ 13,529,668
Roadway and Sidewalk Improvements:							
Construction of historically appropriate brick sidewalks	\$ 240,000	\$ 240,000	\$ -	\$ -	\$ 240,000	\$ 64,000	\$ 176,000
Streetscape improvements on Washington Avenue	\$ 650,000	\$ 650,000	\$ -	\$ -	\$ 650,000	\$ -	\$ 650,000
Street signs and street lights	\$ 22,000	\$ 22,000	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000
Roadway and streetscape replacement and enhancements	\$ -	\$ -	\$ 6,000,000	\$ 15,000,000	\$ 21,000,000	\$ -	\$ 21,000,000
Total Roadway and Sidewalk Improvements	\$ 912,000	\$ 912,000	\$ 6,000,000	\$ 15,000,000	\$ 21,912,000	\$ 64,000	\$ 21,848,000
Total Infrastructure Improvements	\$ 3,312,000	\$ 3,312,000	\$ 9,000,000	\$ 25,000,000	\$ 37,312,000	\$ 1,934,332	\$ 35,377,668
Other Project Cost:							
Historic Preservation:							
Historic Preservation including Land Acquisition	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 3,000,000	\$ 6,000,000	\$ 1,561,278	\$ 4,438,722
Total Historic Preservation	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 3,000,000	\$ 6,000,000	\$ 1,561,278	\$ 4,438,722
Parks and Recreational Facilities:							
Neighborhood parkland purchase and development	\$ 134,000	\$ 134,000	\$ -	\$ -	\$ 134,000	\$ -	\$ 134,000
Parks, plazas and hike and bike Trails	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ 6,000,000	\$ -	\$ 6,000,000
Total Parks and Recreational Facilities	\$ 134,000	\$ 134,000	\$ 3,000,000	\$ 3,000,000	\$ 6,134,000	\$ -	\$ 6,134,000
Mitigation and Remediation:							
Environmental testing and fill removal for Washington Courtyards	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
Total Historic Preservation	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
Total TIRZ Creation	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
Total TIRZ Creation Costs	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
TIRZ Management							
TIRZ Administration and Management	\$ 500,000	\$ 500,000	\$ 1,339,973	\$ -	\$ 1,339,973	\$ 450,300	\$ 889,673
Total TIRZ Management	\$ 500,000	\$ 500,000	\$ 1,339,973	\$ -	\$ 1,339,973	\$ 450,300	\$ 889,673
Affordable Housing							
Affordable Housing	\$ 5,517,419	\$ 6,865,965	\$ 11,765,306	\$ 11,765,306	\$ 11,765,306	\$ 1,988,300	\$ 9,777,006
Total Affordable Housing	\$ 5,517,419	\$ 6,865,965	\$ 11,765,306	\$ 11,765,306	\$ 11,765,306	\$ 1,988,300	\$ 9,777,006
Educational Project Costs							
Dow School	\$ 428,000	\$ 428,000	\$ -	\$ -	\$ 428,000	\$ 428,000	\$ -
Educational Facilities	\$ 2,579,000	\$ 4,426,691	\$ -	\$ -	\$ 4,426,691	\$ 645,788	\$ 3,780,903
Total Educational Project Costs	\$ 3,007,000	\$ 4,854,691	\$ -	\$ -	\$ 4,854,691	\$ 1,073,788	\$ 3,780,903
PROJECT PLAN TOTAL	\$ 13,630,419	\$ 16,826,656	\$ 27,105,279	\$ 42,765,306	\$ 67,565,970	\$ 7,007,998	\$ 60,557,972

Exhibit 2 –Net Revenue All Jurisdictions

Tax Year (1)	Increment Revenue			Net Revenue (Total Increment Revenue Less Transfers)
	City	HISD	Total Increment Revenue	
2011	\$ 660,259	\$ 291,001	\$ 951,261	\$ 462,665
2012	\$ 724,190	\$ 301,551	\$ 1,025,740	\$ 505,007
2013	\$ 791,317	\$ 312,100	\$ 1,103,416	\$ 549,321
2014	\$ 861,800	\$ 322,649	\$ 1,184,449	\$ 595,704
2015	\$ 935,808	\$ 333,198	\$ 1,269,005	\$ 644,260
2016	\$ 1,013,516	\$ 343,747	\$ 1,357,263	\$ 695,099
2017	\$ 1,095,109	\$ 354,296	\$ 1,449,405	\$ 748,333
2018	\$ 1,180,782	\$ 364,845	\$ 1,545,627	\$ 804,083
2019	\$ 1,270,739	\$ 375,394	\$ 1,646,133	\$ 862,475
2020	\$ 1,365,193	\$ 385,943	\$ 1,751,136	\$ 923,640
2021	\$ 1,464,370	\$ 396,492	\$ 1,860,863	\$ 987,718
2022	\$ 1,568,506	\$ 407,042	\$ 1,975,548	\$ 1,054,853
2023	\$ 1,677,849	\$ 417,591	\$ 2,095,440	\$ 1,125,200
2024	\$ 1,792,659	\$ 428,140	\$ 2,220,799	\$ 1,198,918
2025	\$ 1,913,210	\$ 438,689	\$ 2,351,899	\$ 1,276,176
2026	\$ 2,039,788	\$ 449,238	\$ 2,489,026	\$ 1,357,150
2027	\$ 2,172,695	\$ 459,787	\$ 2,632,482	\$ 1,442,028
2028	\$ 2,312,247	\$ 470,336	\$ 2,782,583	\$ 1,531,004
	\$ 24,840,036	\$ 6,852,039	\$ 31,692,074	\$ 16,763,632

Notes:

(1) The Old Sixth Ward Zone is scheduled to terminate in Tax Year 2028

Exhibit 2A --Transfer Schedule All Jurisdictions

Tax Year (1)	Increment Revenue			Transfers										Net Revenue (Total Increment Revenue less Total Transfers)
	City	HISD	Total	Affordable Housing		HISD Educational	Admin Fees		Total Transfers					
				COH	HISD		COH	HISD						
										Total	Total			
2011	\$ 660,259	\$ 291,001	\$ 951,261	\$ 220,086	\$ 97,000	\$ 317,087	\$ 113,496	\$ 33,013	\$ 25,000	\$ 58,013	\$ 488,595	\$ 462,665		
2012	\$ 724,190	\$ 301,551	\$ 1,025,740	\$ 241,397	\$ 100,517	\$ 341,913	\$ 117,610	\$ 36,209	\$ 25,000	\$ 61,209	\$ 520,733	\$ 505,007		
2013	\$ 791,317	\$ 312,100	\$ 1,103,416	\$ 263,772	\$ 104,033	\$ 367,805	\$ 121,724	\$ 39,566	\$ 25,000	\$ 64,566	\$ 554,096	\$ 549,321		
2014	\$ 861,800	\$ 322,649	\$ 1,184,449	\$ 287,267	\$ 107,550	\$ 394,816	\$ 125,839	\$ 43,090	\$ 25,000	\$ 68,090	\$ 588,745	\$ 595,704		
2015	\$ 935,808	\$ 333,198	\$ 1,269,005	\$ 311,936	\$ 111,066	\$ 423,002	\$ 129,953	\$ 46,790	\$ 25,000	\$ 71,790	\$ 624,745	\$ 644,260		
2016	\$ 1,013,516	\$ 343,747	\$ 1,357,263	\$ 337,839	\$ 114,582	\$ 452,421	\$ 134,067	\$ 50,676	\$ 25,000	\$ 75,676	\$ 662,164	\$ 695,099		
2017	\$ 1,095,109	\$ 354,296	\$ 1,449,405	\$ 365,036	\$ 118,099	\$ 483,135	\$ 138,182	\$ 54,755	\$ 25,000	\$ 79,755	\$ 701,072	\$ 748,333		
2018	\$ 1,180,782	\$ 364,845	\$ 1,545,627	\$ 393,594	\$ 121,615	\$ 515,209	\$ 142,296	\$ 59,039	\$ 25,000	\$ 84,039	\$ 741,544	\$ 804,083		
2019	\$ 1,270,739	\$ 375,394	\$ 1,646,133	\$ 423,580	\$ 125,131	\$ 548,711	\$ 146,410	\$ 63,537	\$ 25,000	\$ 88,537	\$ 783,658	\$ 862,475		
2020	\$ 1,365,193	\$ 385,943	\$ 1,751,136	\$ 455,064	\$ 128,648	\$ 583,712	\$ 150,525	\$ 68,260	\$ 25,000	\$ 93,260	\$ 827,496	\$ 923,640		
2021	\$ 1,464,370	\$ 396,492	\$ 1,860,863	\$ 488,123	\$ 132,164	\$ 620,288	\$ 154,639	\$ 73,219	\$ 25,000	\$ 98,219	\$ 873,145	\$ 987,718		
2022	\$ 1,568,506	\$ 407,042	\$ 1,975,548	\$ 522,835	\$ 135,681	\$ 658,516	\$ 158,753	\$ 78,425	\$ 25,000	\$ 103,425	\$ 920,695	\$ 1,054,853		
2023	\$ 1,677,849	\$ 417,591	\$ 2,095,440	\$ 559,283	\$ 139,197	\$ 698,480	\$ 162,868	\$ 83,892	\$ 25,000	\$ 108,892	\$ 970,240	\$ 1,125,200		
2024	\$ 1,792,659	\$ 428,140	\$ 2,220,799	\$ 597,553	\$ 142,713	\$ 740,266	\$ 166,982	\$ 89,633	\$ 25,000	\$ 114,633	\$ 1,021,881	\$ 1,198,918		
2025	\$ 1,913,210	\$ 438,689	\$ 2,351,899	\$ 637,737	\$ 146,230	\$ 783,966	\$ 171,096	\$ 95,660	\$ 25,000	\$ 120,660	\$ 1,075,723	\$ 1,276,176		
2026	\$ 2,039,788	\$ 449,238	\$ 2,489,026	\$ 679,929	\$ 149,746	\$ 829,675	\$ 175,211	\$ 101,989	\$ 25,000	\$ 126,989	\$ 1,131,875	\$ 1,357,150		
2027	\$ 2,172,695	\$ 459,787	\$ 2,632,482	\$ 724,232	\$ 153,262	\$ 877,494	\$ 179,325	\$ 108,635	\$ 25,000	\$ 133,635	\$ 1,190,454	\$ 1,442,028		
2028	\$ 2,312,247	\$ 470,336	\$ 2,782,583	\$ 770,749	\$ 156,779	\$ 927,528	\$ 183,439	\$ 115,612	\$ 25,000	\$ 140,612	\$ 1,251,579	\$ 1,531,004		
	\$ 24,840,036	\$ 6,852,039	\$ 31,692,074	\$ 8,280,012	\$ 2,284,013	\$ 10,564,025	\$ 2,672,416	\$ 1,242,002	\$ 450,000	\$ 1,692,002	\$ 14,928,442	\$ 16,763,632		

Notes:

(1) the Old Sixth Ward Zone is scheduled to terminate in Tax Year 2028

Exhibit 3 –Revenue Schedule Original Area – City of Houston

Tax Year(1)	Base Value (2)	Projected Value (3)	Captured Appraised Value	Collection Rate (4)	Tax Rate	Increment Revenue
2011	\$ 34,345,500	\$ 143,153,271	\$ 108,807,771	95.00%	0.63875	\$ 660,259
2012	\$ 34,345,500	\$ 150,310,935	\$ 115,965,435	95.00%	0.63875	\$ 703,693
2013	\$ 34,345,500	\$ 157,826,481	\$ 123,480,981	95.00%	0.63875	\$ 749,298
2014	\$ 34,345,500	\$ 165,717,805	\$ 131,372,305	95.00%	0.63875	\$ 797,184
2015	\$ 34,345,500	\$ 174,003,696	\$ 139,658,196	95.00%	0.63875	\$ 847,463
2016	\$ 34,345,500	\$ 182,703,880	\$ 148,358,380	95.00%	0.63875	\$ 900,257
2017	\$ 34,345,500	\$ 191,839,074	\$ 157,493,574	95.00%	0.63875	\$ 955,691
2018	\$ 34,345,500	\$ 201,431,028	\$ 167,085,528	95.00%	0.63875	\$ 1,013,896
2019	\$ 34,345,500	\$ 211,502,580	\$ 177,157,080	95.00%	0.63875	\$ 1,075,011
2020	\$ 34,345,500	\$ 222,077,709	\$ 187,732,209	95.00%	0.63875	\$ 1,139,183
2021	\$ 34,345,500	\$ 233,181,594	\$ 198,836,094	95.00%	0.63875	\$ 1,206,562
2022	\$ 34,345,500	\$ 244,840,674	\$ 210,495,174	95.00%	0.63875	\$ 1,277,311
2023	\$ 34,345,500	\$ 257,082,707	\$ 222,737,207	95.00%	0.63875	\$ 1,351,597
2024	\$ 34,345,500	\$ 269,936,843	\$ 235,591,343	95.00%	0.63875	\$ 1,429,598
2025	\$ 34,345,500	\$ 283,433,685	\$ 249,088,185	95.00%	0.63875	\$ 1,511,498
2026	\$ 34,345,500	\$ 297,605,369	\$ 263,259,869	95.00%	0.63875	\$ 1,597,494
2027	\$ 34,345,500	\$ 312,485,638	\$ 278,140,138	95.00%	0.63875	\$ 1,687,789
2028	\$ 34,345,500	\$ 328,109,919	\$ 293,764,419	95.00%	0.63875	\$ 1,782,599
	\$ 618,219,000	\$ 4,027,242,887	\$ 3,409,023,887			\$ 20,686,383

Notes:

- (1) The Old Sixth Ward Zone is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 1998
- (3) Projected Growth for Tax Year 2012 to Tax Year 2028 is an incremental increase of 5% each year
- (4) Collection Rate for Tax Years 2011 to 2028 at 95%

Exhibit 4 – Revenue Schedule Original Area – Houston Independent School District

Tax Year(1)	Base Value (2)	Lesser of:			Collection Rate (4)	Tax Rate	Increment Revenue
		Captured Appraised Value		Project Plan Appraised Value			
		Projected Value	Captured Appraised Value				
2011	\$ 33,347,330	\$ 152,945,014	\$ 119,597,684	\$ 26,482,000	95.00%	1.1567	\$ 291,001
2012	\$ 33,347,330	\$ 160,592,264	\$ 127,244,934	\$ 27,442,000	95.00%	1.1567	\$ 301,551
2013	\$ 33,347,330	\$ 168,621,878	\$ 135,274,548	\$ 28,402,000	95.00%	1.1567	\$ 312,100
2014	\$ 33,347,330	\$ 177,052,971	\$ 143,705,641	\$ 29,362,000	95.00%	1.1567	\$ 322,649
2015	\$ 33,347,330	\$ 185,905,620	\$ 152,558,290	\$ 30,322,000	95.00%	1.1567	\$ 333,198
2016	\$ 33,347,330	\$ 195,200,901	\$ 161,853,571	\$ 31,282,000	95.00%	1.1567	\$ 343,747
2017	\$ 33,347,330	\$ 204,960,946	\$ 171,613,616	\$ 32,242,000	95.00%	1.1567	\$ 354,296
2018	\$ 33,347,330	\$ 215,208,993	\$ 181,861,663	\$ 33,202,000	95.00%	1.1567	\$ 364,845
2019	\$ 33,347,330	\$ 225,969,443	\$ 192,622,113	\$ 34,162,000	95.00%	1.1567	\$ 375,394
2020	\$ 33,347,330	\$ 237,267,915	\$ 203,920,585	\$ 35,122,000	95.00%	1.1567	\$ 385,943
2021	\$ 33,347,330	\$ 249,131,311	\$ 215,783,981	\$ 36,082,000	95.00%	1.1567	\$ 396,492
2022	\$ 33,347,330	\$ 261,587,877	\$ 228,240,547	\$ 37,042,000	95.00%	1.1567	\$ 407,042
2023	\$ 33,347,330	\$ 274,667,270	\$ 241,319,940	\$ 38,002,000	95.00%	1.1567	\$ 417,591
2024	\$ 33,347,330	\$ 288,400,634	\$ 255,053,304	\$ 38,962,000	95.00%	1.1567	\$ 428,140
2025	\$ 33,347,330	\$ 302,820,666	\$ 269,473,336	\$ 39,922,000	95.00%	1.1567	\$ 438,689
2026	\$ 33,347,330	\$ 317,961,699	\$ 284,614,369	\$ 40,882,000	95.00%	1.1567	\$ 449,238
2027	\$ 33,347,330	\$ 333,859,784	\$ 300,512,454	\$ 41,842,000	95.00%	1.1567	\$ 459,787
2028	\$ 33,347,330	\$ 350,552,773	\$ 317,205,443	\$ 42,802,000	95.00%	1.1567	\$ 470,336
	\$ 600,251,940	\$ 4,302,707,959	\$ 3,702,456,019	\$ 623,556,000			\$ 6,852,039

Notes:

- (1) The Old Sixth Ward Zone is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 1998
- (3) Projected Growth for Tax Year 2012 to Tax Year 2028 is an incremental increase of 5% each year
- (4) Collection Rate for Tax Years 2011 to 2028 at 95%

Exhibit 5 – Revenue Schedule Annexed Area – City of Houston

Tax Year(1)	Base Value (2)	Projected Value (3)	Captured Appraised Value	Collection Rate (4)	Tax Rate	Increment Revenue
2011	\$ 67,556,007	\$ 67,556,007	\$ -	95.00%	0.63875	\$ -
2012	\$ 67,556,007	\$ 70,933,807	\$ 3,377,800	95.00%	0.63875	\$ 20,497
2013	\$ 67,556,007	\$ 74,480,498	\$ 6,924,491	95.00%	0.63875	\$ 42,019
2014	\$ 67,556,007	\$ 78,204,523	\$ 10,648,516	95.00%	0.63875	\$ 64,617
2015	\$ 67,556,007	\$ 82,114,749	\$ 14,558,742	95.00%	0.63875	\$ 88,344
2016	\$ 67,556,007	\$ 86,220,486	\$ 18,664,479	95.00%	0.63875	\$ 113,258
2017	\$ 67,556,007	\$ 90,531,510	\$ 22,975,503	95.00%	0.63875	\$ 139,418
2018	\$ 67,556,007	\$ 95,058,086	\$ 27,502,079	95.00%	0.63875	\$ 166,886
2019	\$ 67,556,007	\$ 99,810,990	\$ 32,254,983	95.00%	0.63875	\$ 195,727
2020	\$ 67,556,007	\$ 104,801,540	\$ 37,245,533	95.00%	0.63875	\$ 226,011
2021	\$ 67,556,007	\$ 110,041,617	\$ 42,485,610	95.00%	0.63875	\$ 257,808
2022	\$ 67,556,007	\$ 115,543,698	\$ 47,987,691	95.00%	0.63875	\$ 291,195
2023	\$ 67,556,007	\$ 121,320,883	\$ 53,764,876	95.00%	0.63875	\$ 326,252
2024	\$ 67,556,007	\$ 127,386,927	\$ 59,830,920	95.00%	0.63875	\$ 363,061
2025	\$ 67,556,007	\$ 133,756,273	\$ 66,200,266	95.00%	0.63875	\$ 401,711
2026	\$ 67,556,007	\$ 140,444,087	\$ 72,888,080	95.00%	0.63875	\$ 442,294
2027	\$ 67,556,007	\$ 147,466,291	\$ 79,910,284	95.00%	0.63875	\$ 484,906
2028	\$ 67,556,007	\$ 154,839,606	\$ 87,283,599	95.00%	0.63875	\$ 529,648
		\$ 1,598,205,679	\$ 517,309,567			\$ 3,139,099

Notes:

- (1) Old Sixth Ward Reinvestment Zone Number 13 is scheduled to terminate in Tax Year 2028
- (2) Base Year is Tax Year 2011. The Base Value is an accumulation of the appraised value for all property in the proposed Annexed Area.
- (3) Projected Growth for Tax Year 2012 to Tax Year 2028 is an incremental increase of 5% each year
- (4) Collection Rate is estimated at 95%