

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

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

December 2, 2015

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REINVESTMENT ZONE NUMBER ELEVEN, CITY OF HOUSTON, TEXAS

THIRD AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN

Introduction

The Reinvestment Zone Number Eleven, City of Houston (the “Zone”), was created by the City Council of the City of Houston, Texas (the “City”) on August 26, 1998, by Ordinance No. 98-713. The Zone encompasses approximately 3,500 acres in an area of the City generally referred to as Greenspoint. On July 28, 1999, the City Council approved a Project Plan and Reinvestment Zone Financing Plan (the “Part A Plan”), which was subsequently amended on August 11, 1999 through Ordinance 99-826 (the “Part B Plan”) and again on May 14, 2008 through Ordinance 08-421 (the “Part C Plan”) (collectively the “Original Plans”). On July 7, 1999, Houston City Council by Resolution No. 99-40 approved the creation of the Greater Greenspoint Redevelopment Authority (the “Authority”). The Authority was established to assist the City and the Zone Board in implementing the Zone Project Plan and Refinancing Plan. Together these entities were created to facilitate the revitalization of Greenspoint from a blighted area suffering from significant social and economic stress to a viable mixed-use community through the financing of public infrastructure, parks and recreation projects, cultural and educational facilities project, retail and multifamily repositioning initiatives, public parking, flood control, workforce housing and environmental remediation and mitigation projects.

The Zone and the City now desire to set forth this amended project plan and reinvestment zone financing plan (“Part D”) to continue the revitalization of the area of the Zone, and to preserve the investments the Zone has made in the infrastructure and parks and recreational facilities in the Zone. The Part D Plan also extends the duration of the Zone to December 31, 2037, to provide for the financing of Zone improvements.

Section One

The Part A Plan

In July 1999 the City approved the Zone’s first Project Plan and Reinvestment Zone Financing Plan (the “Part A Plan”) which set out to accomplish four primary objectives; the revitalization of the Airline Corridor, repositioning of multifamily developments associated with the Archon Project, repositioning of Greenspoint Mall, and facilitate the development and infill of raw land/vacant property located within the boundaries of the Zone. The aforementioned goals were to be achieved primarily through the financing of:

Non-Educational Project Costs

- Water, wastewater, and drainage facilities;
- Redevelopment initiatives aimed at identified projects;
- Construction of new roadways, bridges and streets;

- Expansion through construction and acquisition of new parks and related public open space initiatives;
- Landscaping and improved pedestrian amenities on existing roadways and streets;
- Construction of an ISD convocation/Conference Center;
- Retail repositioning and development; and
- Construction of a parking facility.

Unique to the Zone is the participation in the Zone of five taxing entities. Specifically Aldine and Spring ISD, North Harris Montgomery County College District, Harris County, and the City of Houston. As such, special emphasis was placed on the construction of educational, public and community related facilities including:

Educational Project Costs

- Multi-purpose community center
- North Harris Montgomery College District higher education facility
- Convocation center
- Educational facilities and related infrastructure.

Three of the five taxing authorities cover the entire area of the Zone, however, the two school districts, Aldine and Spring ISD do not. Aldine ISD encompasses the entire Zone with the exception of the far northwest section; Spring ISD covers this portion. In order to clearly identify to each school district the activities undertaken on their behalf, and for the purposes of planning, the Zone was divided into five sub-areas: Spring/Rankin, Greens Crossing/Northborough, Greens Landing, Greenspoint Central and Airline/Aldine. Dividing the Zone into these particular areas allowed for an easy way of organizing the project costs listed in the Part A Plan.

Part A: Reinvestment Zone Financing Plan

Divided into two categories, Non-Educational and Educational Project Costs, the Part A Original Plan includes costs for the public improvements needed to support the goals of the Part A Plan. The budget for all public improvements, including administrative costs, totals \$217,075,710. Of which Aldine ISD, Spring ISD, and the North Harris Montgomery Community College District will expend \$94,100,000 on projects funded by their increment. The projected value of all property improvements with the proposed Zone over the life of the project as stated in the Part A Plan was approximately \$972,691,046.

Non-Educational Project Costs

The following provides a description of the project scope, the kind, number and location of the proposed public works or public improvements in the Zone as stated in the Part A Plan.

- | | |
|--|--------------|
| 1. Street Projects | \$25,000,000 |
| Reconstruction and new construction of streets to accommodate additional travel lane capacity, achieve street network connecting between the fine diverse sub-areas of the zone, internal circulation, | |

mobility, and to stimulate redevelopment. The improvements included additional improvements, street lighting, curb, gutter and pavement improvements and bridge construction.

2. **Sidewalks, Lighting and Landscaping** \$19,525,710
Construction of sidewalks, lighting and landscaping to improve the functionality and safety of the pedestrian system, enhance the streetscape venue, “creating community” through the use of similar landscape treatments, and stimulate private sector interests to rehabilitate economically distressed multifamily properties. The improvements include landscape upgrades, street trees and pedestrian pocket parks, sidewalk improvements, street lighting, curb, gutter and pavement repairs.

3. **Greens Bayou Flood Control/Bank Stabilization** \$12,000,000
Provide for bank stabilization along Greens bayou in order to address flood control and safety issues. As a means of leveraging other public sector funding to implement the improvements, bike trails and other recreational and transportation opportunities. Improvements include reconstructed banks on Greens Bayou from Bradfield Street to Ella Boulevard, continuous bike trails and necessary pedestrian structure where crossings are required.

4. **Parks and Recreational Facilities** \$22,400,000
Development of park sites of different sizes, design, function and character to be interconnected with an integrated hike and bike system as a means of addressing the “park poor” nature of the Greenspoint area. The parks will provide passive recreational opportunities in the form of picnic and seating areas in smaller pocket parks and public plazas, as well as active recreation alternative at larger sites where organized and supervised activities, such as baseball, soccer, skate park, basketball and swimming will be conducted.

5. **Off-street Hike & Bike Trails** \$3,300,000
Construction of off-street hike and bike trails to interconnect the residential neighborhoods to the parks that are developed with Zone funding. Improvements include establishment of off-street bike lanes where adequate right-of-way is available and widening of existing sidewalks to accommodate both pedestrian and bicyclists or modification of lane design within existing pavement.

6. **Public Parking Garage and Transportation** \$16,500,000
Construction of a public parking garage and transportation facility for use by the conference center/hotel (non-project cost), area residents, employees and visitors to the Central Greenspoint sub-area. Improvements include a facility with 1,600 spaces for automobiles.

The initiative was developed in conjunction of the proposed construction of a satellite CE&F facility and a METRO Transit Center in the Greenspoint Mall.

- | | | |
|----|--|--------------|
| 7. | Land Acquisition
Redevelopment of the Greenspoint Mall Site. Intent is to acquire land associated with the redevelopment of the Greenspoint Mall. Objective was to acquire anchor store properties and reallocate them to other pads on the mall site. | \$20,000,000 |
|----|--|--------------|

Educational Project Costs

These projects reflect the commitments made to the school and college district partners in the Zone and are to be funded by the increment generated by them.

- | | | |
|-----|--|--------------|
| 8. | Multi-Purpose Community Center
A facility to serve residents of the Airline Corridor as part of the Airline Corridor Redevelopment Project initiative by the City of Houston and Aldine ISD, which has four campuses in the immediate area. | \$11,600,000 |
| 9. | North Harris Montgomery Community College District Higher Education Facility
A Training and conference center to address their needs for a facility oriented to emerging technology and research in the energy industry as part of their international training program. | \$11,600,000 |
| 10. | Convocation Center
A facility to seat 8,000 people for high school and college convocations, program seminars, lectures, special events, and assemblies. The facility will address the lack of any such facility in the North Houston area, which results in these types of programs being held in Montgomery County and south Houston. Costs include land acquisition and ancillary support facilities including parking. | \$15,000,000 |
| 11. | AISD Educational Facilities
Educational Facilities construction including acquisition of land, right of way abandonment, dedication of easements, environmental remediation and demolition. | \$33,213,452 |
| 12. | Educational Facilities and Infrastructure
Cost will include land acquisition and all related infrastructure support and amenities for projects and facilities. | \$60,000,000 |

Section Two

The Part B Plan

Project Plan and Reinvestment Zone Financing Plan Summary

Adopted by the City on August 11, 1999, the Part B Plan mirrored the goals and objectives as stated in the Part A Plan. The intent of the Part B Plan was to clarify anticipated Educational Projects to be constructed by the TIRZ on behalf of Aldine ISD, and associated Captured Appraised Value (CAV) Revenue Schedules included in the Part A Plan. Those changes, located within the Part A Original Plan consisted of:

1. Removal of \$33,213,452 in Estimated Non-Project Costs assigned to item titled Aldine Educational Facility, thus decreasing the total for Estimated Non-Projects in the stated Part B Plan to \$64,408,150.

EXHIBIT 1: Part B Estimated Non-Project Costs

Estimated Non-Project Costs		
CORRECTED		
	<i>Part A Plan</i>	<i>Part B Plan</i>
Management District Costs		
Security and Public Safety	\$ 13,800,000	\$13,800,000
Planning and Project Development	\$ 6,600,000	\$ 6,600,000
Public Relations and Business Development	\$ 6,600,000	\$ 6,600,000
Administration	\$ 3,000,000	\$ 3,000,000
Sub-Total	\$ 30,000,000	\$30,000,000
Street Paving Reconstruction		
Ella Blvd. Extension: south of Rush Creek to Gears Road	\$ 8,086,500	\$ 8,086,500
Commons Drive: West Greens Road to Beltway 8	\$ 2,602,740	\$ 2,602,740
Greens Crossing: Beltway 8 to Fallbrook Extension	\$ 3,984,735	\$ 3,984,735
Fallbrook: TIRZ Boundary to IH-45	\$ 1,318,120	\$ 1,318,120
Fallbrook Extension: Greens Crossing to TIRZ Boundary	\$ 2,150,430	\$ 2,150,430
Sub-Total	\$ 18,142,525	\$18,142,525
Greens Bayou Trails System	\$ 28,265,625	\$28,265,625
AISD Educational Facility	\$ 33,213,452	
Total	\$109,621,602	\$76,408,150

(When reviewing the Exhibits for the Part A and Part B Plan, an error was detected in the Management District Sub-Total Costs and the Estimated Non-Project Total Costs as stated in the Part A and amended Part B Plans. These errors are shown as corrected above.)

2. Insertion of \$33,213,452 in Educational Facilities Project Cost assigned to item titled AISD Educational Facilities Cost, thus increasing the stated total for Educational Facilities Project Costs to \$127,313,452.

EXHIBIT 2: Part B Educational Facilities Project Costs

Educational Facilities Project Costs		
Project Item	Part A Plan	Part B Plan
Multi-Purpose Community Center	\$11,600,000	\$ 13,800,000
North Harris Montgomery Community College District	\$ 7,500,000	\$ 7,500,000
Higher Education Facility		
Convocation Center	\$15,000,000	\$ 15,000,000
AISD Educational Facilities Cost		\$ 33,213,452
Educational Facilities and Infrastructure	\$60,000,000	\$ 60,000,000
Total	\$94,100,000	\$127,313,452

3. A recalculation of Aldine ISD Captured Appraised Value (CAV) over the life of the Zone. The modification resulted in two significant changes to Table B.1, TIRZ Revenue Schedule (All Taxing Jurisdictions). The first was a rise in the Aldine Tax Increment Revenue Cap by \$3,221,850 from \$4,315,557 to \$7,147,968 for Tax Years 2011 and 2028. The second change was to the Total Aldine ISD Collections (at 97%), which correspondingly increased by \$62,986,688 to a total of \$172,358,331.

EXHIBIT 3: Part A and part B Projected AISD TIRZ Revenue Collections

Tax Year	Part A Plan AISD TIRZ Collections	Part B Plan AISD TIRZ Collections	Part A Plan Total Annual TIRZ Collections	Part B Plan Total Annual TIRZ Collections
1998				
1999	\$ 53,581	\$ 53,581	\$ 128,432	\$ 128,432
2000	\$ 642,292	\$ 642,292	\$ 1,539,560	\$ 1,539,560
2001	\$ 1,181,828	\$ 1,181,828	\$ 2,832,814	\$ 2,832,814
2002	\$ 2,001,659	\$ 2,001,659	\$ 4,798,019	\$ 4,798,019
2003	\$ 3,213,774	\$ 3,213,774	\$ 7,696,915	\$ 7,696,915
2004	\$ 3,716,661	\$ 3,716,661	\$ 8,893,754	\$ 8,893,754
2005	\$ 2,765,520	\$ 4,237,695	\$ 8,658,357	\$ 10,130,532
2006	\$ 3,119,660	\$ 4,776,877	\$ 9,752,158	\$ 11,409,374
2007	\$ 3,266,024	\$ 5,065,566	\$ 10,466,631	\$ 12,266,173
2008	\$ 3,753,687	\$ 5,911,909	\$ 12,388,834	\$ 14,547,056
2009	\$ 4,135,722	\$ 6,495,488	\$ 13,576,128	\$ 15,935,894
2010	\$ 3,841,168	\$ 6,397,533	\$ 14,067,033	\$ 16,623,399
2011	\$ 4,315,557	\$ 7,147,968	\$ 15,635,602	\$ 18,468,013
2012	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2013	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2014	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2015	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2016	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2017	\$ 4,315,557	\$ 7,147,968	\$ 15,635,602	\$ 18,477,488
2018	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2019	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2020	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2021	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488

Tax Year	<i>Part A Plan AISD TIRZ Collections</i>	<i>Part B Plan AISD TIRZ Collections</i>	<i>Part A Plan Total Annual TIRZ Collections</i>	<i>Part B Plan Total Annual TIRZ Collections</i>
2022	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2023	\$ 4,315,557	\$ 7,147,968	\$ 15,635,602	\$ 18,477,488
2024	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2025	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2026	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2027	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488
2028	\$ 4,315,557	\$ 7,147,968	\$ 15,635,037	\$ 18,477,488

Section Three

Part C Plan

Project Plan Summary

Adopted by the City on May 14, 2008, the Part C Plan highlighted the relevant synergies and differences from the Original Plans. The Part C Plan covers the same geographic area covered by the Original Plan. Together the Part A, B and Part C Plans provide the tools needed to help alleviate blight by promoting redevelopment through the financing and construction of public infrastructure projects, parks and recreation projects, public educational and cultural facilities, retail, multifamily and workforce housing initiatives, and environmental remediation.

The Zone has made significant strides to reverse deterioration and spur economic development within the boundaries of the Zone. This is evident by the completion and current ongoing development of projects including the construction of two major park projects, the repositioning of 5,000 apartment units via a developer reimbursement with Archon Development, a division of Goldman Sachs, worked in conjunction with TxDOT towards the beautification of areas between Sam Houston Parkway and the North Freeway, land acquisition for the construction of the new Aldine ISD Bussey Elementary School, and numerous landscape and public open/green-space initiatives in the Aldine, Airline, Greens Crossing, and Greenspoint Central sub-areas. Much remains to be accomplished however. The Part C Plan provided the financing tool necessary to encourage sound growth, which in turn is critical to the long-term economic health of the entire City of Houston.

Project cost categories herein stated in the Part C Plan, both new and restated from the original Plans included:

Infrastructure Improvements

Public streets and public utility systems are required to create an environment that will stimulate private investment in retail, residential, multi-family and commercial developments. Reconstruction (major and minor) of key streets and utility systems were undertaken to enhance the level of service in the area, improve functionality, replace aged facilities, and increase aesthetics. All roadway improvements were integrated with the street reconstruction programs of the City of Houston, TxDOT, METRO and others as needed, and where possible include elements not included by those programs.

Greens Bayou Flood Control Projects

Improvements to flood control and public safety, hike and bike trail system and creation of recreational opportunities where there are none planned or fund. Participation was sought from the Harris County Flood Control District (“HCFCFCD”). Current initiatives either underway or planned include:

- Zone participation with HCFCFCD in a joint funding agreement on the construction of a Multi-purpose Detention/Athletic Facility. The retention site was one element of a major plan to reduce flooding in the area. The Zone proposed financing engineering costs and construction of 16 lit soccer fields to be located within the limits of the retention area.
- Acquisition of flood prone multifamily properties in support of HCFCFCD multi-purpose detention/athletic facility. Apartments adjacent to the south bank of Greens Bayou, north of the north right-of-way line of Greens Road right-of-way, and in the immediate vicinity of the HCFCFCD detention facility were acquired. Land provided parking and related support facilities needed for the proposed soccer facility and the adjacent Tom Wussow, and City View parks. The site also serves as the primary vehicular entrance to the soccer facility. The aforementioned multifamily properties are located within a floodway and subject to regular inundation.

Parks, Plazas and Related Transit Amenities

Availability of large tracts of vacant land suitable for acquisition and development into parklands consisting of pedestrian-friendly, safe environments was a major component of the Part C Plan. All improvements were integrated with adjacent land uses and provided with upgrades focused on the visual environment. With the high volume of multifamily housing and employment in the area, existing parks are at capacity. When possible, Zone funds were leveraged with METRO funded public transit systems to provide for streetscape upgrades, enhancement programs, public art and other transit related pedestrian amenities. Current initiatives underway or planned include:

- Benmar Park: Located on Benmar Drive – Approximately three acres of land available in an area prone to flooding. The proposed park is passive in nature to accommodate office workers. This includes walking trails, benches, lighting and minimal landscaping.
- Spring Area Park: Environmental remediation of a tire shredding facility located in the Spring/Rankin sub-area. Working in tandem with the City of Houston, the Texas Commission on Environmental Quality (“TCEQ”), and the State of Texas Office of the Attorney General, the Zone has completed remediation efforts on approximately ten acres of property commonly referred to as the Quantum Tech site, a facility abandoned more the ten years ago. The TCEQ has estimated that approximately 350 tons of shreds and an additional 150,000 whole tires remain on the property. A park constructed in the area would attract new residential development.

- Greens Crossing Linear Parks and Public Plazas: This area includes approximately 100 acres of vacant land suited for development of additional office space. Linear parks in the area provide amenities for employee and inducements to new development. These developers are required to maintain the parks.

Hike and Bike Trails

Development and construction of on road and off road hike and bike trails including sidewalks, lighting, street trees, landscaping, way finding signage, benches, street furniture, public art and other pedestrian amenities.

Cultural and Public Facilities

Construction of a community center is included in the Part A Plan; however additional opportunities exist to enhance the proposed community center with an arts complex in connection with ongoing initiatives sponsored by both Aldine ISD and North Harris Montgomery Community College District. Current initiatives either underway or planned include:

- Land Assembly and funding assistance for the construction in a multipurpose Public Safety Campus consisting of a joint HFD and HPD facility located in the Greens Crossing/Northborough sub-area, the proposed site of Fire Station No. 84, a planned three bay station would be relocated to a ten acre tract located in the vicinity of Gears Road at Greens Parkway. With the Zone's assistance, the facility could potentially be expanded to a five bay station.

Land Acquisition

The purchase and assembly of land for the purposes of repositioning construction of public facilities, parks, and right-of-way acquisition.

Economic Development Assistance:

In order to maximize the Zone's ability to assist economic catalyst projects being evaluated and planned in the Greater Greenspoint area, the development program to implement the objectives of the Part C Plan on a project-by-project basis. The amount and level of funding for each project will be determined based on demonstrated needs and benefits.

Affordable Workforce Housing: The development and implementation of an affordable workforce housing initiative including land acquisition and construction. The purpose of this program is to enhance the public welfare by insuring that the housing needs of the Greenspoint area are addressed.

Section Four

The Part D Plan

The Zone and the City now propose the third amendment to the Project Plan and Reinvestment Zone Financing Plan to expand the original vision of providing the tools needed to alleviate blight by promoting redevelopment through the financing and construction of public infrastructure projects, construction and operation of parks and recreation projects, public facilities and cultural facilities, retail, multifamily and workforce house initiatives and environmental remediation.

A. Summary of Redevelopment Efforts

Significant redevelopment and reinvestment has occurred in the Zone since its inception. More improvements to the area, as intended with creation and expansion of the Zone, has served as a catalyst for private reinvestment in the area.

As the Zone continues to serve as a catalytic focal point for reinvestment in the area, it has further capacity to improve the commercial, residential and public environments for surrounding neighborhoods, commercial centers and areas of employment, thereby further bolstering private investment and the overall economic condition of the Greenspoint Area.

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 C Plan, the concepts and goals outlined below control.

Goal 1: Enhance public infrastructure, facilities and services throughout the Zone

Expansion of the life of the Zone will allow for enhancements to the physical infrastructure and public facilities within the Zone to provide adequate capacity and to enhance provision of critical public services. Removal of blighted conditions will occur through public infrastructure improvements, land acquisition, and demolition of dilapidated or obsolete structures. This will allow for continued economic development and improvement of public services in the Zone.

Goal 2: Greens Bayou Flood Control Projects.

Further improvements in the Greens Bayou floodplain will alleviate flooding and promote economic development in the area.

Goal 3: Develop and enhance open green space, construct and operate parks, plaza, and other similar improvements within the Zone.

The Zone will develop green space opportunities for the creation of cohesive and vibrant

communities within the Zone. There is an established need for public open spaces consisting of parks, plaza, public squares, natural areas, recreational amenities, cultural amenities and landscaping in public right-of-ways. Parks and plazas help foster social interactions that define the public realm and urban culture. The continued construction and operation of the parks and recreational facilities in the Zone are critical to the success of the these facilities as well as the economic development of the surrounding commercial and residential areas of the Zone. The Zone will implement a plan to construct and operate and keep the parks and recreational facilities in working order. To implement the Zone’s parks and recreational facilities and public infrastructure programs, the Zone may dedicate up to 5% of its annual revenues for anticipated use of expenditures for the renewal, replacement, maintenance, and operation for capital project costs of the Zone.

C. Authorized Projects and Project Costs

The amended and restated project costs are detailed in Table 1, below. The dollar amounts of 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 through the annual Zoned budget approval process.

Capital Projects:	
Public Improvements	\$ 110,000,000
Parks, Plazas, and Related Transit Amenities	\$ 35,911,513
Cultural and Public Facility Improvements	\$ 61,031,519
HCFCD Multi-purpose Detention/Athletic Facility	\$ 150,116
Total Capital Projects	\$ 207,093,148
Educational Facility Set Aside	\$ 60,000,000
Affordable Housing Projects	\$ 10,000,000
Developer Advances/Financing Costs	\$ 12,282,002
Administration Costs/ Professional Services	\$ 10,625,000
TOTAL	\$ 300,000,150

*Pursuant to Goal 3 of the Part D Plan, up to 5% of all project costs for the Zone may be used for capital maintenance, replacement and renewal of projects completed with project costs regardless of category.

D. Project Plan

Existing and Proposed Uses of Land (Texas Tax Code § 311.011(b)(1)): Map 1, attached hereto, depicts the existing land uses in the original and annexed areas of the Zone. Proposed land uses shall include similar, but enhanced, residential, commercial retail, office, hotel and travel related activity, public and institutional, transportation, park and open spaces 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 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.

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 improvements to be funded utilizing resources from the Zone. 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 through the annual Zone budget approval process. The financing costs are a function of the project financing needs and will vary with market conditions from the estimates shown on Table 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 in the Part D Plan, including but not limited to those presented in Map 1, such as roadway, streetscape and overall enhancements in the Zone and may include infrastructure improvements throughout the Zone.

Economic Feasibility (Texas Tax Code § 311.011(c)(3)): Exhibits B and C are updated revenue estimates for the Zone. These estimates detail the expected total appraised value, the captured appraised value and the net revenue from each taxing entity participating in the Zone over the life of the Zone.

Estimated Amount of Bond Indebtedness; Estimated Time When Related Cost or Monetary Obligations Incurred (Texas Tax Code § 311.011(c)(4) § 311.011(c)(5)): Bonds or other debt instruments would be issued as necessary to fund the projects described in the Part D Plan.

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 associated with the Part D Plan will consist of contributions of the City of Houston, Houston Independent School District and Harris County. This figure is calculated using a City contribution of 100 percent of its current tax rate, a Houston Independent School District contribution of an increment equivalent to a rate of \$0.64 per \$100 of assessed valuation and a Harris County contribution of an increment equivalent to a rate of \$0.41661 per \$100 of assessed valuation.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code § 311.011(c)(7)): As of September 11, 2015, the current appraised value of taxable real property is \$1,251,413,938.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code § 311.011(c)(8)): The estimated captured appraised value of Part D is contained in Exhibit 1.

Zone Duration (Texas Tax Code § 311.011(c)(9)): The Zone will terminate on December 31, 2037.

EXHIBIT B

Table 1 - Net Revenue All Entities							
Part D Plan Revenue Schedule							
Tax Year (1)	Increment Revenue						Net Revenue (Total Increment Revenue Less Transfers)
	City	Aldine ISD	Spring ISD	Lone Star Community College	Harris County	Total Increment Revenue	
2015	\$ 4,234,437	\$ 5,562,293	\$ 493,832	\$ 761,315	\$ 2,938,985	\$ 13,990,860	\$ 11,336,975
2016	\$ 4,444,775	\$ 5,752,452	\$ 514,622	\$ 787,842	\$ 3,041,392	\$ 14,541,083	\$ 11,811,968
2017	\$ 4,659,320	\$ 5,946,415	\$ 535,829	\$ 814,900	\$ 2,732,903	\$ 14,689,367	\$ 11,883,518
2018	\$ 4,878,155	\$ 6,144,257	\$ 557,460	\$ 842,499	\$ -	\$ 12,422,371	\$ 9,538,253
2019	\$ 5,101,368	\$ 6,346,056	\$ 579,523	\$ 870,651	\$ -	\$ 12,897,597	\$ 9,933,644
2020	\$ 5,329,045	\$ 6,551,890	\$ 602,028	\$ 899,365	\$ -	\$ 13,382,328	\$ 10,336,944
2021	\$ 5,561,275	\$ 6,761,842	\$ 624,982	\$ 928,653	\$ -	\$ 13,876,752	\$ 10,748,309
2022	\$ 5,798,150	\$ 6,975,992	\$ 648,396	\$ 958,528	\$ -	\$ 14,381,066	\$ 11,167,901
2023	\$ 6,039,762	\$ 7,194,426	\$ 672,278	\$ 988,999	\$ -	\$ 14,895,466	\$ 11,595,886
2024	\$ 6,286,207	\$ 7,417,228	\$ 696,638	\$ 1,020,081	\$ -	\$ 15,420,153	\$ 12,032,430
2025	\$ 6,537,581	\$ 7,644,486	\$ 721,485	\$ 1,051,783	\$ -	\$ 15,955,335	\$ 12,477,705
2026	\$ 6,793,982	\$ 7,876,289	\$ 746,829	\$ 1,084,120	\$ -	\$ 16,501,220	\$ 12,931,885
2027	\$ 7,055,511	\$ 8,112,729	\$ 772,680	\$ 1,117,104	\$ -	\$ 17,058,023	\$ 13,395,149
2028	\$ 7,322,270	\$ 8,353,897	\$ 799,047	\$ 1,150,747	\$ -	\$ 17,625,962	\$ 13,867,678
2029	\$ 7,594,365	\$ 8,599,888	\$ 825,942	\$ 1,185,063	\$ -	\$ 18,205,259	\$ 14,349,658
2030	\$ 7,871,902	\$ -	\$ -	\$ 1,220,066	\$ -	\$ 9,091,967	\$ 8,137,369
2031	\$ 8,154,989	\$ -	\$ -	\$ 1,255,768	\$ -	\$ 9,410,757	\$ 8,440,220
2032	\$ 8,443,738	\$ -	\$ -	\$ 1,292,185	\$ -	\$ 9,735,923	\$ 8,749,127
2033	\$ 8,738,263	\$ -	\$ -	\$ 1,329,330	\$ -	\$ 10,067,592	\$ 9,064,213
2034	\$ 9,038,677	\$ -	\$ -	\$ 1,367,217	\$ -	\$ 10,405,895	\$ 9,385,600
2035	\$ 9,345,100	\$ -	\$ -	\$ 1,405,863	\$ -	\$ 10,750,963	\$ 9,713,415
2036	\$ 9,657,652	\$ -	\$ -	\$ 1,445,281	\$ -	\$ 11,102,933	\$ 10,047,786
2037	\$ 9,976,454	\$ -	\$ -	\$ 1,485,488	\$ -	\$ 11,461,942	\$ 10,388,845
	\$ 158,862,978	\$ 105,240,139	\$ 9,791,571	\$ 25,262,849	\$ 8,713,280	\$ 307,870,816	\$ 251,334,478
Notes:							
(1) Redevelopment Authority is scheduled to terminate in Tax Year 2037							
(2) Harris County Capped at 15,000,000 per interlocal agreement, Ordinance 2001-1163;							
(3) Revenues are based on projections should Harris County or Lone Star Community College District agree to participate further in the Zone beyond 2029							

EXHIBIT C

Table 2 - City of Houston								
Part D Plan Revenue Schedule								
Tax Year(1)	Base Value (2)	Projected Value (3)	Captured Appraised Value	Collection Rate (4)	Tax Rate	Increment Revenue	City Admin	Net Revenue
2015	\$ 533,228,330	\$ 1,252,028,849	\$ 718,800,519	98.00%	0.60112	\$ 4,234,437	\$ 211,722	\$ 4,022,715
2016	\$ 533,228,330	\$ 1,277,069,426	\$ 743,841,096	98.00%	0.60112	\$ 4,381,950	\$ 219,098	\$ 4,162,853
2017	\$ 533,228,330	\$ 1,302,610,814	\$ 769,382,484	98.00%	0.60112	\$ 4,532,414	\$ 226,621	\$ 4,305,793
2018	\$ 533,228,330	\$ 1,328,663,031	\$ 795,434,701	98.00%	0.60112	\$ 4,685,887	\$ 234,294	\$ 4,451,592
2019	\$ 533,228,330	\$ 1,355,236,291	\$ 822,007,961	98.00%	0.60112	\$ 4,842,429	\$ 242,121	\$ 4,600,308
2020	\$ 533,228,330	\$ 1,382,341,017	\$ 849,112,687	98.00%	0.60112	\$ 5,002,102	\$ 250,105	\$ 4,751,997
2021	\$ 533,228,330	\$ 1,409,987,838	\$ 876,759,508	98.00%	0.60112	\$ 5,164,969	\$ 258,248	\$ 4,906,721
2022	\$ 533,228,330	\$ 1,438,187,594	\$ 904,959,264	98.00%	0.60112	\$ 5,331,093	\$ 266,555	\$ 5,064,539
2023	\$ 533,228,330	\$ 1,466,951,346	\$ 933,723,016	98.00%	0.60112	\$ 5,500,540	\$ 275,027	\$ 5,225,513
2024	\$ 533,228,330	\$ 1,496,290,373	\$ 963,062,043	98.00%	0.60112	\$ 5,673,375	\$ 283,669	\$ 5,389,707
2025	\$ 533,228,330	\$ 1,526,216,181	\$ 992,987,851	98.00%	0.60112	\$ 5,849,668	\$ 292,483	\$ 5,557,184
2026	\$ 533,228,330	\$ 1,556,740,504	\$ 1,023,512,174	98.00%	0.60112	\$ 6,029,486	\$ 301,474	\$ 5,728,011
2027	\$ 533,228,330	\$ 1,587,875,314	\$ 1,054,646,984	98.00%	0.60112	\$ 6,212,900	\$ 310,645	\$ 5,902,255
2028	\$ 533,228,330	\$ 1,619,632,821	\$ 1,086,404,491	98.00%	0.60112	\$ 6,399,983	\$ 319,999	\$ 6,079,984
2029	\$ 533,228,330	\$ 1,652,025,477	\$ 1,118,797,147	98.00%	0.60112	\$ 6,590,807	\$ 329,540	\$ 6,261,267
2030	\$ 533,228,330	\$ 1,685,065,987	\$ 1,151,837,657	98.00%	0.60112	\$ 6,785,448	\$ 339,272	\$ 6,446,176
2031	\$ 533,228,330	\$ 1,718,767,306	\$ 1,185,538,976	98.00%	0.60112	\$ 6,983,982	\$ 349,199	\$ 6,634,783
2032	\$ 533,228,330	\$ 1,753,142,652	\$ 1,219,914,322	98.00%	0.60112	\$ 7,186,486	\$ 359,324	\$ 6,827,162
2033	\$ 533,228,330	\$ 1,788,205,505	\$ 1,254,977,175	98.00%	0.60112	\$ 7,393,040	\$ 369,652	\$ 7,023,388
2034	\$ 533,228,330	\$ 1,823,969,616	\$ 1,290,741,286	98.00%	0.60112	\$ 7,603,726	\$ 380,186	\$ 7,223,540
2035	\$ 533,228,330	\$ 1,860,449,008	\$ 1,327,220,678	98.00%	0.60112	\$ 7,818,625	\$ 390,931	\$ 7,427,694
2036	\$ 533,228,330	\$ 1,897,657,988	\$ 1,364,429,658	98.00%	0.60112	\$ 8,037,822	\$ 401,891	\$ 7,635,931
2037	\$ 533,228,330	\$ 1,935,611,148	\$ 1,402,382,818	98.00%	0.60112	\$ 8,261,404	\$ 413,070	\$ 7,848,333
						\$ 140,502,573	\$ 7,025,129	\$ 133,477,444
Notes:								
(1) Redevelopment Authority is scheduled to terminate in Tax Year 2037								
(2) Base Year is Tax Year 1998								
(3) Projected Value for Tax Years 2015 to 2048 increase at an annual rate of 2%								
(4) Collection Rate for Tax Years 2015 to 2048 at 98%								

EXHIBIT D

Project Cost Amendments: The following table includes the estimated project costs for the Part A, B, C, and D						
	1999 (Part A) Plan	1999 (Part B) Plan	2008 (Part C) Plan	2015 (Part D) Plan	Cost through 06/30/15	Remaining Costs
Infrastructure Improvements:						
Public Infrastructure and Utilities - Parts A, B, C, and D						
Public Infrastructure Improvements						
Street Projects	\$ 25,400,000	\$ 25,400,000	\$ 20,000,000	\$ 44,000,000	\$ 32,779,468	\$ 11,220,532
Sidewalk Improvements						
Sidewalks, Lighting, and Landscaping	\$ 19,525,710	\$ 19,525,710	\$ 10,000,000	\$ 15,000,000	\$ 4,006,827	\$ 10,993,173
Blight Removal						
Blight Removal, Land Acquisitions, and Demolition	\$ -	\$ -	\$ 10,000,000	\$ 48,000,000	\$ 5,195,972	\$ 42,804,028
Total Public Infrastructure and Utilities - Parts A, B, C, and D	\$ 44,925,710	\$ 44,925,710	\$ 40,000,000	\$ 107,000,000	\$ 41,982,267	\$ 65,017,733
Flood Control Projects						
Flood Control/Bank Stabilization	\$ 12,000,000	\$ 12,000,000	\$ 6,000,000	\$ 3,000,000	\$ -	\$ 3,000,000
Total Flood Control Projects - Parts A, B, C, and D	\$ 12,000,000	\$ 12,000,000	\$ 6,000,000	\$ 3,000,000	\$ -	\$ 3,000,000
Total Infrastructure Improvements - Part A, B, C, and D	\$ 56,925,710	\$ 56,925,710	\$ 46,000,000	\$ 110,000,000	\$ 41,982,267	\$ 68,017,733
Other Project Costs:						
Parks, Plazas, and Related Transit Amenities						
Off Street Hike & Bike Trails	\$ 3,300,000	\$ 3,300,000	\$ 2,000,000	\$ 2,061,629	\$ 2,061,629	\$ -
Parks and Recreation Facilities	\$ 22,400,000	\$ 22,400,000	\$ 20,000,000	\$ 33,849,884	\$ 15,378,514	\$ 18,471,370
Total Parks, Plazas, and Related Transit Amenities - Parts A, B, C, and D	\$ 25,700,000	\$ 25,700,000	\$ 22,000,000	\$ 35,911,513	\$ 17,440,143	\$ 18,471,370
Cultural and Public Facility Improvements						
Multi-Purpose Community Center/Cultural Art Center	\$ 11,600,000	\$ 11,600,000	\$ 15,000,000	\$ 8,000,000	\$ -	\$ 8,000,000
NHMCC District Higher Education Facility	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000	\$ 2,293,168	\$ 5,206,832
Convocation Center	\$ 15,000,000	\$ 15,000,000	\$ -	\$ -	\$ -	\$ -
Alisd Educational Facilities Cost	\$ -	\$ 33,213,452	\$ -	\$ 33,213,452	\$ -	\$ 33,213,452
Public Safety Facilities	\$ -	\$ -	\$ 10,000,000	\$ 12,318,067	\$ 7,318,067	\$ 5,000,000
Total Cultural and Public Facility Improvements - Parts A, B, C, and D	\$ 34,100,000	\$ 67,313,452	\$ 32,500,000	\$ 61,031,519	\$ 9,611,235	\$ 51,420,284
Economic Development						
HCPCD Multi-purpose Detention/Athletic Facility	\$ -	\$ -	\$ 5,000,000	\$ 150,116	\$ 150,116	\$ -
Total Economic Development Grant - Part A, B, C, and D	\$ -	\$ -	\$ 5,000,000	\$ 150,116	\$ 150,116	\$ -
Affordable/Workforce Housing						
Affordable/Workforce Housing	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 14,081	\$ 9,985,919
Total Affordable Workforce Housing - Part A, B, C, and D	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 14,081	\$ 9,985,919
Total Other Project Costs - Parts A, B, C, and D	\$ 59,800,000	\$ 93,013,452	\$ 69,500,000	\$ 107,093,148	\$ 27,215,575	\$ 79,877,573
Education Facilities Set-Aside						
ISD Set-Aside	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 18,200,663	\$ 41,799,337
Total Educational Facilities Set-Aside Costs - Parts A, B, C, and D	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 60,000,000	\$ 18,200,663	\$ 41,799,337
Financing Costs						
Financing Costs	\$ 12,282,002	\$ 12,282,002	\$ 12,282,002	\$ 12,282,002	\$ 9,763,720	\$ 2,518,282
Total Financing Costs - Parts A, B, C, and D	\$ 12,282,002	\$ 12,282,002	\$ 12,282,002	\$ 12,282,002	\$ 9,763,720	\$ 2,518,282
Zone Administration						
Zone Administration and Creation Cost	\$ 3,550,000	\$ 3,550,000	\$ 6,420,000	\$ 10,625,000	\$ 5,510,931	\$ 5,114,069
Total Zone Administration Costs - Parts A, B, C, and D	\$ 3,550,000	\$ 3,550,000	\$ 6,420,000	\$ 10,625,000	\$ 5,510,931	\$ 5,114,069
Creation Costs						
Creation Costs	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
Total Creation Costs - Parts A, B, C, and D	\$ 300,000	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
PROJECT PLAN TOTAL	\$ 192,857,712	\$ 226,071,164	\$ 194,502,002	\$ 300,000,150	\$ 102,673,156	\$ 197,326,994