

YOLANDA FORD
Chair
CHRIS PRESTON
Vice-Chair
VASHAUNDR A EDWARDS
Director
CHERYL STERLING
Director
JEFFREY L. BONEY
Director



ANTHONY G. MAROULIS
Director/Secretary
FLOYD EMERY
Director
BILL ATKINSON
Interim General Manager
MARIA JACKSON
Assistant Secretary

MISSOURI CITY DEVELOPMENT AUTHORITY MEETING AGENDA

Notice is hereby given of a meeting of the Board of Directors of the Missouri City Development Authority to be held on **Monday, May 4, 2020, at 6:45 p.m.** at: **City Hall, Council Chamber, 2nd Floor**, 1522 Texas Parkway, Missouri City, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action. The Board of Directors reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

NOTICE REGARDING PUBLIC PARTICIPATION

Due to the COVID 19 Disaster and the Center for Disease Control's recommendation regarding social distancing measures, the public will not be allowed to be physically present at this meeting.

The meeting will be available to members of the public and allow for two-way communications for those desiring to participate. Any person interested in speaking on any item on the agenda must notify the City by one of the following methods **before 4:00 p.m. on the day of the City Council meeting**:

1. Email or call the City Secretary at CSO@missouricitytx.gov or 281-403-8686; or,
2. Submit a "Public Comment Form" to the City Secretary from the following webpage: <https://bit.ly/39pw73Q>.

The request must include the speaker's name, address, email address, phone number and the agenda item number.

To livestream the meeting, the public may access the following link:
<https://www.missouricitytx.gov/780/MCTV>.

To access the meeting agenda packet in PDF format, the public may access the following link:
<https://www.missouricitytx.gov/407/City-Council>.

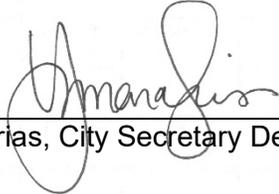
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1. ROLL CALL
 2. Consider approving the minutes of the meeting of March 2, 2020.
 3. Public comments.
 4. Consider authorizing a reimbursement to Fort Bend County from Tax Increment Reinvestment Zone Number Two.
 5. Consider authorizing a reimbursement to Houston Community College System from Tax Increment Reinvestment Zone Number Three.

6. Discuss the termination of the interlocal agreement between Reinvestment Zone Number Three, City of Missouri City, the City of Missouri City, Texas, and the Houston Community College System for the Houston Community College System's participation in Reinvestment Zone Number Three, City of Missouri City.
7. **CLOSED EXECUTIVE SESSION**
The Board of Directors may go into Executive Session regarding any item posted on the Agenda as authorized by Chapter 551 of the Texas Government Code.
8. ADJOURN

In compliance with the Americans with Disabilities Act, the City of Missouri City will provide for reasonable accommodations for persons attending Missouri City Development Authority meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Maria Jackson, City Secretary, at 281.403.8500.

CERTIFICATION

I certify that a copy of the May 4, 2020 agenda of items to be considered by the Missouri City Development Authority was posted in a place convenient to the public in compliance with Chapter 551 of the Texas Government Code on April 30, 2020, at 4:00 p.m.



Yomara Frias, City Secretary Department

YOLANDA FORD
Chair
CHRIS PRESTON
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Director
CHERYL STERLING
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Director



ANTHONY G. MAROULIS
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FLOYD EMERY
Director
VACANT
General Manager
MARIA JACKSON
Assistant Secretary

MISSOURI CITY DEVELOPMENT AUTHORITY MINUTES

The Board of Directors of the Missouri City Development Authority held a meeting on **Monday, March 2, 2020**, at **7:35 p.m.** in the City Hall, Council Chamber, 1522 Texas Parkway, Missouri City, Texas, to consider the following:

1. CALL TO ORDER

Chair Ford called the meeting to order at 8:53 p.m.

Those also present: Vice-Chair Preston, Directors Edwards, Sterling, Boney, Maroulis, and Emery; Assistant Secretary Jackson, City Attorney Iyamu, Assistant City Manager Atkinson, and Assistant City Manager Martel.

2. Consider approving the minutes of the meeting of December 16, 2019.

Director Boney moved to approve the minutes of the December 16, 2019, meeting; and, the motion was seconded by Director Maroulis. **MOTION PASSED UNANIMOUSLY.**

3. Public comments.

There were no public comments.

4. Consider appointing an interim General Manager.

Director Boney moved to appoint Bill Atkinson as interim General Manager. Director Emery seconded. **MOTION PASSED UNANIMOUSLY.**

5. ADJOURN

Without objection, Chair Ford adjourned the meeting at 8:54 p.m.

BY: _____
Yolanda Ford, Chair

ATTEST: _____
Anthony G. Maroulis, Secretary



MISSOURI CITY DEVELOPMENT AUTHORITY AGENDA ITEM COVER MEMO

May 4, 2020

To: Board of Directors of Missouri City Development Authority
Agenda Item: 4 Consider authorizing a reimbursement to Fort Bend County from TIRZ No. 2
Submitted by: Allena Portis, Director of Financial Services

SYNOPSIS

On December 31, 2013, the City entered into an interlocal agreement for regional road improvements with Fort Bend County; Tax Increment Reinvestment Zone (TIRZ) No. 2; Missouri City Development Authority; Fort Bend County Municipal Utility District No. 47 and Fort Bend County Municipal Utility District No. 48 (MUDs). The agreement provided for shared costs of the expansion and improvement of Vicksburg Boulevard and associated drainage. The County contributed \$1,530,000 to the project of which \$1,000,000 of the project was from County funds without reimbursement and \$530,000 to be reimbursed from TIRZ revenues. The reimbursement accrues interest and financing costs at the rate of 2% per year. The amount due including interest through 4/30/2020 is \$588,692 with interest accruing at a rate of \$29.04 per day.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Have quality development through buildout

BACKGROUND

On December 31, 2013, the City entered into an interlocal agreement for regional road improvements with Fort Bend County, TIRZ No. 2, Missouri City Development Authority, Fort Bend County MUD No. 47 and Fort Bend County MUD No. 48. The agreement provided for shared costs of the expansion and improvement of Vicksburg Boulevard and associated drainage. The total estimated cost of the improvements was \$3,125,963. The County contributed \$1,530,000 to the project of which \$1,000,000 of the project was from County funds without reimbursement and \$530,000 to be reimbursed from TIRZ revenues. Payment was to begin January 1, 2016. The reimbursement accrues interest and financing costs at the rate of 2% per year. The interest received from the County is to be deposited in a special account to be allocated for future County mobility projects located within the City of Missouri City. Through April 30, 2020, interest for future mobility projects is approximately \$58,692.

The Vicksburg Boulevard project was completed in 2016. Within 90 days of the completion of the Vicksburg Boulevard project, a final accounting was to be submitted to each party with the Authority and Districts remitting payments to the City if the improvements were more than their original contribution or refunds if the improvements were less than the original contribution. Both MUDs initially paid \$491,654 into the project and received a refund of \$102,794.24 in FY 2017; at that time the County did not receive its reimbursement.

Total participation in the project was as follows:

TIRZ No. 2	\$1,056,000.00
Fort Bend County	\$1,530,000.00
MUDs	<u>\$ 777,720.22</u>
Total Sources	\$3,363,720.22

The agreement with the County states that interest will be paid 2% per year from the date of deposit, which was 10/17/2014. The amount due through 4/30/2020 is \$588,692 with interest accruing at a rate of \$29.04 per day.

A development agreement between the City, Fort Bend County, Missouri City Development Authority and TIRZ No. 2 for the Vicksburg Extension was executed on July 22, 2014. This agreement further documents the contractual requirements for the project and reimbursement to Fort Bend County.

The TIRZ board met and approved this reimbursement on April 30, 2020.

BUDGET/FISCAL ANALYSIS

Funding Source	Account Number	Project Code/Name	FY20 Funds Budgeted	FY20 Funds Available	Amount Requested
TIRZ No. 2	262-53509-10-262	Developer Agreement Expense	\$650,000	\$650,000	\$590,000

Purchasing Review: N/A

Financial/Budget Review: Allena Portis, Director of Financial Services

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. 2013 Interlocal Agreement regarding Regional Road Improvement
2. 2014 Vicksburg Extension Development Agreement

STAFF'S RECOMMENDATION

Staff recommends authorizing reimbursement to Fort Bend County in the amount of \$588,692 plus \$29.04 interest per day for each day after April 30, 2020 until payment is made.

Director Approval: Allena Portis, Director of Financial Services

**Assistant City Manager/
City Manager Approval:** Bill Atkinson, Interim City Manager

INTERLOCAL AGREEMENT FOR
REGIONAL ROAD IMPROVEMENTS

This Interlocal Agreement for Regional Road Improvements (the "Agreement"), effective as of the 31st day of December, 2013, is entered into by Fort Bend County (the "County"), the City of Missouri City (the "City"), Reinvestment Zone Number Two, City of Missouri City (the "Zone"); Missouri City Development Authority (the "Authority"); Fort Bend County Municipal Utility District No. 47 ("FB47") and Fort Bend County Municipal Utility District No. 48 ("FB48") ("FB47" and "FB48" collectively, the "Districts") (each a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, the City authorized the creation of the Authority to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to the common good and general welfare of the City; and

WHEREAS, the City created the Zone pursuant to Chapter 311, Texas Tax Code; and

WHEREAS, the Board of Directors of the Authority, the Board of Directors of the Zone and the City Council of the City each approved and adopted a Project Plan and a Financing Plan for the Zone; and

WHEREAS, Vicksburg Boulevard is located in Fort Bend County and the City and serves the residents of the County, the City, and the Districts; and

WHEREAS, as development in the region has progressed, the Parties have determined the expansion and improvement of a portion of Vicksburg Boulevard is necessary to serve the developed areas of the County, the City, and the Districts and to provide for regional mobility; and

WHEREAS, the Parties have determined that it would be economically advantageous for each Party to contribute to the expansion and improvement of Vicksburg Boulevard pursuant to a series of construction contracts administered by the City; and

WHEREAS, the Parties are political subdivisions of the State of Texas and are authorized to provide certain governmental functions, including, but not limited to the provision of road and/or drainage improvements; and

WHEREAS, the Parties wish to enter into an interlocal agreement pursuant to Chapter 791, Texas Government Code, to provide for the shared costs of the expansion and improvement of Vicksburg Boulevard and associated drainage; and

WHEREAS, the County, the Authority and the Districts have current revenues available to pay for the costs of such expansion and improvement of Vicksburg Boulevard and associated drainage, as proposed under this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, obligations, and benefits herein set forth, the Parties contract and agree as follows:

Section 1. Scope of Project. The Parties agree that the scope of the contemplated improvements to Vicksburg Boulevard includes construction of the following: (1) a four-lane, boulevard-type road, beginning at the intersection of Vicksburg Boulevard and Aldridge Drive, and continuing north for a distance of approximately 2,800-feet to Lake Olympia Parkway; (2) a storm sewer collection system within the proposed Vicksburg Boulevard extension from Aldridge Drive to Lake Olympia Parkway; (3) a ten foot bicycle lane immediately adjacent and attached to Vicksburg Boulevard from Aldridge Drive to Lake Olympia Parkway; (4) an outfall drainage channel (the "Outfall Channel") from Vicksburg Boulevard to the Kitty Hollow Ditch (unless the County elects to construct such channel itself prior to the advertisement of the competitive bid for the construction of the Improvements); (5) an intersection at Vicksburg Boulevard and Lake Olympia Parkway, including two 600-foot transitions on Lake Olympia Parkway; and (6) the construction of a traffic signal at the intersection of Lake Olympia Parkway and Vicksburg Boulevard (the "Improvements").

Section 2. Allocation and Reimbursement of Improvement Costs. The total estimated costs for the design (except for design commissioned pursuant to the Interlocal Project Agreement between Fort Bend County and the City of Missouri City, Texas for the Design Costs of Extending Vicksburg Boulevard including Change Order Numbers 1 through 3), construction, engineering, testing, land, or other related costs (the "Improvement Costs") are \$3,125,963 as detailed in **Exhibit A**. Among the Parties, the Improvement Costs shall be allocated as detailed in **Exhibit A** and as follows:

- 1) The Districts will pay all actual costs, including contingency, associated with the sidewalks, ramps, storm sewer facilities and the Outfall Channel included in the Improvements, estimated at \$768,986.90. Regardless of whether the County elects to construct the Outfall Channel, each District agrees to pay no less than the estimated amount of \$384,493.45. Prior to advertising for bids, the Districts may oversize or cause to be oversized the Outfall Channel at their own election and at their own costs.

- 2) Subject to reimbursement as described in Section 2(4) below, the County will pay \$1,530,000.00. This amount does not include any costs the County incurs

for the construction of the Outfall Channel as such costs will be fully paid by the Districts.

- 3) The Authority will pay an initial \$642,000 and the rest of the actual costs of the Improvements estimated at \$184,976 and also will provide reimbursements as specified herein.
- 4) The County understands and acknowledges that it shall be responsible for funding \$1,000,000 of the Project from County funds without reimbursement. Subject to the limitations set forth herein, the Authority shall reimburse the County \$530,000.00. Such reimbursement shall be funded from certain current and future unallocated increment of the Zone. The reimbursements shall not include any amounts from bonds, notes or other debt proceeds. The Districts understand and agree that any costs the Districts incur, except as provided in Section 6, are not subject to reimbursement. On January 1 of each year beginning with January 1, 2016, the Authority shall begin to reimburse the County from any and all unallocated increment in the Zone; provided however, such reimbursement shall no longer be payable when the Authority has reimbursed the County \$530,000.00. The Parties understand and agree that the reimbursements provided herein are subject to actual tax increment revenues being collected in the Zone not otherwise allocated to other projects heretofore and hereafter and to the following projects: Creekmont, Fort Bend Town Center, Lakeshore Harbour, Vicksburg Point/Oyster Creek Crossing, Wal-Mart, and City of Missouri City Planned Development PD 88. The Parties further agree that the Authority shall not issue debt to fund the reimbursements. Interest and financing costs for the reimbursement from the Authority to the County shall be applied as of the date the County deposits the \$1,530,000.00 as provided in Section 3(b) herein. The interest and financing costs for the reimbursement of \$530,000.00 shall not exceed two percent (2%) per annum. The County agrees to create a special account to deposit the interest funds derived under this Agreement and to allocate such funds to future County's mobility projects located within the City of Missouri City's city limits.

Section 3. Competitive Bid and Award of the Project.

a. Within 90 days of the latter of (1) the conveyance to and acquisition by the City of all road right-of-way described in Section 6 hereof, (2) the acquisition by the City of any road right-of-way pursuant to eminent domain, or (3) the submission to City of all appropriate plans, the City shall advertise for competitive bids for the construction of the Improvements (together or in separate contracts) in accordance with state law and City policy for City purchases for the Project with an alternate of excluding the Outfall Channel. Upon receipt of bids for the Improvements, the City will notify the Parties (the "Notice of Intent to Award") of the amount of the recommended bid (with a

10% contingency) and each Party's apportionment of the Improvement Costs, as determined in accordance with Section 2 of this Agreement. If any Party desires to object to the award of the contract, it must provide written notice to each other Party within fifteen (15) days of the date the Notice of Intent to Award is sent by the City. If any Party so objects, the Agreement terminates in accordance with Section 13 of this Agreement. Otherwise, the Party will be deemed to have approved the award of the contract to the lowest responsible bidder, in the City's judgment, who would be most advantageous to the Parties and would result in the best and most economical completion of the Improvements.

b. If there are no objections to the award of the contract, the County will deposit \$1,530,000.00, the Authority shall deposit \$642,000.00, and FB 47 and FB 48 will each deposit an estimated \$384,493.45, with the City within forty-five (45) days of the date the Notice of Intent to Award is sent to each Party. On April 15, 2015, the Authority will deposit the rest of the actual costs of the Improvements estimated at \$184,976.00.

c. Upon receipt of all funds from the Parties, with the exception of the April 15, 2015 payment from the Authority, the City will present for City Council's consideration the award of a construction contract with the qualified bidder (the "Construction Contract"), which, if awarded, may be subject to change orders that increase, decrease, or otherwise alter the Improvement Costs under such Construction Contract. If the City constructs the Improvements in multiple contracts, the provisions of this Agreement shall apply to each such construction contract.

d. In the event the City Council ultimately does not award the Construction Contract, the City will return any payments made hereunder.

Section 4. Construction Contract.

a. After award of the Construction Contract, the City shall administer the Construction Contract for the benefit of the Parties. The City, through its engineer or authorized representative, shall provide on-site inspection of the construction of the Improvements in accordance with the Construction Contract.

b. Change orders resulting in an increase to the improvement cost price submitted under the Construction Contract and recommended by the City shall be subject to administrative review and approval by the County engineer and the Districts' engineers, or their respective authorized agents, which review and approvals will not be unreasonably withheld, conditioned or delayed. If the County engineer or a District engineer desires to object to a proposed change order, such Party must provide written notice to each other Party within fifteen (15) days of the date the proposed change order is sent to the Party. Otherwise, the Party will be deemed to have approved the change order.

c. The County, the Authority and the Districts, through their authorized representatives, may observe all construction for conformity with the construction specifications and applicable City standards and shall immediately request changes or corrections to work performed under the Construction Contract if the County, the Authority or the Districts find such changes or corrections to be necessary upon such inspection. Any change orders for work requested by the County, the Authority or the Districts shall be subject to review and approval by the City, which shall not be unreasonably withheld, conditioned or delayed if the work being performed is clearly shown to be out of compliance with such specifications or standards.

d. The Parties agree that the City does not warrant the quality of any engineering or construction work done by any third party in connection with, or materials provided for, the Improvements, nor for compliance of the same with the County or the Districts' standards and other governmental codes and regulations applicable thereto, nor shall the City be deemed to be responsible for any such compliance.

e. Within 45 days of the execution of any change order and only after the applicable ten percent contingency is spent, the Authority or the Districts, as applicable, will deposit with the City an amount equal to the amount of the change order. Each District's payments pursuant to this subsection shall be half of the amount of the change order, as applicable.

f. The City shall have the right to terminate the Construction Contract and to enforce its remedies thereunder, as determined by the City to be necessary. In the event of any such termination, the City shall have the right to complete and/or cause the completion of the Improvements itself and/or through such other contractor(s) as the City determines to be appropriate and as are approved by the County, the Authority and the Districts; provided that all work done in connection with such completion shall be in compliance with the City standards for road work. The costs of any necessary and approved completion work shall be considered an Improvement Cost and shall be paid for by the County, the Authority or the Districts as provided herein.

Section 5. Vicksburg Boulevard Extension Development Agreement. The Zone is depicted in **Exhibit B**. City staff will submit to the Authority and the County for consideration a development agreement, setting out with specificity the responsibilities of the various entities, the mechanism for project financing and funding and other relevant terms and conditions specifically related to the Vicksburg Boulevard extension. The Parties understand and agree that adoption of such agreement is subject to the approval of the Zone, the Authority, the City, and the County.

Section 6. Acquisition of Property or Right-of-Way. The Districts will acquire from any developer of land within the Districts and will use best efforts to acquire all remaining land at no cost to the City any necessary property for the Improvements and

will dedicate at no cost to the City the necessary road right-of-way to the City by general warranty deed prior to the advertisement of competitive bids as described in Section 3; provided however, should any property need to be condemned, the City shall be responsible for such condemnation. These acquisition and dedication obligations of the Districts and these condemnation obligations of the City are limited to real property located within the City's territorial limits. The Districts and the City are responsible for complying with all local, state and federal laws or rules governing the acquisition of such land. Any fees, including, but not limited to, compensation to property owner(s), legal, surveying, and appraisal fees, incurred by the Districts or the City for the acquisition of necessary road right-of-way are included in the Improvements costs, and the Districts and the City shall be reimbursed by the Authority for all such costs. The Districts shall be required to acquire ownership or right-of-way necessary for the storm sewer below the inlet and for the Outfall Channel. Should County own or acquire any property necessary for the Improvements other than the storm sewer below the inlet and other than the Outfall Channel, County agrees to dedicate by general warranty deed to the City, at no cost to the City, such property prior to the advertisement of competitive bids as described in Section 3. Except as explicitly provided herein, no Party shall be entitled to impute right of way costs for land. In the event the necessary property for the Improvements have not been dedicated to or acquired by the City by September 1, 2014, the City may terminate this Agreement in accordance with Section 13 of this Agreement.

Section 7. Ownership and Maintenance of Improvements. Upon completion of the Improvements, the City will own, operate and maintain the Improvements, except for the storm sewer below the inlet and the Outfall Channel, both of which will be owned, operated and maintained by the Districts.

Section 8. Outfall Channel.

a. In the event the County elects to construct the Outfall Channel, the alternate bid shall be utilized and the award of the Construction Contract shall be contingent upon the completion of the County's construction of such Outfall Channel.

b. Upon completion of construction of the Outfall Channel, the Parties agree that it will be owned, operated and maintained by the Districts.

Section 9. Traffic Analysis. One year after completion of the Improvements, the City will conduct an intersection traffic control warrant analysis and, subject to available funding and City Council approval, construct, at its own cost, any warranted improvements at the following intersections along Vicksburg Boulevard: Truesdale Drive, Cumberland Drive and Aldridge Drive.

Section 10. Abandonment of Senior Road. The Parties agree that, upon completion of the Improvements, City Staff will present for City Council's consideration

the abandonment of a certain part of Senior Road and associated right-of-way that lies within the Districts' boundaries, provided that the City receives a petition for such abandonment from all applicable property owners. The property owners shall be responsible for providing easements for those remaining utilities or for the cost of relocation of utilities from such right-of-way, if any. However, if the property owners fail to pay such utility relocation costs, the City shall be responsible for such costs. Any such costs incurred by the City shall be subject to reimbursement by the Authority as an Improvement Cost pursuant to this Agreement

Section 11. Final Accounting. Within 90 days of the completion of the Improvements, the City shall submit to the Parties a final accounting of each Party's allocated costs under Section 2 above. If the final accounting shows that the amounts owed by the Authority and/or the Districts for their applicable Improvement Costs are more than amounts previously remitted to the City, the Authority and the Districts shall pay any outstanding amounts due within forty-five (45) days of the receipt of the final accounting. If the final accounting shows that the amounts owed by the Authority and/or the Districts for their applicable Improvement Costs are less than amounts previously remitted to the City, the City shall remit any overage to the Authority and/or the Districts within forty-five (45) days of the submission of the final accounting. Any additional amounts paid by the Authority or the Districts as a result of this final accounting shall be subject to reimbursement in accordance with Section 2 of this Agreement. Any overages remitted to the Authority or the Districts as part of the final accounting shall cause the reimbursement provided for in Section 2 to be reduced in an amount corresponding to the overage.

Section 12. Notices. All notices, requests, demands and other communications under this Agreement shall be given by electronic mail and either (i) overnight courier or (ii) hand delivery addressed as follows:

If to the FB47: Fort Bend County Municipal Utility District No. 47
 c/o Johnson Radcliffe Petrov & Bobbitt PLLC
 1001 McKinney, Suite 1000
 Houston, TX 77002-6424
 Attn: Jonathan D. Polley
 jpolley@jrpblaw.com
 Tel: (713) 237-1221
 Fax: (713) 237-1313

If to the FB48: Fort Bend County Municipal Utility District No. 48
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027
Attn: Richard L. Muller, Jr.
rmuller@abhr.com
Tel: (713) 860-6415
Fax: (713) 860-6615

With a copy to
Jones & Carter, Inc.
6335 Gulfton, Suite 200
Suite 450, North Building
Houston, Texas 77081
Attn: Terry Reeves
treeves@jonescarter.com
Tel: (713) 777-5337
Fax: (713) 777-5976

If to the City: City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard
Tel: (281) 403-8692
Fax: (281) 403-8699
ebroussard@missouricitytx.gov

If to Zone: City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard
Tel: (281) 403-8692
Fax: (281) 403-8699
ebroussard@missouricitytx.gov

If to Authority City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard
Tel: (281) 403-8692
Fax: (281) 403-8699
ebroussard@missouricitytx.gov

If to the County: Fort Bend County, Precinct 2
303 Texas Parkway, Suite 213
Missouri City, Texas 77489
Sugar Land, Texas 77478
Attn: The Honorable Grady Prestage
Grady.Prestage@co.fort-bend.tx.us
Tel: (281) 403-8000
Fax: (281) 403-8009

With a copy to:
Fort Bend County Judge
301 Jackson Street, Suite 719
Richmond, Texas 77469
Attn: The Honorable Robert Hebert
hebertb@co.fort-bend.tx.us
Tel: (281) 341-8608
Fax: (281) 341-8609

Section 13. Termination of Agreement. This Agreement is subject to termination by any Party if (1) any Party objects to the award of the Construction Contract pursuant to Section 3, (2) all appropriate plans are not submitted to the City as set forth in Section 3 within three months of execution of this Agreement, (3) the property or right-of-way is not dedicated and acquired as set forth in Section 6 within ten months of execution of this Agreement or (4) construction of the Improvements do not begin within eighteen (18) months from the effective date hereof. Otherwise, this Agreement is to remain in full force and effect unless terminated by mutual agreement of the Parties.

Section 14. Entire Agreement; Modification. This Agreement constitutes the entire agreement between the Parties concerning the Improvements. There have been and are no agreements, covenants, representations, or warranties between the parties other than those expressly stated or provided for herein. No modification hereof or subsequent agreement relative to the subject matter hereof shall be binding on any Party unless reduced to writing and signed by the Parties.

Section 15. Merger. This Agreement is the entire agreement among the Parties with respect to the subject matter hereof and, as to such matters, this Agreement sets forth all the promises and agreements among the Parties and supersedes all prior and contemporaneous agreements, understandings, inducements, or conditions, expressed or implied, oral or written.

Section 16. Parties in Interest. This Agreement shall be for the sole and exclusive benefit of the Districts, the City, and the County and shall not be construed to confer any benefit or right upon any other party, including particularly any resident of the Districts, the City, or the County.

Section 17. Severability. The provisions of this Agreement are severable, and if any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application thereof to any other person or circumstance shall ever be held by any court of competent jurisdiction to contravene or be invalid under the constitution or laws of the State of Texas for any reason, that contravention or invalidity shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid, the rights and obligations of the Parties shall be enforced accordingly, and this Agreement shall remain in full force and effect, as construed. The remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to the other parties or circumstances shall not be affected thereby.

Section 18. Successors and Assigns. This Agreement shall apply to and be binding upon the Parties hereto and their respective officers, directors, successors, and assigns. This Agreement and any of the rights obtained hereunder are not assignable by any Party hereto without the express written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 19. Authorization. Each Party represents that (i) execution and delivery of this Agreement by it has been duly authorized by its governing body or other persons from whom such Party is legally bound to obtain authorization; (ii) that the consummation of the contemplated transactions will not result in a breach or violation of, or a default under, any agreement by which it or any of its properties is bound, or by any statute, rule, regulation, order, or other law to which it is subject; and (iii) this Agreement is a binding and enforceable agreement on its part.

Section 10. Applicable Law. This Agreement shall be governed and construed in accordance with the laws of the State of Texas. Venue shall be in Fort Bend County.

Section 21. Effective Date. This Agreement will be effective as of the date of the execution by the last Party to execute this Agreement.

EXHIBITS

Exhibit A Improvement Costs and Allocation

Exhibit B Reinvestment Zone Number Two, City of Missouri City Depiction

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement in multiple counterparts, each of which shall be deemed to be an original.

FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 47

By: Jerome Cozart
President, Board of Directors

Date: 12-18-13

ATTEST:

Warren P. Mass
Secretary, Board of Directors

(SEAL)



FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 48

By: Victor J. Ben
President, Board of Directors

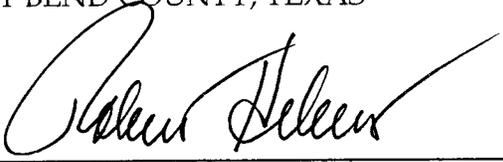
Date: 12/12/2013

ATTEST:

[Signature]
Secretary, Board of Directors



FORT BEND COUNTY, TEXAS

By: 
Robert E. Hebert, County Judge

Date: 12-3-2013

ATTEST:


Dianne Wilson, County Clerk

(SEAL)



CITY OF MISSOURI CITY, TEXAS

By: Allen Owen
Allen Owen, Mayor

Date: 12.2.2013

ATTEST:

Maria Gonzalez
Maria Gonzalez, City Secretary

(SEAL)

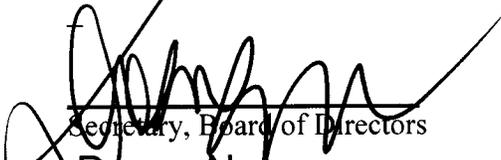


MISSOURI CITY DEVELOPMENT
AUTHORITY

By: 
Chairman, Board of Directors

Date: 12.16.2013

ATTEST:


Secretary, Board of Directors
Danny Nguyen

REINVESTMENT ZONE NUMBER TWO,
CITY OF MISSOURI CITY, TEXAS

By: W. Frank Hest
Chairman, Board of Directors

ATTEST:

Tap W. Hest
Secretary, Board of Directors

**Preliminary Engineers Estimate and Cost Allocation
For
Vicksburg Boulevard**

Date: 11/21/2013

Approximate Length of Roadway = 2900' = 0.55 mi.
Plus two (2) 900-foot Transitions on Lake Olympia Pkwy

ITEM	DESCRIPTION	UNIT	ESTIMATED QUANTITY	ESTIMATED UNIT COST	ESTIMATED TOTAL COST
Fort Bend County					
ROADWAY - Vicksburg & Lake Olympia					
1	STORM WATER POLLUTION PREVENTION PLAN	LS	1	\$ 5,000.00	\$ 5,000
2	SWPPP INSPECTION & MAINTENANCE	MO	12	\$ 6,000.00	\$ 72,000
3	PREP ROW, INCLUDING RELOCATE 3 FHs	STA	50.0	\$ 1,000.00	\$ 50,000
4	PAVING SUBGRADE CUT, FILL, COMPACTION, DISPOSAL	CY	10,964	\$ 11.00	\$ 120,604
5	REMOVE & DISPOSE OF EXISTING PAVING	SY	920	\$ 10.00	\$ 9,200
6	REMOVE & DISPOSE OF EXISTING STORM SEWER	LF	1,250	\$ 10.00	\$ 12,500
7	REMOVE OLD STRUCTURES (INLETS & MANHOLES)	EA	6	\$ 500.00	\$ 3,000
8	LIME FOR SUBGRADE STABILIZED 38 LBS./SY	TON	549	\$ 160.00	\$ 87,840
9	MANIPULATION OF LIME FOR SUBGRADE STABILIZATION	SY	28,870	\$ 2.50	\$ 72,175
10	8-INCH REINFORCED CONCRETE PAVING	SY	25,644	\$ 35.00	\$ 897,540
11	6-INCH REINFORCED CONCRETE CURB	LF	14,790	\$ 2.50	\$ 36,975
14	HMAC BASE COURSE (9")	TON	579	\$ 100.00	\$ 57,900
15	HMHL SURFACE COURSE (3")	TON	177	\$ 130.00	\$ 23,010
16	PRIME COAT (0.25 GAL/SY)	GAL	286	\$ 6.00	\$ 1,716
17	TACK COAT (0.06 GAL/SY)	GAL	63	\$ 6.00	\$ 378
18	BLOCK SODDING	AC	0.45	\$ 15,000.00	\$ 6,750
19	HYDRO-MULCH SEEDING	AC	4	\$ 1,500.00	\$ 5,490
20	LOW PROFILE CONCRETE BARRIER (FURNISH AND INSTALL)	LF	400	\$ 20.00	\$ 8,000
21	LOW PROFILE CONCRETE BARRIER (RELOCATE)	LF	400	\$ 15.00	\$ 6,000
22	LOW PROFILE CONCRETE BARRIER (REMOVE)	LF	400	\$ 7.00	\$ 2,800
23	BARRICADE (TYPE III)	EA	6	\$ 800.00	\$ 4,800
24	BARRICADES, SIGNS & TRAFFIC HANDLING	MO	12	\$ 2,000.00	\$ 24,000
25	VERTICAL DELINEATOR POSTS	LF	1,100	\$ 45.00	\$ 49,500
26	CENTERPOINT ENERGY STREET LIGHT REMOVAL	EA	2	\$ 4,801.50	\$ 9,603
27	CENTERPOINT ENERGY NEW STREET LIGHTS (16 TOTAL)	LS	1	\$ 28,770.00	\$ 28,770
28	CENTERPOINT ENERGY NEW TRAFFIC SIGNAL SERVICE	LS	1	\$ 15,568.00	\$ 15,568
29	CONCRETE PIPELINE CROSSING PROTECTION	CY	69	\$ 130.00	\$ 8,970
30	MOBILIZATION	LS	1	\$ 51,271.43	\$ 51,271
				SUBTOTAL - ROADWAY	\$ 1,671,360
TRAFFIC					
1	STREET & STOP SIGNS	EA	18	\$ 500.00	\$ 9,000
2	PAVING TRAFFIC MARKINGS	LS	1	\$ 19,100.00	\$ 19,100
3	TRAFFIC SIGNAL IMPROVEMENTS	LS	1	\$ 300,000.00	\$ 300,000
				SUBTOTAL - TRAFFIC	\$ 328,100
				SUBTOTAL - ROADWAY & TRAFFIC	\$ 1,999,460
				FORT BEND COUNTY MAXIMUM CONTRIBUTION	\$ 1,530,000
				Balance for AUTHORITY	\$ 469,460
Districts 47 & 48					
SIDEWALKS & RAMPS					
12	5-FOOT CONCRETE SIDEWALKS	SY	987	\$ 80.00	\$ 78,960
13	HC RAMP FOR FUTURE SIDEWALK	EA	4	\$ 1,500.00	\$ 6,000
DRAINAGE ITEMS - OUTFALL DITCH					
1	DITCH EXCAVATION & DISPOSAL	CY	20,065	\$ 6.00	\$ 120,390
2	BACKSLOPE INTERCEPTOR STRUCTURE, INC. SLOPE PAVING	EA	4	\$ 3,500.00	\$ 14,000
3	BACKSLOPE DRAINAGE SWALE	LF	3,156	\$ 4.00	\$ 12,624
4	48" CMP (PRECOATED)(GALVANIZED)(10 GAUGE)	LF	42	\$ 155.00	\$ 6,510
5	60" CMP (PRECOATED)(GALVANIZED)(10 GAUGE)	LF	451	\$ 195.00	\$ 87,945
6	MANHOLE (COMPL) (TY C)(48" & LARGER)	EA	2	\$ 3,000.00	\$ 6,000
7	CONCRETE SLOPE PAVING	SY	166	\$ 60.00	\$ 9,960
				SUBTOTAL - DRAINAGE EASEMENT	\$ 257,429

STORM SEWER COLLECTION SYSTEM - VICKSBURG						
1	24" RCP (ASTM C76 CLASS III) RG	LF	426	\$	60.00	\$ 25,560
2	36" RCP (ASTM C76 CLASS III) RG	LF	600	\$	105.00	\$ 63,000
3	42" RCP (ASTM C76 CLASS III) RG	LF	580	\$	135.00	\$ 78,300
4	48" RCP (ASTM C76 CLASS III) RG	LF	681	\$	160.00	\$ 108,960
5	MANHOLE (COMPL) (TY C)	EA	5	\$	2,500.00	\$ 12,500
6	MANHOLE (COMPL) (TY A)(48" & LARGER)	EA	4	\$	3,000.00	\$ 12,000
7	TYPE A INLET	EA	2	\$	1,900.00	\$ 3,800
8	TYPE H2 INLETS	EA	10	\$	2,500.00	\$ 25,000
9	TYPE E INLET	EA	1	\$	2,500.00	\$ 2,500
10	TRENCH SAFETY (ALL DEPTHS)	LF	2950	\$	1.00	\$ 2,950
SUBTOTAL - STORM SEWER COLLECTION SYSTEM VICKSBURG						\$ 334,570
STORM SEWER COLLECTION SYSTEM - LAKE OLYMPIA						
1	24" RCP (ASTM C76 CLASS III) RG	LF	202	\$	60.00	\$ 12,120
2	TYP C1 INLETS	EA	3	\$	2,500.00	\$ 7,500
3	TYPE E INLET	EA	1	\$	2,500.00	\$ 2,500
SUBTOTAL - STORM SEWER COLLECTION SYSTEM LAKE OLYMPIA						\$ 22,120
10% CONTINGENCIE						\$ 69,907.9
TOTAL DISTRICTS						\$ 768,986.90

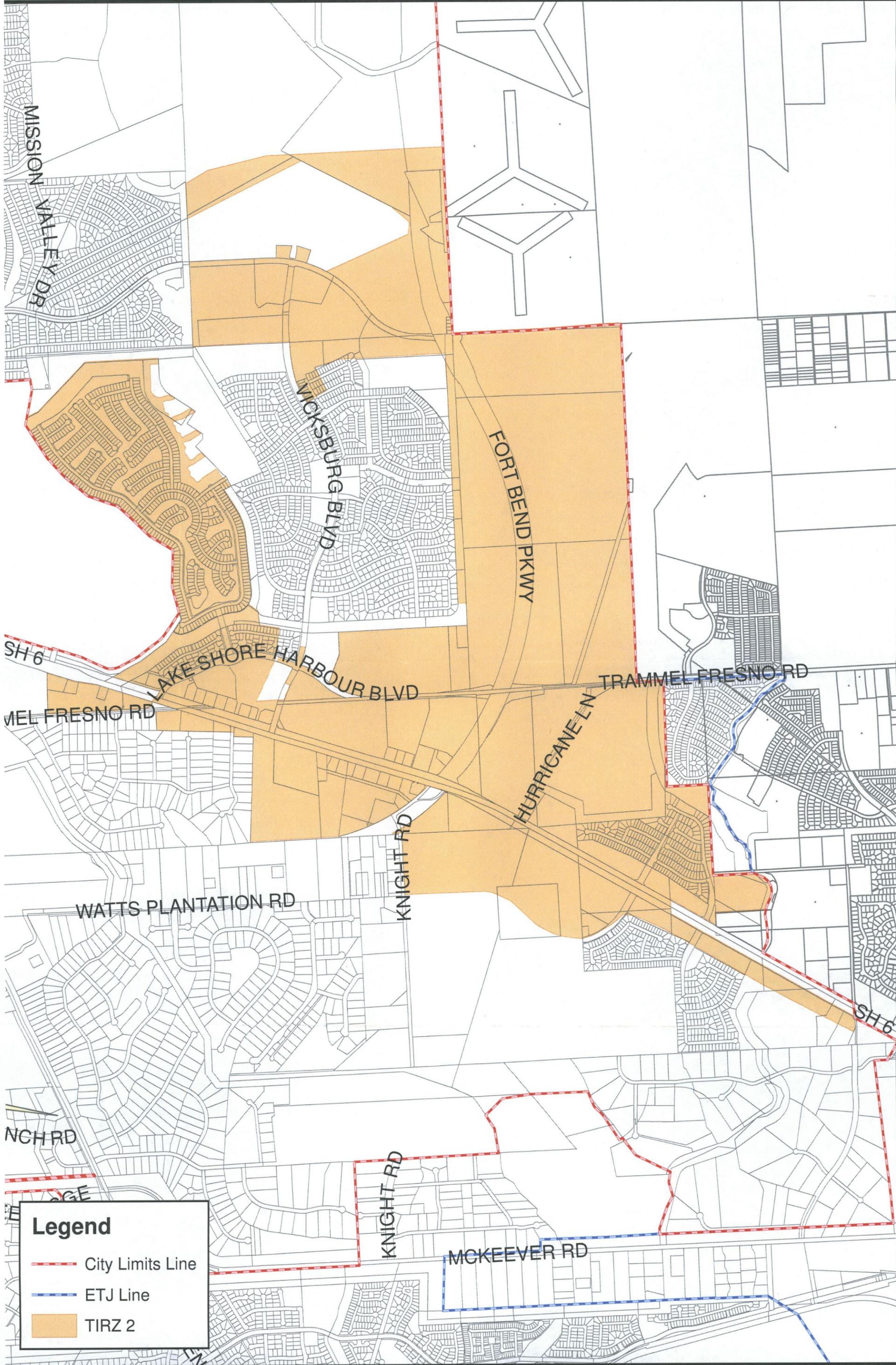
Authority

ROADWAY AND TRAFFIC BALANCE	\$ 469,460
MATERIALS & TESTING	\$ 45,000
BID & CONSTRUCTION PHASE SERVICES	\$ 23,245
ROW ACQUISITION	\$ 75,000
10% CONTINGENCIES	\$ 214,270.54
SUBTOTAL - AUTHORITY	\$ 826,976
TOTAL CONSTRUCTION AMOUNT ESTIMATED*	\$ 3,125,963

* This estimate does not include landscaping or irrigation.

*Actual construction costs may be higher, or lower than, this estimate.

**This is a preliminary cost estimate prepared without the benefit of any contractor bids.



Legend

- City Limits Line
- ETJ Line
- TIRZ 2

**DEVELOPMENT AGREEMENT FOR
VICKSBURG BOULEVARD
ROAD IMPROVEMENTS**

This Development Agreement (the "Agreement") is made this the 22 day of July, 2014, by and among **Fort Bend County**, a political subdivision of the State of Texas (the "County"); the **City of Missouri City**, a Texas home-rule municipality (the "City"); the **Missouri City Development Authority**, a Texas non-profit local government corporation formed pursuant to the provisions of Chapter 431, Subchapter D, Texas Transportation Code (the "Authority"); and **Reinvestment Zone Number Two, City of Missouri City**, a tax increment reinvestment zone created by the City of Missouri City, Texas, pursuant to Chapter 311, Texas Tax Code, (the "Zone").

RECITALS

Whereas, pursuant to Chapter 311 of the Texas Tax Code, the City Council of the City, by Ordinance No. O-99-43, adopted on August 2, 1999, created the Zone in the City; and

Whereas, the Board of Directors of the Zone (the "Zone Board") adopted a Project and Financing Plan (as defined Section 1.01 below) that provides the Zone will undertake to make certain acquisitions and improvements in the Zone, and such Project and Financing Plan, as amended was approved by the City Council of the City by Ordinance No. O-08-47 on August 18, 2008; and

Whereas, the Texas Tax Code provides that the Zone may enter into agreements as the Zone Board considers necessary or convenient to implement the Project and Financing Plan and achieve its purposes; and

Whereas, the City and the Zone have contracted with the Authority to carry out the purposes of the Zone, including administration, supervision, construction, financing and other duties, and committed the revenues of the Zone to the Authority for such purposes, all as more particularly set forth in the agreement between the City, the Zone and the Authority, as amended (the "Tri-Party Agreement"); and

Whereas, the Parties (as defined in Section 1.01 below), Fort Bend County Municipal Utility District No. 47, and Fort Bend County Municipal Utility District No. 48 entered into an Interlocal Agreement for Regional Road Improvements

providing for certain improvements related to the extension Vicksburg Boulevard (the "Vicksburg Boulevard Agreement"); and

Whereas, pursuant to Section 5 of the Vicksburg Boulevard Agreement, City staff will submit to the Authority and the County for consideration a development agreement, setting out with specificity the responsibilities of the various entities, the mechanism for project financing and funding and other relevant terms and conditions specifically related to the Vicksburg Boulevard extension, and the parties to the Vicksburg Boulevard Agreement understood and agreed that adoption of such agreement is subject to the approval of the Parties; and

Whereas, the Parties have determined that each can best carry out their functions pursuant to the Tri-Party Agreement, the Project and Financing Plan, and the Vicksburg Boulevard Agreement (collectively, the "Background Instruments") by contracting with each other to provide for the efficient and effective implementation of certain aspects of the Background Instruments, and the Parties desire to enter into this Agreement to enable the development and financing and reimbursement for costs paid for the improvements to property located within the territory of the Zone pursuant to the Background Instruments; now, therefore,

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the County, City, the Authority, and the Zone contract and agree as follows:

ARTICLE 1 GENERAL TERMS

Section 1.01 Definitions. The terms "Agreement," "Authority," "Background Documents," "City," "County," "Zone," "Tri-Party Agreement," "Vicksburg Boulevard Agreement," and "Zone Board" have the meanings set forth in the preamble hereof, and the following capitalized terms shall have the meanings provided below, unless otherwise defined or the context clearly requires otherwise. For purposes of this Agreement the words "shall" and "will" are mandatory and the word "may" is permissive.

Act means the Tax Increment Financing Act codified as Chapter 311 of the Texas Tax Code, as the same may be amended.

County Advances means any funds advanced by County pursuant to Section 5.01, and shall include any interest accrued and payable thereon pursuant to the Vicksburg Boulevard Agreement.

Net Tax Increment means the annual collections of the Tax Increment, less any amounts reasonably required or anticipated to be required for the administration and operation of the Zone, including a reasonable operating reserve.

Parties or Party means the County, the City, the Authority, and the Zone as parties to this Agreement.

Project and Financing Plan means the then-existing project plan and reinvestment zone financing plan for the Zone as approved by City Council.

Tax Increment means funds deposited in the TIRZ Revenue Fund by the City pursuant to the Tri-Party Agreement, composed of funds received pursuant to that certain Interlocal Agreement or similar agreement between the City, Fort Bend County, Texas and the Zone.

TIRZ Revenue Fund means the special fund established by the Authority and funded with Tax Increment payments made by the City pursuant to the Tri-Party Agreement (which payments are attributable to incremental ad valorem real property taxes paid on the Project and other properties in the Zone).

TIRZ Improvements means the improvements contemplated in the Vicksburg Boulevard Agreement, described in Article 3 hereof, and as more fully and particularly described in Exhibit A attached hereto and located on the real property described in Exhibit A attached hereto.

Section 1.02 Singular and plural; gender. Words used herein in the singular shall also include the plural of such words, where the context so permits, and vice versa. The definitions of words in the singular shall also apply to the plural of such words where the context so permits and vice versa. Any gender reference shall include the opposite gender and the neuter.

Section 1.03 Conflicts. If there is any actual or perceived conflict between this Agreement and the Vicksburg Boulevard Agreement, the Vicksburg Boulevard Agreement shall control, and this Agreement shall be construed so as to conform to the provisions of the Vicksburg Boulevard Agreement.

ARTICLE 2 REPRESENTATIONS

Section 2.01 Representations of the County. The County hereby represents as follows:

Subsection 2.01(A) It is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

Subsection 2.01(B) It has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation and (iii) do not constitute a default under, or result in, the creation of any lien, charge, encumbrance or security interest upon any assets of the County under any agreement or instrument to which the County is a party or by which the County or its assets may be bound or affected.

Subsection 2.01(C) This Agreement has been duly authorized, executed and delivered by the County and constitutes a legal, valid and binding obligation of the County, enforceable in accordance with its terms.

Subsection 2.01(D) The execution, delivery and performance of this Agreement by the County do not require the consent or approval of any person which has not been obtained.

Subsection 2.01(E) The County has sufficient capital to perform its obligations under this Agreement.

Section 2.02 Representations of the City. The City hereby represents as follows:

Subsection 2.02(A) It is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

Subsection 2.02(B) It has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge,

violate any applicable judgment, order, law or regulation and (iii) do not constitute a default under, or result in, the creation of any lien, charge, encumbrance or security interest upon any assets of the City under any agreement or instrument to which the City is a party or by which the City or its assets may be bound or affected.

Subsection 2.02(C) This Agreement has been duly authorized, executed and delivered by the City and constitutes a legal, valid and binding obligation of the City, enforceable in accordance with its terms.

Subsection 2.02(D) The execution, delivery and performance of this Agreement by the City do not require the consent or approval of any person which has not been obtained.

Subsection 2.02(E) The City has sufficient capital to perform its obligations under this Agreement.

Section 2.03 Representations of Authority. The Authority hereby represents as follows:

Subsection 2.03(A) It is duly authorized, created and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

Subsection 2.03(B) It has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation and (iii) do not constitute a default under, or result in, the creation of any lien, charge, encumbrance or security interest upon any assets of the Authority under any agreement or instrument to which the Authority is a party or by which the Authority or its assets may be bound or affected.

Subsection 2.03(C) This Agreement has been duly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority, enforceable in accordance with its terms.

Subsection 2.03(D) The execution, delivery and performance of this Agreement by the Authority do not require the consent or approval of any person which has not been obtained.

Section 2.04 Representations of the Zone. The Zone hereby represents as follows:

Subsection 2.04(A) The Zone is duly authorized, created and existing under the laws of the State of Texas and is duly qualified and authorized to carry out the governmental functions and operations as contemplated by this Agreement.

Subsection 2.04(B) The Zone has the power, authority and legal right to enter into and perform this Agreement and the execution, delivery and performance hereof (i) have been duly authorized, (ii) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation and (iii) do not constitute a default under, or result in, the creation of any lien, charge, encumbrance or security interest upon any assets of the Zone under any agreement or instrument to which the Zone is a party or by which the Zone or its assets may be bound or affected.

Subsection 2.04(C) This Agreement has been duly authorized, executed and delivered by the Zone and constitutes a legal, valid and binding obligation of the Zone, enforceable in accordance with its terms.

Subsection 2.04(D) The execution, delivery and performance of this Agreement by the Zone do not require the consent or approval of any person which has not been obtained.

ARTICLE 3 THE TIRZ IMPROVEMENTS

Section 3.01 The TIRZ Improvements. The TIRZ Improvements are intended to enhance development within the boundaries of the Zone.

Section 3.02 TIRZ Improvements description. The TIRZ Improvements, as generally described in the Project and Financing Plan and as more fully and particularly described in Exhibit A, consist of acquisition, construction and development of the public improvements serving real property located within the boundaries of the Zone. The TIRZ Improvements will be developed pursuant to the schedule set forth in Exhibit A, and subject to any reasonable change to the schedule that the City may make. The TIRZ Improvements shall include all engineering, legal and other consultant fees and expenses related to such TIRZ Improvements and as provided in the Vicksburg Boulevard Agreement.

Section 3.03 Additional Projects. This Agreement does not apply to any projects not specifically defined herein unless this Agreement is amended to provide for the design and construction of such additional projects.

ARTICLE 4 DUTIES AND RESPONSIBILITIES OF THE CITY

Section 4.01 Construction manager. The City agrees to construct the TIRZ Improvements and to provide and furnish, or cause to be provided and furnished, all materials and services as and when required in connection with the construction of the TIRZ Improvements. The City will obtain all necessary permits and approvals from the City and all other governmental officials and agencies having jurisdiction, provide supervision of all phases of construction of the TIRZ Improvements, provide regular monthly reports of such construction to the County, the Authority, and the Zone, provide additional reports upon request, and cause the construction to be performed in accordance with the Project and Financing Plan.

Section 4.02 Design of the TIRZ Improvements. The appropriate plans will be submitted to the City as provided in the Vicksburg Boulevard Agreement. The TIRZ Improvements shall be designed in accordance with City standards applicable to such public improvements within the City.

Section 4.03 Construction contracts. The City shall promulgate contract and bid documents in accordance with and subject to the Vicksburg Boulevard Agreement.

Section 4.04 Construction and implementation of the TIRZ Improvements. The City shall be responsible for the inspection and supervision of the construction and implementation of the TIRZ Improvements as provided in the Vicksburg Boulevard Agreement.

Subsection 4.04(A) The City shall commence construction and diligently pursue completion of the TIRZ Improvements in a timely fashion to coincide with the development of the Project as set forth in Exhibit A.

Subsection 4.04(B) The City shall provide the other Parties with a final summary of all costs associated with such contract in accordance with the Vicksburg Boulevard Agreement.

Subsection 4.04(C) The TIRZ Improvements shall be owned and maintained as provided for by the Vicksburg Boulevard Agreement

Section 4.05 Conveyance of easements. The acquisition of and grant to the City of all required construction and access easements necessary to maintain, repair, replace, modify and remove the TIRZ Improvements shall be done in accordance with the Vicksburg Boulevard Agreement.

ARTICLE 5 PROJECT FINANCING AND FUNDING

Section 5.01 The County Advances.

Subsection 5.01(A) In connection with the construction of the TIRZ Improvements, the County agrees to provide funds pursuant to the Vicksburg Boulevard Agreement. In no event shall reimbursement of the County Advances, pursuant to Section 5.02 below, exceed the limits provided in the Vicksburg Boulevard Agreement.

Subsection 5.01(B) Interest on any County Advance shall accrue as provided in the Vicksburg Boulevard Agreement.

Section 5.02 Reimbursement of County Advances.

Subsection 5.02(A) The Authority shall repay the County Advances in accordance with the Vicksburg Boulevard Agreement.

Subsection 5.02(B) The reimbursements shall be made in accordance with the schedule for reimbursement provided in the Vicksburg Boulevard Agreement.

Subsection 5.02(C) The Authority shall provide to the County, upon the written request of the County, and on the earliest practicable date such information is available after the date of such request, certified copies of all statements of revenue and the sources of such revenue of the Zone and Authority, the intended use of which is to verify the availability of funds for repayment of the County Advances, if applicable, under this Section 5.02.

Section 5.03 Priorities. As provided in the Vicksburg Boulevard Agreement, the Parties understand and agree that the reimbursements provided herein are subject to actual tax increment revenues being collected in the Zone not otherwise allocated to other projects, as provided in the Vicksburg Boulevard Agreement.

ARTICLE 6 DEFAULT

Section 6.01 If the Zone or the Authority does not perform its obligations hereunder in compliance with this Agreement and subject to the Vicksburg Boulevard Agreement, in addition to the other rights given the County in this Agreement, the County may seek specific performance of this Agreement only.

Section 6.02 If the County fails to fund County Advances, the City, the Authority, and the Zone may terminate this Agreement and shall be relieved of any obligation to reimburse the County.

Section 6.03 The Party alleging default shall provide written notice to the other Party of such default, and the defaulting Party shall have thirty (30) days to remedy the default prior to the declaration of any default hereunder.

ARTICLE 7 GENERAL

Section 7.01 Inspections, audits. The Parties shall keep such operating records with respect to activities contemplated by this Agreement and all costs associated therewith as may be required by the Parties, or by State or federal law or regulation. Each Party shall allow all other Parties access to such records, and the Parties shall have a right at all reasonable times to audit all documents and records in the other Parties' possession, custody or control relating to the activities contemplated by this Agreement to assist the other Parties in determining compliance with this Agreement.

Section 7.02 Operations and employees. All personnel supplied or used in performance of this Agreement shall be deemed employees, contractors, or subcontractors of the City and will not be considered employees, agents, contractors or subcontractors of the other Parties for any purpose whatsoever. The City shall be solely responsible for the compensation of all such contractors and subcontractors.

Section 7.03 Personal liability of public officials, legal relations. Except as required by State law, no director, officer, employee or agent of the Parties shall be personally responsible for any liability arising under or growing out of this Agreement.

Section 7.04 Notices. Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed, sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same

time as such electronic or facsimile transmission or personally delivered to an officer of the receiving party at the following addresses:

Fort Bend County, Precinct 2
303 Texas Parkway, Suite 213
Missouri City, Texas 77489
Attn: The Honorable Grady Prestage

With a copy to:
Fort Bend County Judge
401 Jackson Street, First Floor
Richmond, Texas 77469
Attn: The Honorable Robert Hebert

City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard

Missouri City Development Authority
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard

Reinvestment Zone Number Two, City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489
Attn: Edward Broussard

Each Party may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this Section shall be deemed to be given when so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for by or actually received by the Party who is the recipient of such communication.

Section 7.05 Amendments and waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed by all Parties. No course of dealing on the part of the Parties, nor any failure or delay by one or more of the Parties, with respect to exercising any right, power or privilege

under this Agreement shall operate as a waiver thereof, except as otherwise provided in this Section.

Section 7.06 Invalidity. In the event that any of the provisions contained in this Agreement shall be held unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement.

Section 7.07 Successors and assigns. All covenants and agreements contained in this Agreement by or on behalf of a Party shall bind its successors and assigns and shall inure to the benefit of the other Parties, their successors and assigns. The Parties may assign their rights and obligations under this Agreement, in whole or in part, or any interest herein only with the prior written consent of the other Parties, which consent shall not be unreasonably withheld, conditioned or delayed. Any assignment without such prior written consent, including an assignment by operation of law, is void and of no effect.

Section 7.08 Exhibits; titles of article, sections and subsections. The exhibits attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein, except that in the event of any conflict between any of the provisions of such exhibits and the provisions of this Agreement, the provisions of this Agreement shall prevail. All titles or headings are only for the convenience of the parties and shall not be construed to have any effect or meaning as to the Agreement between the Parties hereto. Any reference herein to a section or subsection shall be considered a reference to such section or subsection of this Agreement unless otherwise stated. Any reference herein to an exhibit shall be considered a reference to the applicable exhibit attached hereto unless otherwise stated.

Section 7.09 Construction. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, except conflict of laws provisions, as such laws are now in effect. Venue for any action or suit related to this Agreement shall be in Fort Bend County, Texas.

Section 7.10 Entire Agreement. This written Agreement represents the final agreement among the Parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the Parties. There are no unwritten oral agreements between the Parties.

Section 7.11 Term. This Agreement shall be in force and effect from the date of execution hereof for a term expiring on the date that the County Advances have been repaid in full, January 1 of the year following the expiration of the Zone or as otherwise terminated as provided for in this Agreement or in the Vicksburg Boulevard Agreement.

Section 7.12 Time of the essence. Time is of the essence with respect to the obligations of the Parties to this Agreement.

Section 7.13 Approval by the Parties. Whenever this Agreement requires or permits approval or consent to be hereafter given by any of the Parties, the Parties agree that such approval or consent shall not be unreasonably conditioned, withheld or delayed.

Section 7.14 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed and delivered shall be deemed an original but such counterparts together shall constitute but one and the same instrument.

Section 7.15 Further assurances. Each Party hereby agrees that it will take all actions and execute all documents necessary to fully carry out the purposes and intent of this Agreement.

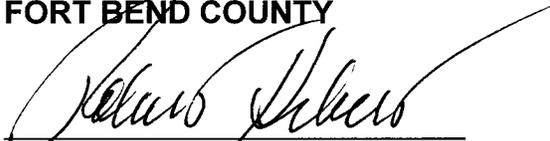
Section 7.16 Waivers. The Parties may waive any provision of this Agreement by providing written evidence thereof in writing. Waiver of a particular provision shall not be deemed a waiver of future compliance with such provision.

Section 7.17 Effect of the Background Documents. The obligations of the Parties hereunder are specifically conditioned upon the approval, execution and effectiveness of the Background Documents. If any of the Background Documents expire, are terminated, or are no longer effective such that the improvements contemplated by this Agreement and by the Vicksburg Boulevard Agreement are not constructed, then this Agreement is terminated, except for the obligation to reimburse the County for any County Advances paid to the City, without any penalty to any Party due to the termination.

[EXECUTION PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed effective the date first set forth above.

FORT BEND COUNTY


Robert E. Hebert, County Judge

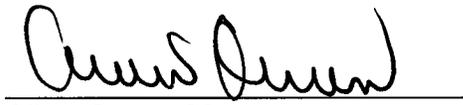
Date: 8-12-14
Approved by Commissioners Court 722-14

Attest:


Dianne Wilson, County Clerk



CITY OF MISSOURI CITY, TEXAS


Allen Owen, Mayor

Date: 7. 21. 2014

Attest:


Maria Gonzalez, City Secretary

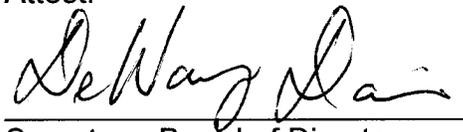


REINVESTMENT ZONE NUMBER TWO, CITY OF MISSOURI CITY


Chairperson, Board of Directors

Date: 7/15/2014

Attest:


Secretary, Board of Directors

MISSOURI CITY DEVELOPMENT AUTHORITY

Allen Owen

Allen Owen, Chairperson

Date: *7.21.2014*

Attest:

Floyd Emery
Floyd Emery, Secretary

EXHIBIT A

Interlocal Agreement for Regional Road Improvements



MISSOURI CITY DEVELOPMENT AUTHORITY AGENDA ITEM COVER MEMO

May 4, 2020

To: Board of Directors of Missouri City Development Authority
Agenda Item: 5 Consider authorizing a reimbursement to Houston Community College System from TIRZ No. 3
Submitted by: Allena Portis, Director of Financial Services

SYNOPSIS

On December 15, 2008, an interlocal agreement was executed between the City, Houston Community College System (HCCS), and Reinvestment Zone No. 3. The agreement provided for HCCS's participation in the zone with the limitation that HCCS's tax increment participation shall be used solely for the payment of project costs relating to the implementation of the project plan with respect to the educational facilities identified in the project plan as Houston Community College or HCC facilities.

The project plan included Houston Community College Educational Facilities in an estimated amount of \$6,916,722. The project plan was approved by City Council by means of Ordinance No O-08-22.

HCCS is requesting reimbursement of tax increment funds for the Missouri City campus built within the zone. Although this facility was later sold and relocated to an area not located in the zone (City Hall complex), it has been determined that HCCS is still entitled to this reimbursement.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Have quality development through buildout

BACKGROUND

The agreement states that reimbursable costs are to be reviewed and verified by an independent accountant. CPA Firm, Mccall Gibson Swedlund Barfoot, PLLC was engaged to complete this agreed upon procedure report. The total costs submitted by HCCS were reviewed and verified with total eligible costs at \$945,815.09. The increment available for reimbursing HCCS is \$350,242.09, which is the increment contributed by HCCS through May 19, 2016.

The increment quoted by HCCS (\$341,442) in their reimbursement request dated July 7, 2016 does not include a payment in the amount of \$8,981.72 made on May 16, 2016.

HCCS ceased contributing their portion of the tax increment while awaiting reimbursement. The following increments have been billed and are due and payable to the zone:

Tax Year 2015 (FY16)	\$70,041.83
Tax Year 2016 (FY17)	\$125,991.97
Total	\$196,033.80

Upon payment of these outstanding increments, HCCS will be entitled to a total reimbursement of \$546,457.89. In addition to this amount, HCCS will be eligible for the paid increments for Tax Years 2017, 2018, and 2019 up to termination of their participation limited to a total reimbursement of \$945,815.09.

The Interlocal agreement states that HCCS is entitled to the balance of any increment paid that remain unspent. If this reimbursement is not approved and HCCS's participation in the TIRZ is terminated, HCCS would be entitled to receive \$350,242.09 in unspent tax increment received from HCCS if further increments were not received from HCCS.

The TIRZ board met and approved this reimbursement on April 30, 2020.

BUDGET/FISCAL ANALYSIS

Funding Source	Account Number	Project Code/Name	FY20 Funds Budgeted	FY20 Funds Available	Amount Requested
TIRZ No. 3	265-53509-10-265	Development Agreement Expense	\$947,115	\$947,115	An amount not to exceed HCCS contribution to the TIRZ or \$945,815.09, whichever is less.

Purchasing Review: Shannon Pleasant, CTPM - Procurement & Risk Manager

Financial/Budget Review: Allena Portis, Director of Financial Services

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. Agreed Upon Procedures Report
2. Houston Community College Letter Dated July 7, 2016
3. Interlocal Agreement
4. Ordinance No. O-08-22 with TIRZ 3 Project Plan
5. HCC Record of Payment History
6. City Record of Payment History

STAFF'S RECOMMENDATION

Staff recommends authorizing reimbursement to Houston Community College System in an amount not to exceed HCCS's contribution to the TIRZ or \$945,815.09, whichever is less.

Director Approval: Allena Portis, Director of Financial Services

**Assistant City Manager/
City Manager Approval:** Bill Atkinson, Interim City Manager

**THE CITY OF MISSOURI CITY, TEXAS
REINVESTMENT ZONE NUMBER 3
(SIENNA ZONE)**

REPORT ON APPLYING AGREED-UPON PROCEDURES TO

TAX INCREMENT PARTICIPATION FOR
HOUSTON COMMUNITY COLLEGE FACILITIES

REIMBURSABLE TO

HOUSTON COMMUNITY COLLEGE SYSTEM

JANUARY 15, 2020

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SCHEDULE

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES

SCHEDULE OF APPROVED TIRZ PROJECT FUNDS
REIMBURSABLE TO HOUSTON COMMUNITY
COLLEGE SYSTEM

A

Draft - Subject to Change

McCALL GIBSON SWEDLUND BARFOOT PLLC

Certified Public Accountants

13100 Wortham Center Drive
Suite 235
Houston, Texas 77065-5610
(713) 462-0341
Fax (713) 462-2708
E-Mail: mgsb@mgsbpllc.com

9600 Great Hills Trail
Suite 150W
Austin, Texas 78759
(512) 610-2209
www.mgsbpllc.com

January 15, 2020

Anthony Snipes, City Manager
City of Missouri City, Texas

Independent Accountant's Report
on Applying Agreed-Upon Procedures

We have performed the procedures enumerated below, which were agreed to by the City of Missouri City, Texas (the "City"), Reinvestment Zone No. 3 on the invoices and schedules submitted by Houston Community College System ("HCCS"), included for payment from tax increment participation funds in the reimbursement zone. These procedures were performed solely to assist you in determining the amount to be reimbursed to the Recipient for actual costs incurred in accordance with the Interlocal Agreement. The responsible parties of the report are the intended users of the report. Our engagement was limited to a review of the documentation and information submitted for review by the respective parties for the purpose of determining the amount to be reimbursed as approved in the Interlocal Agreement.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the management of the City and the Reinvestment Zone. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose. The procedures performed are summarized as follows:

- A. We reviewed certain schedules and supporting invoices submitted by HCCS in substantiation of the costs to be reimbursed. Our review included all documentation supporting items, amounts, and ACH statements for proof of payment for which reimbursement is requested.
- B. We read the Interlocal Agreement for particular items that might affect the reimbursement. The agreement reviewed is referenced in our report.

- C. We reviewed the computation of certain construction costs, looking for any amounts required to be paid 100% by the Recipient, in accordance with the Interlocal Agreement.
- D. For all payments, we compared the payment dates to copies of ACH statements provided. No bank statements were submitted for our review.
- E. We prepared a reimbursement report for the benefit of the City, including the accountant's report and schedule of amounts reimbursable to HCCS, and calculation of amounts to be reimbursed.

The attached Schedule A, titled "Schedule of Approved TIRZ Project Funds Reimbursable to Houston Community College System", sets forth their reimbursable costs. This reimbursement is in accordance with the terms and conditions of the Interlocal Agreement between the City, the Zone and HCCS dated February 3, 2009.

HCCS originally submitted schedules and invoices totaling \$947,115.23 as project costs for educational facilities. We reviewed the documents submitted, and revised the reimbursable amount to \$945,815.09. The decrease of \$1,300.14 was for a document that was not submitted. As of the date of this report, Houston Community College System has paid the City \$350,424.09, as verified by the City. Under the agreement, HCCS is to be reimbursed \$350,424.09 for increment paid on Tax Increment Participation in the Reinvestment Zone.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the aforementioned reimbursable costs. Accordingly, we do not express an opinion on the costs to be reimbursed as of January 15, 2020. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the City and is not intended to be and should not be used by anyone other than this specified party. However, this report is a matter of public record and its distribution is not limited. This report should not be associated with the presentation of any financial data of the City except to comply with filing requirements as required by the respective agreements.

We appreciate this opportunity to be of service to you.

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

CITY OF MISSOURI CITY, TEXAS
SCHEDULE OF APPROVED TIRZ PROJECT FUNDS
REIMBURSABLE TO
HOUSTON COMMUNITY COLLEGE SYSTEM
JANUARY 15, 2020

(SEE ACCOMPANYING DISCLAIMER OF OPINION AND
EXPLANATION OF AGREED-UPON PROCEDURES PERFORMED)

DESCRIPTION	REIMBURSABLE COST
PDG, Inc.	
Architect - Design and Construction for Educational Facilities	
Amount Paid by Developer	\$ 549,287.33
Pierce Goodwin Alexander & Linville, Inc.	
Project Management and Inspection for Educational Facilities	
Amount Paid by Developer	396,527.76
TOTAL AMOUNT REMBURSABLE TO HOUSTON COMMUNITY COLLEGE SYSTEM FOR EDUCATIONAL FACILITY COSTS AS OF JANUARY 15, 2020	\$ 945,815.09
Less: Amount Subject to Unpaid Tax Increment Participation Amounts Under the Agreement	595,391.00
TOTAL AMOUNT REIMBURSABLE FOR PAYMENTS MADE BY HOUSTON COMMUNITY COLLEGE SYSTEM FOR TAX INCREMENT PARTICIPATION IN THE ZONE AS OF JANUARY 15, 2020	\$ 350,424.09



July 7, 2016

Via Certified Mail, Return Receipt Requested

Certified Mail#: 9202 8901 6232 6900 0012 95

Mr. Joe Workman, Chair, Board of Directors
c/o Executive Director
Reinvestment Zone No. Three
City of Missouri City
P.O. Box 22167
Houston, Texas 77092

Via Certified Mail, Return Receipt Requested

Certified Mail#: 9202 8901 6232 6900 0012 88

Mr. Anthony Snipes
City Manager, City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489

Re: Interlocal Participation Agreement dated between HCCS, City of Missouri City and Reinvestment Zone Number Three, City of Missouri City (hereinafter the "TIRZ")

Dear Gentlemen,

Pursuant to the above-referenced Interlocal Participation Agreement, the Houston Community College System ("HCC") hereby submits this request for reimbursement of funds expended by HCC towards authorized project costs for HCC educational facilities identified within the TIRZ Project Plan, specifically the Missouri City campus.

As you are aware, the terms of the Interlocal Participation Agreement require that HCC's Tax Increment Participation payments are to be used solely for the payment of project costs incurred for HCC educational facilities. To date, HCC has paid a total of \$341,442 in Tax Increment Participation Payments. Additionally, HCC is in receipt of an invoice from the TIRZ for payment of Tax Increment Participation for the tax year 2015 in the amount of \$70,042, making the total funds available for reimbursement to HCC for qualifying project costs \$411,484.

Attached hereto as Exhibit A is a schedule detailing the reimbursable project cost expenditures made by HCC for program management and architectural services for the Missouri City campus, totaling \$947,115. Given that the reimbursements to which HCC is entitled exceeds both the amount of Tax Increment Participation Payments made by HCC to date, as well as the total amount that will have been paid taking into account the payment due for tax year 2015, HCC respectfully requests that HCC's obligation to pay the pending invoice for 2015 be suspended, pending a final accounting and approval of this reimbursement request.



To: Chairman Joe Workman and Mr. Anthony Snipes
Re: Interlocal Participation Agreement

July 7, 2016
Page 2

HCC requests that this reimbursement request be processed at your earliest opportunity, so that reimbursement may be made to HCC by the first business day of the calendar quarter beginning October 1, 2016, as required by the TIRZ Project Plan Agreement. Please do not hesitate to contact me if you have any questions or require additional documentation from HCC.

Sincerely,



Teri Zamora
Senior Vice Chancellor

Houston Community College System
List of Reimbursable CIP Transactions for Missouri City Project

Journal ID	LN	Date	Vendor	Account	Amount	Cumulative Total
AP00198894	65	1/16/2007	PDG, Inc_Architect	75002	38,017.74	
AP00198894	66	1/16/2007	Sienna Plantation Management District	75002	180,756.00	
AP00198894	66	1/16/2007	Fort Bend County	75002	108,701.06	
AP00199397	37	2/1/2007	PDG, Inc_Architect	75002	8,820.00	
AP00202800	109	5/16/2007	PDG, Inc_Architect	75002	25,371.89	
AP00202800	110	5/16/2007	PDG, Inc_Architect	75002	2,329.76	
AP00203965	206	6/21/2007	PDG, Inc_Architect	75002	8,356.00	
AP00203965	207	6/21/2007	PDG, Inc_Architect	75002	32.34	
AP00206496	194	8/22/2007	PDG, Inc_Architect	75002	7,520.40	
AP00206496	195	8/22/2007	PDG, Inc_Architect	75002	2,223.45	
AP00206909	15	8/30/2007	PDG, Inc_Architect	75002	80,000.00	
AP00224706	210	1/7/2008	PDG, Inc_Architect	75002	8,745.35	
AP00226324	155	2/28/2008	PDG, Inc_Architect	75002	13,053.42	
AP00227689	303	4/21/2008	PDG, Inc_Architect	75002	9,776.52	
AP00229462	115	6/18/2008	PDG, Inc_Architect	75002	13,536.72	
AP00230694	276	7/21/2008	PDG, Inc_Architect	75002	14,288.76	
AP00233208	91	8/20/2008	PDG, Inc_Architect	75002	7,520.40	
AP00245068	174	10/17/2008	PDG, Inc_Architect	75002	3,760.20	
AP00249358	80	12/17/2008	PDG, Inc_Architect	75002	4,178.00	
AP00256428	98	6/24/2009	PDG, Inc_Architect	75002	12,299.32	<u>549,287.33</u> Architect
AP00198272	137	12/14/2006	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	9,751.00	
AP00198347	119	12/18/2006	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	3,250.33	
AP00199434	73	2/1/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	3,575.37	
AP00201335	42	4/4/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	3,900.40	
AP00201680	179	4/13/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	1,625.16	
AP00202082	65	4/26/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	325.04	
AP00203923	154	6/20/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	162.51	
AP00206031	229	8/8/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	162.52	
AP00206567	195	8/23/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00221917	198	12/5/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	9,751.00	
AP00221975	193	12/6/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	12,676.30	
AP00224486	162	12/18/2007	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	6,825.70	
AP00226992	216	3/27/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00227316	29	4/4/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	14,626.50	
AP00228433	136	5/15/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	14,626.50	
AP00229228	235	6/10/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	80,424.00	
AP00229886	244	7/1/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00229886	245	7/1/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.83	
AP00230848	219	7/25/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00230848	220	7/25/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.83	
AP00233403	117	8/27/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00233446	35	8/27/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	2,996.00	
AP00233447	166	8/28/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	4,875.50	
AP00233447	167	8/28/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	26,451.66	
AP00233447	182	8/28/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	8,116.00	
AP00244812	106	10/9/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	1,950.20	
AP00244812	115	10/9/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	2,733.00	
AP00245311	212	10/27/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.83	
AP00248761	218	12/1/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	975.10	
AP00248761	219	12/1/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.83	
AP00248761	234	12/1/2008	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	1,310.00	
AP00252326	142	2/10/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	1,950.20	
AP00252326	152	2/10/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	3,168.00	
AP00252364	213	2/10/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.83	
AP00252879	245	3/3/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	26,451.66	
AP00253516	205	3/27/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	7,110.00	
AP00253516	194	3/27/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	26,451.66	
AP00253844	116	4/3/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	2,600.27	
AP00254216	126	4/17/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	650.06	
AP00254216	127	4/17/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	13,225.87	
AP00255696	156	6/3/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	3,250.34	
AP00256237	149	6/18/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	4,600.00	
AP00256775	247	6/18/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	2,600.26	
AP00262261	167	6/18/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	344.00	
AP00262541	181	6/18/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75005	1,300.14	
AP00262739	164	8/3/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	2,400.00	
AP00263506	84	8/26/2009	Pierce Goodwin Alexander & Linville Inc.(PGAL)	75006	129.00	<u>397,827.90</u> Program Manager
					<u>947,115.23</u>	<u>947,115.23</u>

Houston Community College
Office of Finance &
Administration
3100 Main Street

Houston, TX 77002

USPS CERTIFIED MAIL™



9202 8901 6232 6900 0012 88

City of Missouri City
Mr. Anthony Snipes, City Manager
1522 Texas Parkway

Missouri City TX 77489-2170

7/7/2016

Houston Community College
Office of Finance &
Administration
3100 Main Street

Houston, TX 77002

USPS CERTIFIED MAIL™



9202 8901 6232 6900 0012 95

City of Missouri City
Chairman Joe Workman, Board of Directors
PO BOX 22167

HOUSTON TX 77227-2161

7/7/2016

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

INTERLOCAL AGREEMENT

I. PARTIES

A. Address

THIS INTERLOCAL AGREEMENT (“Agreement”) is made by and between the CITY OF MISSOURI CITY, TEXAS (“City”) a municipal corporation and home-rule city of the State of Texas principally situated in the County of Fort Bend, acting by and through its governing body, the City Council; HOUSTON COMMUNITY COLLEGE SYSTEM (“HCCS”), a Texas community college district located in Fort Bend and Harris Counties; and REINVESTMENT ZONE NUMBER THREE, CITY OF MISSOURI CITY, TEXAS (SIENNA ZONE) (the “Reinvestment Zone”), a reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, acting by and through its Board of Directors. This Agreement is made pursuant to Chapter 791 of the Texas Government Code and Section 311.013 of the Texas Tax Code.

The initial addresses of the parties, which one party may change by giving written notice of its changed address to the other parties, are as follows:

<u>City</u>	<u>HCCS</u>	<u>The Reinvestment Zone</u>
City Manager or Designee City of Missouri City, Texas 1522 Texas Parkway Missouri City, Texas 77459	Houston Community College System Attn: Dr. Mary Spangler 3100 Main Street Houston, TX 77002	Reinvestment Zone No. Three, City of Missouri City, Texas Attn: Chair, Board of Directors c/o Executive Director P.O. Box 22167 Houston, Texas 77092

B. Index

The City, HCCS and the Reinvestment Zone hereby agree to the terms and conditions of this Agreement. This Agreement consists of the following sections:

<u>Section/Description</u>	<u>Page</u>
I. PARTIES	1
II. DEFINITIONS	6
III. BACKGROUND	7
IV. OBLIGATIONS OF HCCS	7
V. OBLIGATIONS OF CITY AND THE REINVESTMENT ZONE	8
VI. TERM AND TERMINATION	8
VII. MISCELLANEOUS	9

C. Parts Incorporated

All of the above described sections and documents are hereby incorporated into this Agreement by this references for all purposes.

**REINVESTMENT ZONE NUMBER THREE,
CITY OF MISSOURI CITY, TEXAS**

By:  Date: _____
Chairman, Board of Directors

ATTEST/SEAL:

By:  Date: 2/3/2009
Secretary, Board of Directors

[The remainder of this page is intentionally left blank.]

HOUSTON COMMUNITY COLLEGE SYSTEM

By: Mary Spangler Date: 12-09-08
Name: Mary Spangler
Title: Chancellor

ATTEST/SEAL:



By: Reatha Bell Date: 12.9.08
Name: Reatha Bell
Title: Secretary

APPROVED AS TO FORM
BY HCC GENERAL COUNSEL

[Signature]

II. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set out below:

“Administrative Costs” means the costs of organizing the Reinvestment Zone, the costs of operating the Reinvestment Zone and the imputed administrative costs associated with the Reinvestment Zone incurred by the City in connection with the implementation of the Project Plan.

“Agreement” means this agreement between the City, HCCS and the Reinvestment Zone.

“Agreement Term” is defined in Section VI.

“Captured Appraised Value” means the captured appraised value of the Reinvestment Zone as defined by Chapter 311, Texas Tax Code.

“City” is defined in Section I of this Agreement and includes its successors and assigns.

“Countersignature Date” means that date shown as the date countersigned by the City Manager on the signature page of this Agreement.

The “HCCS” is defined in Section I of this Agreement and includes its successors and assigns.

The “HCCS Tax Increment Participation” means the amount of HCCS tax levy on the Captured Appraised Value which HCCS agrees to contribute to the Reinvestment Zone pursuant to Subsections A and B of Section IV of this Agreement.

“Project Plan” means project plan and reinvestment zone financing plan for the Reinvestment Zone adopted by the board of directors of the Reinvestment Zone and approved by the City Council of the City as amended.

“Reinvestment Zone” means Reinvestment Zone Number Three, City of Missouri City, Texas and includes its successors and assigns.

“Tax Increment Fund” means the tax increment fund created by the City in the City Treasury for the Reinvestment Zone.

Otherwise, the terms used herein shall have the meanings ascribed to them in Chapter 311, Texas Tax Code, as applicable.

III. BACKGROUND

The City created the Reinvestment Zone for the purposes of development and redevelopment in the area of the Reinvestment Zone. HCCS desires to participate in the Reinvestment Zone in consideration of the agreements set forth below.

HCCS received written notice from the City of the City's intent to establish the Reinvestment Zone. Such notice was received more than 60 days before the public hearing on the creation of the Reinvestment Zone and conforms in all respects to the requests of §311.003 of the Texas Tax Code, as amended.

IV. OBLIGATIONS OF HCCS

A. Tax Increment Participation by HCCS

HCCS shall pay to the City for deposit into the Tax Increment Fund 100 percent of all taxes collected by HCCS each year during the term of this Agreement at the then-prevailing HCCS tax rate on the Captured Appraised Value.

HCCS Tax Increment Participation and obligation to participate in the Reinvestment Zone shall be restricted to its tax increment collected on the Captured Appraised Value in the Reinvestment Zone in the amounts shown above. HCCS shall not be obligated to pay its HCCS Tax Increment Participation from other HCCS taxes or revenues or until HCCS Tax Increment Participation in the Reinvestment Zone is actually collected. The obligation to pay HCCS Tax Increment Participation shall accrue as taxes representing HCCS tax increment are collected and payment shall be due on the first day of each calendar quarter.

B. Expansion of the Investment Zone

The obligation of HCCS to participate in the Reinvestment Zone is limited to the area of the Reinvestment Zone as of the date hereof. HCCS participation shall not extend to the tax increment on any additional property added to the Reinvestment Zone by the City unless HCCS approves in writing the participation in the expanded area.

C. Board of Directors

HCCS has the right to appoint one member on the Reinvestment Zone Board of Directors.

V. OBLIGATIONS OF CITY AND THE REINVESTMENT ZONE

A. Project Plan

A copy of the Project Plan has been provided to HCCS and any amendments thereto shall be provided to HCCS before any such plan is finally approved by the Reinvestment Zone.

B. Educational Facilities

HCCS's Tax Increment Participation shall be used solely for the payment of Project Costs (including without limitation financing costs) relating to the implementation of the Project Plan with respect to the educational facilities identified in the Project Plan as "Houston Community College," or "HCC" facilities.

VI. TERM AND TERMINATION

A. Agreement Term

This Agreement shall become effective as of the date of the final signature hereto. The first payment of HCCS Tax Increment Participation shall be for those taxes levied by HCCS in the year 2007 and the last payment by HCCS under this Agreement is for those taxes levied by HCCS in the year 2037.

B. Early Termination

The City shall not adopt an ordinance terminating the Reinvestment Zone earlier than 2037 without the prior written consent of HCCS; provided that the Reinvestment Zone may otherwise terminate by operation of law.

C. Disposition of Tax Increments

Upon termination of the Reinvestment Zone, if all public improvements in the Project Plan have been constructed and financed and if all Reinvestment Zone debt is paid in full, the City and the Reinvestment Zone shall pay to HCCS all monies remaining in the Tax Increment Fund that are attributable to HCCS Tax Increment Participation.

VII. MISCELLANEOUS

A. Severability

In the event any term, covenant or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained, provided that such invalidity does not materially prejudice either HCCS, the City or the Reinvestment Zone in their respective rights and obligations contained in the valid terms, covenants or conditions hereof.

In the event any term, covenant or condition shall be held invalid and affects in any manner the limitations on HCCS's contributions or participation, then this Agreement shall be void as to HCCS and HCCS shall have no liability for any incremental or other payments as may otherwise be provided for in this Agreement.

B. Entire Agreement

This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied) or other terms with respect to the covenants, whether written or verbal, antecedent or contemporaneous, with the execution hereof.

C. Written Amendment

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.

D. Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address prescribed in Section I of this Agreement or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

E. Non-Waiver

Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

F. Assignment

No party shall assign this Agreement at law or otherwise without the prior written consent of the other parties.

No party shall delegate any portion of its performance under this Agreement without the written consent of the other parties.

G. Successors

This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer or agent of the City or of any trustee, officer, agent or employee of HCCS.

H. No Waiver of Immunity

No party hereto waives or relinquishes any immunity or defense on behalf of itself, its trustees, officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

[End of Agreement.]

ORDINANCE NO. O-08-22

AN ORDINANCE APPROVING THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER THREE, CITY OF MISSOURI CITY, TEXAS; AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLANS; CONTAINING VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT.

* * * * *

WHEREAS, by City of Missouri City Ordinance O-07-58, the City created Reinvestment Zone Number Three, City of Missouri City, Texas; and

WHEREAS, the Board of Directors of the Reinvestment Zone Number Three has approved and recommended the Project Plan and Reinvestment Zone Financing Plan (the "Proposed Plans") attached hereto for the development of said Zone; and

WHEREAS, before the City of Missouri City ("City") and the Board of Directors of the Reinvestment Zone Number Three may implement the Proposed Plans, the City Council must approve the Proposed Plans and determine whether said Proposed Plans are feasible and in conformance with the City's master plans; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS;

Section 1. That the findings contained in the preamble of this Ordinance are declared to be true and correct and are hereby adopted as part of this Ordinance.

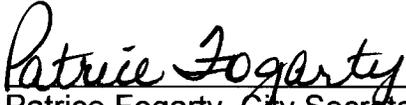
Section 2. That the Project Plan and Reinvestment Zone Financing Plan attached hereto for Reinvestment Zone Number Three, City of Missouri City, Texas is hereby approved.

PASSED AND APPROVED on first reading this 5th day of May, 2008

PASSED, APPROVED and ADOPTED on second and final reading this 15th day of May, 2008.

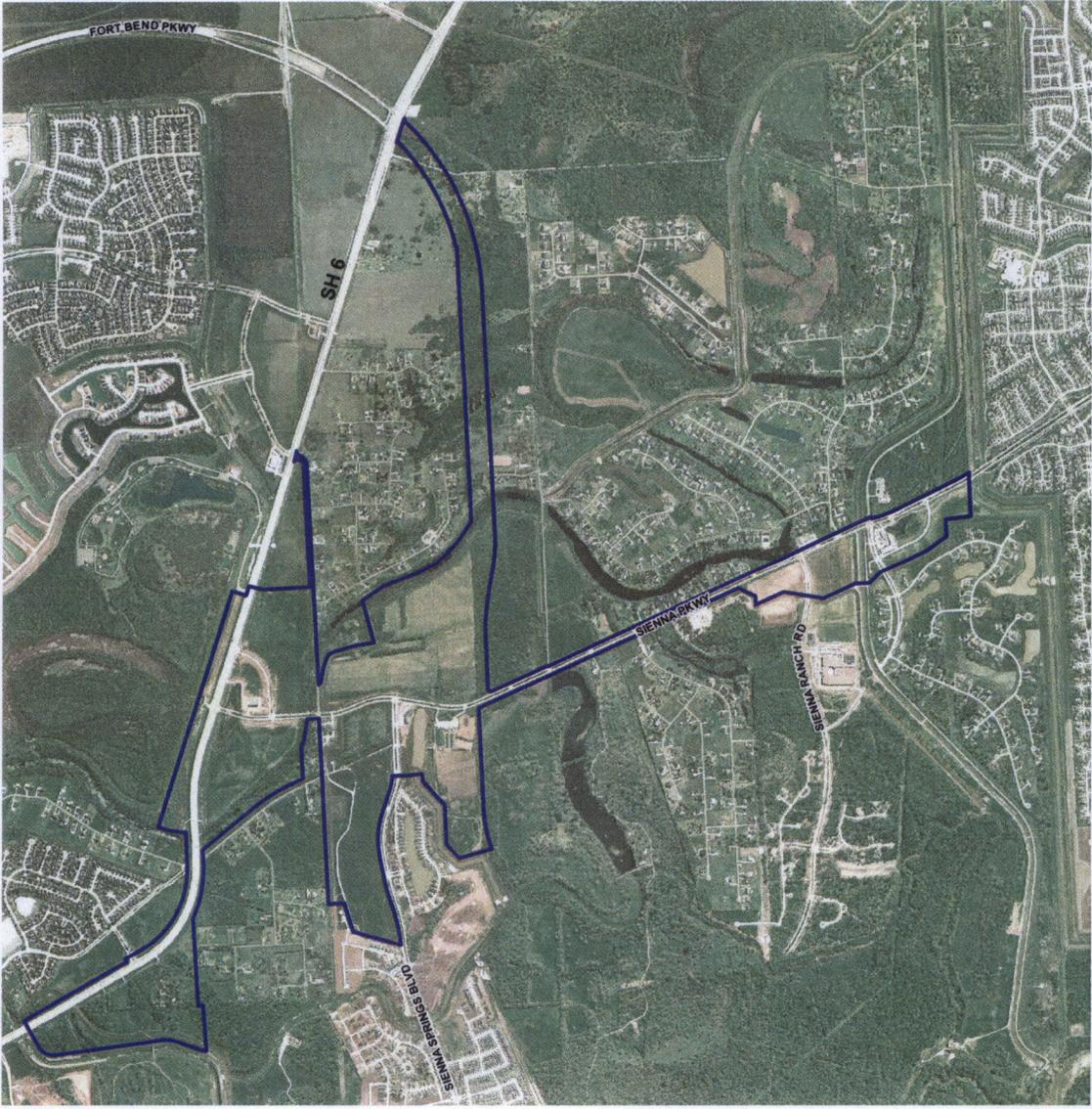

Allen Owen, Mayor

ATTEST:


Patrice Fogarty, City Secretary

APPROVED AS TO FORM:


Caroline Kelley, City Attorney



Project Plan & Reinvestment
Zone Financing Plan
Tax Increment Reinvestment Zone No. 3
City of Missouri City, Texas

April 2008

HAWES HILL CALDERON
LLP



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The TIRZ Concept

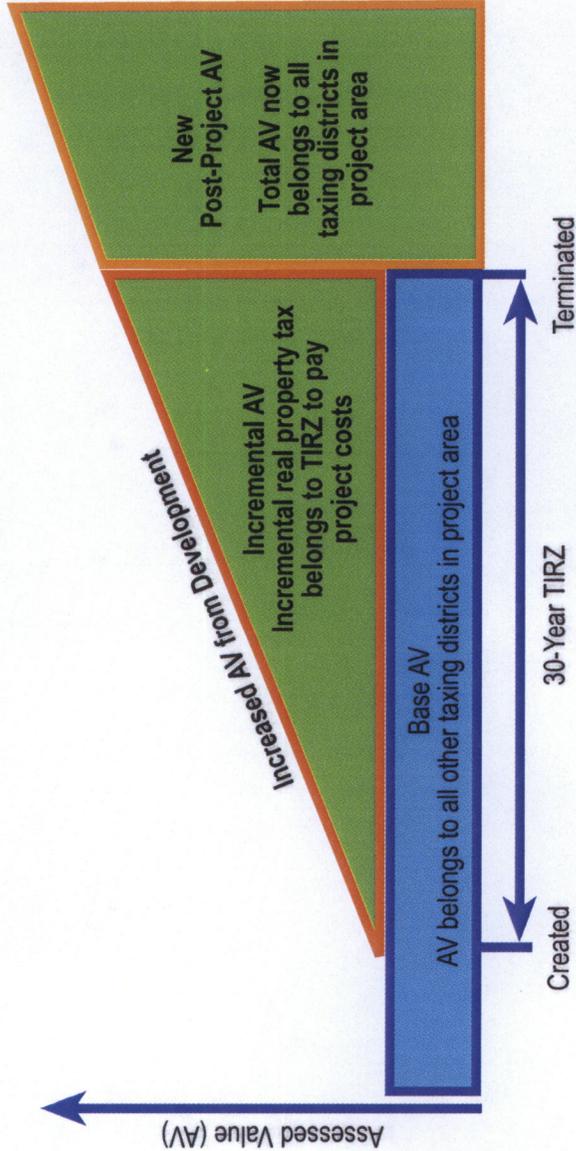
A tax increment reinvestment zone (TIRZ) is a financing tool enabled by the Texas Legislature with the adoption of Chapter 311 of the Texas Tax Code to assist cities in developing or redeveloping blighted and substandard areas within their boundaries.

Cities may create a TIRZ where conditions exist that substantially impair an area's sound growth and where development or redevelopment is not likely to occur but for public infrastructure enhancements financed by the zone.

Upon creation of the Zone, the total appraised value of real property located within its boundaries is established for the year in which it was created. This is known as the base value. As new development occurs in the Zone due to the provision of new infrastructure, the value of real property increases.

This additional value above the base is known as the increment. It is set aside to finance infrastructure improvements within the Zone. Once all projects are completed, or after a defined period of time, the TIRZ is dissolved and infrastructure is conveyed to the city.

During the life of the Zone, usually 30 years, the city and other participating taxing jurisdictions collect tax revenue on the base value of the Zone as well as sales tax and franchise fee revenue generated by new development. When the zone is dissolved, the city and other participating taxing jurisdictions also collect tax revenue on the incremental value created by new development.



About This Document

Prior to creation of a TIRZ, the statute requires preparation of a Preliminary Project Plan and Reinvestment Zone Financing Plan. This document details the specific projects proposed to address existing conditions in the area as well as the method and means to finance them. After the TIRZ has been created, the TIRZ board of directors finalizes the Project Plan and Reinvestment Zone Financing Plan and forwards the same to the jurisdictional governing body, typically a city council or commission, for final approval as required by statute. That plan governs where tax increment revenue can be used to develop the Zone.



Executive Summary

The City of Missouri City Tax Increment Reinvestment Zone (TIRZ) Number Three consists of 582 acres of vacant, agricultural, and partially developed land located in the southern portion of the city along State Highway 6.

While the site holds great potential due to its location, it lacks the infrastructure necessary to support commercial development. Moreover, portions of the land lie within the 100-year flood plain and lack adequate drainage to facilitate development. As such, the site is not likely to be developed beyond its current use but for the creation of a TIRZ.

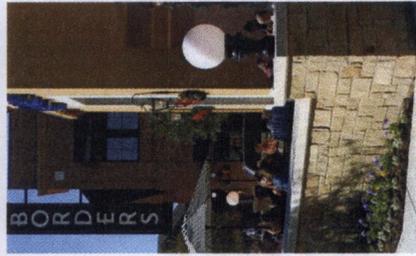
The City of Missouri City TIRZ #3 is proposed to help pay for infrastructure costs to facilitate a new commercial development consisting of retail, office, multi-family, and town center facilities. The Zone's projected costs are primarily related to the infrastructure and drainage facilities necessary to support this development.

The public improvements proposed in this plan would convey a direct benefit to the City of Missouri City and Fort Bend County both in terms of quality regional growth and new sales tax and ad valorem tax revenue directly attributable to the development. In addition, the proposed improvements will add significant drainage and roadway capacity to the existing local system.

It is estimated that the City of Missouri City will collect \$117 million in new sales tax and ad valorem tax revenue over the 30-year life of the TIRZ due to development associated with this project.

Under this proposal, the developer would be reimbursed from revenue generated by the TIRZ for investments in roadway, drainage infrastructure, and other public improvement costs. The city would incur no capital improvement costs. Over the life of the TIRZ, the city would continue to collect the base real property tax revenue as well as new sales tax and franchise fee revenues generated by the development.

The entire project includes \$90 million in infrastructure improvements and \$306 million in commercial development.





Location

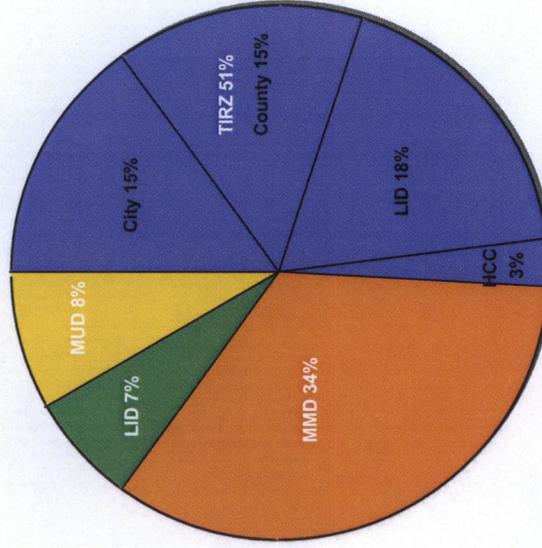
Tax Increment Reinvestment Zone No. 3, City of Missouri City is generally centered on the intersection of Sienna Parkway and Trammel-Fresno Road with linear boundaries extending north on Highway 6 to Knights Court, east on Fort Bend Parkway to Highway 6, and south on Sienna Parkway to McKeever Road. All of the land is located in the City of Missouri City, Fort Bend County, Texas and is predominantly vacant and/or partially developed. Total land contained in the TIRZ is 582 acres.



Project Overview and Costs

This table summarizes the public infrastructure costs to be financed by the proposed TIRZ and other entities. Costs include engineering (18%) and contingency (10%). In this proposal, the developer would fund all or a portion of project costs listed under TIRZ Projects and then be reimbursed by the TIRZ at such time as the appropriate level of assessed valuation is in place. Other projects listed are not reimbursed or funded by the TIRZ.

Jurisdictional Participation in Project Costs



Projects	Sienna Municipal Management District	Sienna Plantation Levee Improvement District	Sienna Plantation Municipal Utility District No. 1	Tax Increment Reinvestment Zone No. 3
New Roadway Construction				
Sienna Christus Drive Phase 2				\$500,000
Sienna Springs Blvd. (West - Ph. 1)	\$671,612			\$1,500,000
Sienna Springs East Phase 2				
Well's Fargo Access Road (Ph. 1), Loop Road, @ SH6 (Ph. 2)	\$1,249,203			\$900,000
Quadrangle Way (North - HCC) (South - Town Ctr.)	\$2,600,000			\$5,250,000
Fl. Bend Pkwy (SRR to FBC)(FBC to Sienna Pkwy),(Sienna Pkwy, to SSE)(SSE to Levee)	\$3,409,692			\$2,000,000
Village Center Roads				\$1,500,000
Trammel Fresno Road				\$500,000
Roadway Improvements				\$1,500,000
Sound Buffer Device along Sienna Parkway				\$500,000
Pedestrian Tunnel Under Sienna Pkwy				\$2,300,000
Intersection Improvements				\$2,400,000
Sienna Pkwy @ SH6, Sienna Springs Blvd., Sienna Ranch Road, Trammel Fresno, Sienna Christus Drive	\$1,197,063			\$450,000
SH6 @ Sienna Ranch Road, Sienna Christus Drive, Wells Fargo	\$293,881			\$13,500,000
Bee's Passage @ McKeever Rd				
Sienna Springs Blvd.				
Structured Parking Garage				
Water Sewer Drainage				
Sienna Christus Drive (Ph. 1-2)	\$854,693			
Sienna Springs Blvd. West, East (Ph. 1-2)	\$3,345,047			
Well's Fargo Access Road (Ph. 1), Loop Rd. @ SH6 (Ph. 2)	\$1,279,442			
Quadrangle Way (North - HCC) (South - Town Ctr.)	\$1,191,752			
Fl. Bend Pkwy (SRR - FBC) (FBC - Sienna Pkwy),(Sienna Pkwy, - SSE) (SSE - Levee)		\$2,224,288		
Sienna Ranch Road (Ph. 4-5)		\$2,724,684		
Village Center Road	\$1,871,716			
Sienna Parkway Utility Extension Phase 2	\$727,236			
Sienna 29 (East 5.97 Ac Tract) (West 8.44 Ac Tract)	\$635,656			
Water Supply, Wastewater Treatment, Trunk Utility Lines (Master Connection Charges)	\$11,480,000		\$2,500,000	
Levee, Detention and Reclamation Improvements				
Mitigation of Zeiringer Tract		\$3,494,226		
Slate Highway 6 TxDOT ditch re-grade				
Site Fill Sienna 29, Christus, Grocery Anchor, Bees Creek	\$668,470			
Decorative Signage, Landscaping, Enhancements				
Herrin, Gould, Zeiringer Tract - General, Retail, Commercial				\$400,000
PD8/PD53 - General, Retail, Commercial @ SH6, Town Center, Office, Live Work, etc.				\$3,900,000
PD35/PD36 General, Retail, Commercial				\$600,000
Houston Community College Educational Facilities				\$6,916,772
Zone Administration and Legal (30 years)				\$1,800,000
Project Totals	\$31,475,663	\$5,994,226	\$7,448,972	\$45,916,772
				\$90,835,833

NOTES:
 • Sienna Plantation MUD #12 has installed water, sewer, and drainage facilities within the TIRZ at an estimated cost of \$1,000,000.
 • HCC Educational Facilities costs are not reflected in the Bond Analysis and Debt Service Requirements (Appendix 1).

Project Plan

This document constitutes the Project Plan for Tax Increment Reinvestment Zone Number Three, City of Missouri City, as required by Chapter 311 of the Texas Tax Code.

The purpose of the Zone is to finance reimbursements for costs associated with infrastructure and drainage necessary to develop the site for commercial use. The reinvestment zone includes agricultural and vacant land located in the southeastern corner of the city, which could not be developed beyond its current use but for the creation of the zone.

Expenditures associated with the design and construction of public infrastructure, as well as other specific project-related costs, will be funded by the developer and reimbursed by tax increment revenues derived from increases in property values and additional sales tax revenue resulting from the new development.

TEXAS TAX CODE

SUBTITLE B. SPECIAL PROPERTY TAX PROVISIONS CHAPTER 311. TAX INCREMENT FINANCING ACT Sec. 311.011. PROJECT AND FINANCING PLANS

(a) The board of directors of a reinvestment zone shall prepare and adopt a project plan and a reinvestment zone financing plan for the zone and submit the plans to the governing body of the municipality or county that created the zone. The plans must be as consistent as possible with the preliminary plans developed for the zone before the creation of the board.

(b) The project plan must include:

- (1) a map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property;
- (2) proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable;
- (3) a list of estimated non-project costs; and
- (4) a statement of a method of relocating persons to be displaced as a result of implementing the plan.

(c) The reinvestment zone financing plan must include:

- (1) a detailed list describing the estimated project costs of the zone, including administrative expenses;
- (2) a statement listing the kind, number, and location of all proposed public works or public improvements in the zone;
- (3) an economic feasibility study;
- (4) the estimated amount of bonded indebtedness to be incurred;
- (5) the time when related costs or monetary obligations are to be incurred;
- (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in the zone;
- (7) the current total appraised value of taxable real property in the zone;
- (8) the estimated captured appraised value of the zone during each year of its existence; and
- (9) the duration of the zone.



Existing Uses

1. Map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property.

Existing Uses. TIRZ consists of 582 acres of undeveloped and agricultural land in the City of Missouri City, Fort Bend County, Texas. This property lacks adequate infrastructure to enable its development. Portions of the subject site have been utilized as farmland and are currently subject to an agricultural exemption from property taxes.

Development of the property is further constrained by the lack of drainage facilities and adequate roadways. There is a predominance of defective or inadequate sidewalk or street layout and faulty lot layout in relation to size, adequacy, accessibility, or usefulness. These conditions, including obsolete platting, substantially impair or arrest the sound growth of the City.



LEGEND:

- SIENNA TIRZ BOUNDARY
- 500 YEAR FLOOD PLAIN
- 100 YEAR FLOOD PLAIN



Proposed Improvements

1. Map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property.



Key#	Roadway and Intersection Improvements
1	Quadrangle Way (South - Town Ctr.)
2	Ft. Bend Pkwy (FBC to Sienna Pkwy.)
3	Ft. Bend Pkwy (Sienna Pkwy. to SSE)
4	Ft. Bend Pkwy (SSE to Levee)
5	Ft. Bend Pkwy Design (Flat Bank to SH 6)
6	Sienna Ranch Road (Ph. 4)
7	Sienna Ranch Road (Ph. 5)
8	Sienna Springs East (Ph. 2) - (PAVING)
10	Trammel Fresno Road
12	State Highway 6 TxDOT Ditch Re-Grade
14	Pedestrian Tunnel Under Sienna Pkwy
15	Intersection Improvements (Sienna Pkwy @ SH6)
16	Intersection Improvements (Sienna Ranch Road @ SH6)
17	Intersection Improvements (Sienna Christus Drive @ SH6)
18	Intersection Improvements (Watts Plantation @ Sienna Pkwy)
19	Intersection Improvements (Wells Fargo @ SH6)
20	Intersection Improvements (Sienna Pkwy @ Fort Bend Pkwy)
21	Intersection Improvements (Sienna Springs Blvd. @ Quadrangle Way)
22	Intersection Improvements (Sienna Springs Blvd. @ Sienna Pkwy)
23	Intersection Improvements (Sienna Ranch Road @ Sienna Pkwy)
24	Intersection Improvements (Sienna Christus Drive @ Sienna Pkwy)
26	Bridge on Trammel Fresno Rd. over Oyster Creek
29	Two Structured Parking Garages
30	Sound Buffer Device along Sienna Parkway

NOTES:

- Intersection improvements (Items 15 - 24) include decorative smart signals, dedicated turn lanes, and associated striping and appurtenances.
- Mitigation of Zeringue Tract (Item 23) includes Final Grading and Compacting Costs only. Residual Construction will be funded through the SPLID.



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Proposed Improvements

1. Map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property.

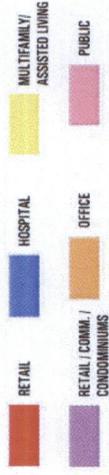
Key#	Drainage and Mitigation Improvements
8	Sienna Springs East (Ph. 2) - (DRAINAGE)
9	Well's Fargo Loop Rd. Ph. 2 (@ SH6) - (DRAINAGE)
10	Trammel Fresno Road (DRAINAGE ONLY UNDER WS&D)
11	Mitigation of Zeringue, Herrin, Gould Tracts
13	Culvert Crossing for Quadrangle Way (South - Town Ctr.)



Proposed Uses

1. Map showing existing uses and conditions of real property in the zone and a map showing proposed improvements to and proposed uses of that property.

Proposed Uses. Proposed uses of the TIRZ consist of retail, office, residential, medical, and educational facilities. The proposed development will also include public park and green-space components as indicated on this map.



Changes to Municipal Ordinances
 2. Proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable;

All construction will be done in conformance with existing building code regulations of the City of Missouri City and Fort Bend County. There are no proposed changes of any city ordinance, master plan, or building codes.

Estimated Non-Project Costs

3. A list of estimated non-project costs

Non-project costs include those development items that will be funded by the developer or the listed public entity and for which no tax increment reimbursement is provided.

Method of Relocation

4. A statement of a method of relocating persons to be displaced as a result of implementing the plan.

As the land within the TIRZ is vacant and/or partially developed for commercial use, there will be no displacement of residents.

Projects	Sienna Municipal Management District	Sienna Plantation Levee Improvement District	Sienna Plantation Municipal Utility District No. 1
New Roadway Construction			
Sienna Springs Blvd. (West - Ph. 1)	\$671,812		
Well's Fargo Access Road (Ph. 1), Loop Road. @ SH6 (Ph. 2)	\$1,249,203		
Quadrangle Way (North - HCC) (South - Town Ctr.)	\$2,600,000		
Sienna Ranch Road (Ph. 4-5)	\$3,409,692		
Sienna Pkwy @ SH6, Sienna Springs Blvd., Sienna Ranch Road, Trammel Fresno, Watts Plantation, Fort Bend Pkwy, Sienna Christus Drive	\$1,197,063		
Bee's Passage @ McKeever Rd	\$293,881		
Water Sewer Drainage			
Sienna Christus Drive (Ph. 1-2)	\$854,693		
Sienna Springs Blvd. West, East (Ph. 1-2)	\$3,345,047		
Well's Fargo Access Road (Ph. 1), Loop Rd. @ SH6 (Ph. 2)	\$1,279,442		
Quadrangle Way (North - HCC) (South - Town Ctr.)	\$1,191,752		\$2,224,288
Ft. Bend Pkwy (SRR - FBC) (FBC - Sienna Pkwy.) (SSE) (SSE - Levee)			\$2,724,684
Sienna Ranch Road (Ph. 4-5)			
Village Center Road	\$1,871,716		
Sienna Parkway Utility Extension Phase 2	\$727,236		
Sienna 29 (East 5.97 Ac Tract) (West 8.44 Ac Tract)	\$635,856		
Water Supply, Wastewater Treatment, Trunk Utility Lines (Master Connection Charges)	\$11,480,000		\$2,500,000
Levee, Detention and Reclamation Improvements			
Mitigation of Zeringue Tract		\$3,494,226	
State Highway 6 TxDOT ditch re-grade	\$668,470		
Site Fill Sienna 29, Christus, Grocery Anchor, Bees Creek		\$2,500,000	
Project Totals	\$31,475,863	\$5,994,226	\$7,448,972

NOTES:
 • Sienna Plantation MUD #12 has installed water, sewer, and drainage facilities within the TIRZ at an estimated cost of \$1,000,000.
 • HCC Educational Facilities costs are not reflected in the Bond Analysis and Debt Service Requirements (Appendix 1).

Reinvestment Zone Financing Plan

This document constitutes the Reinvestment Zone Financing Plan for the Tax Increment Reinvestment Zone Number 3, City of Missouri City, as required by Chapter 311 of the Texas Tax Code.

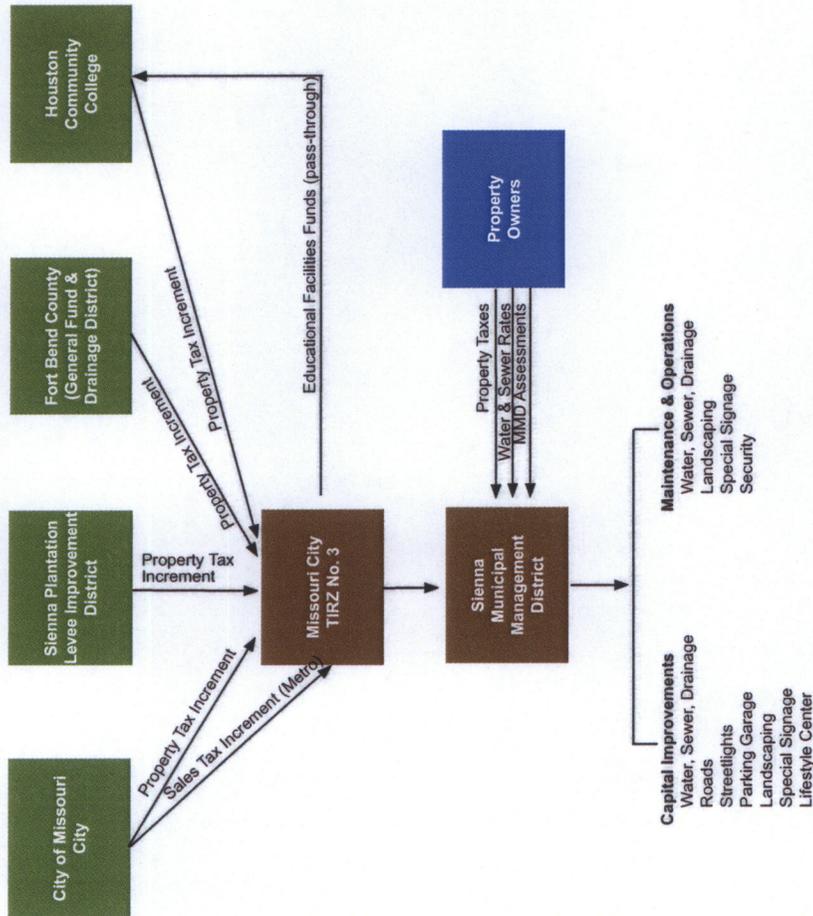
The purpose of the Zone is to finance reimbursements for costs associated with public infrastructure and drainage improvements to be constructed in the Zone.

It is anticipated that the owner of real property within the Zone (the Developer) will advance all or a portion of the funds for Project costs and will be reimbursed from tax increment revenues of the Zone as provided in a separate agreement and other documentation between the Developer and the TIRZ (the Reimbursement Agreement).

It is also anticipated that the infrastructure improvement costs will include interest costs associated with the Project.

Expenditures associated with the design and construction of public infrastructure, as well as other specific project-related costs, will also be funded by the developer and reimbursed by tax increment revenues.

Proposed Project Financing Structure



List of Estimated Project Costs
1. A detailed list describing the estimated project costs of the zone, including administrative expenses

This table itemizes the estimated infrastructure project costs for the Zone. It is anticipated that the developer will advance all funds necessary for the construction of public improvements and will be reimbursed as provided in separate agreements between the developer and the TIRZ. Administrative and implementation expenses are estimated to be \$1.8 million over the 30-year life of the TIRZ.

It is anticipated that the TIRZ will incur bond financing costs associated with these projects. Bond financing costs have not been included in this table. Line item amounts may be adjusted with approval of the Zone Board of Directors.

Projects	Tax Increment Reinvestment Zone No. 3
New Roadway Construction	
Sienna Christus Drive Phase 2	\$500,000
Sienna Springs East Phase 2	\$1,500,000
Quadrangle Way (North - HCC) (South - Town Ctr.)	\$900,000
Ft. Bend Pkwy (SRR to FBC)(FBC to Sienna Pkwy)(Sienna Pkwy. to SSE)(SSE to Levee)	\$5,250,000
Village Center Roads	\$2,000,000
Trammel Fresno Road	\$1,500,000
Roadway Improvements	
Sound Buffer Device along Sienna Parkway	\$500,000
Pedestrian Tunnel Under Sienna Pkwy	\$1,500,000
Intersection Improvements	
Sienna Pkwy @ SH6, Sienna Springs Blvd., Sienna Ranch Road, Trammel Fresno, Watts Plantation, Fort Bend Pkwy, Sienna Christus Drive	\$2,300,000
SH6 @ Sienna Ranch Road, Sienna Christus Drive, Wells Fargo	\$2,400,000
Bee's Passage @ McKeever Rd	
Sienna Springs Blvd. @ Quadrangle Way	\$450,000
Structured Parking Garage (Two)	\$13,500,000
Decorative Signage, Landscaping, Enhancements	
Herrin, Gould, Zeringue Tract - General, Retail, Commercial	\$400,000
PD8/PD53 - General, Retail, Commercial @ SH6, Town Center, Office, Live Work, etc.	\$3,900,000
PD35/PD36 General, Retail, Commercial	\$600,000
Houston Community College Educational Facilities	\$6,916,772
Zone Administration and Legal (30 years)	\$1,800,000
Project Totals	\$45,916,772

NOTES:

- Sienna Plantation MUD #12 has installed water, sewer, and drainage facilities within the TIRZ at an estimated cost of \$1,000,000.
- HCC Educational Facilities costs are not reflected in the Bond Analysis and Debt Service Requirements (Appendix 1).



Statement of Proposed Public Works

2. A statement listing the kind, number, and location of all proposed public works or public improvements in the zone
 The specific kind, number, and location of proposed public works are listed in this table. Maps on pages 10 and 11 also indicate the location of proposed public roadway, traffic signal, and utility improvements.

- New Roadway Construction**
 Sienna Christus Drive (Ph. 1-2)
 Sienna Springs Blvd. (West - Ph. 1)
 Sienna Springs East (Ph. 1-2)
 Well's Fargo Access Road (Ph. 1), Loop Road. @ SH6 (Ph. 2)
 Quadrangle Way (North - HCC) (South - Town Ctr.)
 Ft. Bend Pkwy (SRR to FBC)(FBC to Sienna Pkwy.)(Sienna Pkwy. to SSE)(SSE to Levee)
 Ft. Bend Pkwy Design (Flat Bank to SH 6)
 Sienna Ranch Road (Ph. 4-5)
 Village Center Road
 Trammel Fresno Road
 Bridge on Trammel Fresno Rd. over Oyster Creek
- Roadway Improvements**
 Sound Buffer Device along Sienna Parkway
 Pedestrian Tunnel Under Sienna Pkwy
- Intersection Improvements**
 Sienna Pkwy @ SH6, Sienna Springs Blvd., Sienna Ranch Road, Trammel Fresno,
 Watts Plantation, Fort Bend Pkwy, Sienna Christus Drive
 SH6 @ Sienna Ranch Road, Sienna Christus Drive, Wells Fargo
 Bee's Passage @ McKeever Rd
 Sienna Springs Blvd. @ Quadrangle Way
- Structured Parking Garage (Two)**
Water Sewer Drainage
 Sienna Christus Drive (Ph. 1-2)
 Sienna Springs Blvd. West, East (Ph. 1-2)
 Well's Fargo Access Road (Ph. 1), Loop Rd. @ SH6 (Ph. 2)
 Quadrangle Way (North - HCC) (South - Town Ctr.)
 Ft. Bend Pkwy (SRR - FBC) (FBC - Sienna Pkwy.)(Sienna Pkwy. - SSE) (SSE - Levee)
 Sienna Ranch Road (Ph. 4-5)
 Village Center Road
 Sienna Parkway Utility Extension Phase 2
 Sienna 29 (East 5.97 Ac Tract) (West 8.44 Ac Tract)
 Water Supply, Wastewater Treatment, Trunk Utility Lines (Master Connection Charges)
- City Water Storage Facility**
Levee, Detention and Reclamation Improvements
 Mitigation of Zeringue Tract
 State Highway 6 TxDOT ditch re-grade
 Site Fill Sienna 29, Christus, Grocery Anchor, Bees Creek
- Decorative Signage, Landscaping, Enhancements**
 Herrin, Gould, Zeringue Tract - General, Retail, Commercial
 PD8/PD53 - General, Retail, Commercial @ SH6, Town Center, Office, Live Work, etc.
 PD35/PD36 General, Retail, Commercial



Economic Feasibility Study

3. An Economic Feasibility Study

In February 2007, Metrostudy conducted a market analysis to project the performance of retail, office, medical, and multi-family residential development for the proposed TIRZ No. 3, City of Missouri City.

Metrostudy analyzed a Target Market Area (TMA) bounded by US Highway 59, South Sam Houston Toll Road, State Highway 288, and the Fort Bend County line. The TMA is positioned to continue its residential, retail, and employment expansion.

The TMA's annual single-family housing start rate increased steadily over the past three years and has been supported by a 108% increase in vacant developed lots (VDL). Several factors will influence the household growth over the next few years including: availability of developable land, increasing interest rates, rising construction costs, and the local and national economies. The threat of increasing interest rates and rising construction cost will price some home buyers out of the market.

According to Metrostudy's household projections, the TMA will continue to add households and potentially have 85,890 households by 2010. Household growth will help expand the consumer base for the retail and office components of the TIRZ.

Based upon our research, as well as the analysis of available market information, it is Metrostudy's conclusion that sufficient demand exists currently to warrant the creation of the TIRZ. Continued demand for the mixed-uses planned is dependent upon continued economic and household growth. Creating destination retail and services by incorporating an appropriate tenant and services mix will be important to ensure success.

The TIRZ, as proposed, is feasible given the current housing market and economy. If the state of the economy changes dramatically, the level of success achieved may be reduced and a re-evaluation of the remaining land uses should be undertaken.

The complete market study is attached here as Exhibit 1.

Target Market Area Growth Rates

	4Q03	4Q06	Growth
Annual Starts	2,787	3,684	32%
Annual Closings	2,305	3,588	56%
Vacant Developed Lots (VDL)	2,989	6,209	108%
VDL Months of Supply	12.9	20.2	-

Source: Metrostudy's Quarterly Housing Survey

Population and Households Estimates and Projections Proposed TIRZ No. 3, City of Missouri City TMA		
Time Period	Population	Households
1990	111,611	34,832
2000	160,739	50,232
4Q06 Estimate	220,379	69,762
2007 Projection	231,810 - 233,200	73,520 - 73,990
2008 Projection	243,060 - 245,830	77,120 - 78,060
2009 Projection	254,170 - 258,050	80,600 - 81,960
2010 Projection	265,160 - 270,450	84,040 - 85,890

Source: Metrostudy's Quarterly Housing Survey



Estimated Bonded Indebtedness

4. The estimated bonded indebtedness to be incurred

It is anticipated that bonds will be issued in support of the project costs, resulting in a total estimated bonded indebtedness of \$64.35 million (par amount of bonds). The projection of annual debt service requirements is shown on Appendix 1. It is also anticipated that the Sienna Municipal Management District would issue TIRZ debt based upon a contractual agreement.

Time when Costs/Obligations Incurred

5. The time when costs or monetary obligations are to be incurred

It is estimated that the TIRZ projects will be funded by the developer during the years 2007 through 2012. The developer will accrue interest on those costs for up to two years or until such time as bonds are issued to reimburse the developer. The Zone will then have the obligation to pay debt service (including interest) on the bonds issued to reimburse the developer for the construction of TIRZ projects. A projection of annual debt service payments on the bonds is detailed on Appendix 1.

Years	TIRZ Projects	Interest Carry (Developer)	Interest & Cost of Issuance on Bonds	Zone Administration/ Legal
2007 - 2012	\$42,328,240	\$7,860,860	\$54,777,750	\$500,000
2012 - 2038			\$54,777,750	\$1,300,000
Total	\$42,328,240	\$7,860,860	\$54,777,750	\$1,800,000
				\$106,766,850



Financing, Expected Sources Revenue

6. A description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real property in the zone.

Methods of Financing. The Developer will advance funds for the Project costs, and the Zone will reimburse these costs from tax increment revenues of the Zone as they are realized by the Zone. The reimbursement will be as described in a separate agreement and other documentation between the Developer and the City.

Sources of Tax Increment Revenue - Property Tax. The tax increment revenue necessary to pay the project costs is expected to come from increased property values in the Zone due to the construction of new commercial buildings. Schedule A details the projected commercial build out. The projected assessed valuations resulting from the construction are shown in Schedule B. Schedule C presents the estimated property tax revenues associated with the development. These new revenues will be used to pay for Zone costs.

Sources of Tax Increment Revenue - Sales Tax. The City will dedicate sales tax to the TIRZ equal to the amount of the Metro sales tax rebate received within the Zone during any time period in which a Metro sales tax rebate agreement is in effect. The Metro sales tax rebate agreement expires at the end of 2014. The City and Metro may reinstate the agreement at that time resulting in additional sales tax remittance to the TIRZ. The City may also choose to terminate the agreement and institute a 4B or other economic development corporation which could dedicate an equivalent amount of sales tax to the TIRZ.

Projected gross sales in the Zone and the resulting sales tax revenues for the City and the TIRZ (Metro rebate) are shown on Schedule D.

Participating Jurisdictions - Property Tax

Taxing Jurisdiction	Tax Rate	Tax Rate Dedicated	% Dedicated
City of Missouri City	\$0.49926/\$100	\$0.49926/\$100	100%
Fort Bend County *	\$0.49874/\$100	\$0.49874/\$100	100%
Fort Bend County Drainage District *	\$0.01800/\$100	\$0.01800/\$100	100%
Levee Improvement District *	\$0.58000/\$100	\$0.58000/\$100	100%
Houston Community College *	\$0.09243/\$100	\$0.09243/\$100	100%

* Participation, if approved, would be pursuant to an interlocal agreement determining the rate and term.

Participating Jurisdictions - Sales Tax

Jurisdiction	Sales Tax Rate Dedicated
City of Missouri City	0.50%



Current Appraised Value of Property

7. Current Total Appraised Value of Property in the Zone

The total 2007 tax year appraised value of property within the Zone boundaries is approximately \$32,101,300.

Estimated Captured Value

8. Estimated Captured Value of Zone in Each Year of Existence

The estimated captured value (property tax and gross sales) of the TIRZ during each year of its existence is shown on this table. Estimates are calculated without appreciation in property values or gross sales estimates.

Tax Year	Increment in Commercial Value	Gross Sales
2007	\$0	\$0
2008	\$41,300,000	\$43,200,000
2009	\$111,300,000	\$100,575,000
2010	\$191,625,000	\$157,950,000
2011	\$254,275,000	\$215,325,000
2012	\$306,600,000	\$272,700,000
2013	\$306,600,000	\$272,700,000
2014	\$306,600,000	\$272,700,000
2015	\$306,600,000	\$272,700,000
2016	\$306,600,000	\$272,700,000
2017	\$306,600,000	\$272,700,000
2018	\$306,600,000	\$272,700,000
2019	\$306,600,000	\$272,700,000
2020	\$306,600,000	\$272,700,000
2021	\$306,600,000	\$272,700,000
2022	\$306,600,000	\$272,700,000
2023	\$306,600,000	\$272,700,000
2024	\$306,600,000	\$272,700,000
2025	\$306,600,000	\$272,700,000
2026	\$306,600,000	\$272,700,000
2027	\$306,600,000	\$272,700,000
2028	\$306,600,000	\$272,700,000
2029	\$306,600,000	\$272,700,000
2030	\$306,600,000	\$272,700,000
2031	\$306,600,000	\$272,700,000
2032	\$306,600,000	\$272,700,000
2033	\$306,600,000	\$272,700,000
2034	\$306,600,000	\$272,700,000
2035	\$306,600,000	\$272,700,000
2036	\$306,600,000	\$272,700,000

Duration of Zone

9. Duration of Zone

The duration of the Zone is 30 years. The TIRZ will take effect on the date it is created. It is anticipated that January 1, 2007 would be established as the base year and that the TIRZ would terminate on December 31, 2036, or the date when all project costs are paid and any debt is retired, or by a subsequent city ordinance terminating the Zone.

Schedule A
Commercial Build Out Schedule (in thousands)

Commercial Project Values	2007		2008		2009		2010		2011		2012		2013		2014	
	Square Feet	Captured Value (K)														
Retail			148.0	\$25,900	148.0	\$25,900	148.0	\$25,900	148.0	\$25,900	148.0	\$25,900				
Mixed Use			88.0	\$15,400	88.0	\$15,400	88.0	\$15,400	88.0	\$15,400	88.0	\$15,400				
Multi-Family/Assisted Living			-	\$0	101.0	\$17,675	101.0	\$17,675	-	\$0	-	\$0				
Hospital/Office			-	\$0	-	\$0	59.0	\$10,325	59.0	\$10,325	-	\$0				
Bees Creek Retail			-	\$0	63.0	\$11,025	63.0	\$11,025	63.0	\$11,025	63	\$11,025				
			236.0		400.0		459.0		358.0		299.0					1,752
Total Captured Value		\$0		\$41,300		\$70,000		\$80,325		\$62,650		\$52,325		\$0		\$0
Cumulative Captured Value		\$0		\$41,300		\$111,300		\$191,625		\$254,275		\$306,600		\$306,600		\$306,600

Note: Captured value is presented in thousands of dollars.



Schedule B
Projected Assessed Valuations

Tax Roll Jan 1	Incremental Residential Assessed Valuation	Residential Assessed Valuation	No. of Homes Added	Cum. No. of Homes	Senior Citizens Exemption		City Projected Taxable Valuation
					Number of Eligible Homes (1)	City Exemption Amount (2)	
2007	\$0	\$0	0	0	0.0	\$(0)	0
2008	\$0	\$0	0	0	0.0	\$(0)	41,300,000
2009	\$0	\$0	0	0	0.0	\$(0)	111,300,000
2010	\$0	\$0	0	0	0.0	\$(0)	191,625,000
2011	\$0	\$0	0	0	0.0	\$(0)	254,275,000
2012	\$0	\$0	0	0	0.0	\$(0)	306,600,000
2013	\$0	\$0	0	0	0.0	\$(0)	306,600,000
2014	\$0	\$0	0	0	0.0	\$(0)	306,600,000
2015	\$0	\$0	0	0	0.0	\$(0)	306,600,000
2016	\$0	\$0	0	0	0.0	\$(0)	306,600,000
2017	\$0	\$0	0	0	0.0	\$(0)	306,600,000
Total	\$0	\$0	0	0	0.0	\$(0)	306,600,000



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Schedule C
Projected Zone Revenue - Property Tax

Tax Year	Coll. Year	City Tax Rate	100% City Participation	County General Fund Tax Rate	100% County General Fund Participation	County Drainage District Tax Rate	100% County Drainage District Participation	SPLID Tax Rate	100% SPLID Participation	HCC Tax Rate	100% HCC Participation	Cumulative Zone Revenue Available for Zone Projects
2007	2008	\$0.49926	\$0	\$0.49874	\$0	\$0.01800	\$0	\$0.58000	\$0	\$0.09243	\$0	\$0
2008	2009	\$0.49926	\$206,194	\$0.49874	\$205,980	\$0.01800	\$7,434	\$0.58000	\$239,540	\$0.09243	\$38,175	\$697,323
2009	2010	\$0.49926	\$555,676	\$0.49874	\$555,098	\$0.01800	\$20,034	\$0.58000	\$645,540	\$0.09243	\$102,878	\$1,879,226
2010	2011	\$0.49926	\$956,707	\$0.49874	\$955,711	\$0.01800	\$34,493	\$0.58000	\$1,111,425	\$0.09243	\$177,125	\$3,235,460
2011	2012	\$0.49926	\$1,269,493	\$0.49874	\$1,268,171	\$0.01800	\$45,770	\$0.58000	\$1,474,795	\$0.09243	\$235,034	\$4,293,263
2012	2013	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2013	2014	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2014	2015	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2015	2016	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2016	2017	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2017	2018	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2018	2019	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2019	2020	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2020	2021	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2021	2022	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2022	2023	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2023	2024	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2024	2025	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2025	2026	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2026	2027	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2027	2028	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2028	2029	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2029	2030	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2030	2031	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2031	2032	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2032	2033	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2033	2034	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2034	2035	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2035	2036	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
2036	2037	\$0.49926	\$1,530,731	\$0.49874	\$1,529,137	\$0.01800	\$55,188	\$0.58000	\$1,778,280	\$0.09243	\$283,400	\$5,176,736
			\$41,256,350		\$41,007,400		\$1,487,430		\$47,928,300		\$7,638,201	\$139,523,661



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Schedule D
Projected Zone Revenue - Sales Tax

NOTE: The City will dedicate sales tax to the TIRZ equal to the amount of the Metro sales tax rebate received within the Zone during any time period in which a Metro sales tax rebate agreement is in effect. The Metro sales tax rebate agreement expires at the end of 2014. The City and Metro may reinstate the agreement at that time resulting in additional sales tax remittance to the TIRZ. The City may also choose to terminate the agreement and institute a 4B or other economic development corporation which could dedicate an equivalent amount of sales tax to the TIRZ.

Year	Commercial Sales Oriented Businesses		Sales Tax Rate Dedicated to TIRZ	
	Gross Sales	City Tax	(Metro Sales Tax Rebate)	TIRZ Sales Tax Generated
2007	\$0	1.00%	0.50%	\$0
2008	\$43,200,000	1.00%	0.50%	\$216,000
2009	\$100,575,000	1.00%	0.50%	\$502,875
2010	\$157,950,000	1.00%	0.50%	\$789,750
2011	\$215,325,000	1.00%	0.50%	\$1,076,625
2012	\$272,700,000	1.00%	0.50%	\$1,363,500
2013	\$272,700,000	1.00%	0.50%	\$1,363,500
2014	\$272,700,000	1.00%	0.50%	\$1,363,500
2015	\$272,700,000	1.00%	0.50%	\$1,363,500
2016	\$272,700,000	1.00%	0.50%	\$1,363,500
2017	\$272,700,000	1.00%	0.50%	\$1,363,500
2018	\$272,700,000	1.00%	0.50%	\$1,363,500
2019	\$272,700,000	1.00%	0.50%	\$1,363,500
2020	\$272,700,000	1.00%	0.50%	\$1,363,500
2021	\$272,700,000	1.00%	0.50%	\$1,363,500
2022	\$272,700,000	1.00%	0.50%	\$1,363,500
2023	\$272,700,000	1.00%	0.50%	\$1,363,500
2024	\$272,700,000	1.00%	0.50%	\$1,363,500
2025	\$272,700,000	1.00%	0.50%	\$1,363,500
2026	\$272,700,000	1.00%	0.50%	\$1,363,500
2027	\$272,700,000	1.00%	0.50%	\$1,363,500
2028	\$272,700,000	1.00%	0.50%	\$1,363,500
2029	\$272,700,000	1.00%	0.50%	\$1,363,500
2030	\$272,700,000	1.00%	0.50%	\$1,363,500
2031	\$272,700,000	1.00%	0.50%	\$1,363,500
2032	\$272,700,000	1.00%	0.50%	\$1,363,500
2033	\$272,700,000	1.00%	0.50%	\$1,363,500
2034	\$272,700,000	1.00%	0.50%	\$1,363,500
2035	\$272,700,000	1.00%	0.50%	\$1,363,500
2036	\$272,700,000	1.00%	0.50%	\$1,363,500
2037	\$272,700,000	1.00%	0.50%	\$1,363,500
Totals	\$7,607,250,000			\$38,036,250

\$6,675,750



Sienna Plantation Tax Incremental Reinvestment Zone
Bond Issuance Analysis - All Participants at 100% Participation

Year	Series 2019	Series 2020	Series 2021	Series 2022	Series 2023	Series 2024	Series 2026	Series 2027	Series 2028	Series 2029	Series 2030	Series 2031	Series 2032	Series 2033	Total	Ending Fund Balance	Debt Service Coverage	Direct Debt Ratio	Year Ending 12/31
2009															64,345,000	283,955		12.0%	2009
2010															50,189,100	1,139,255		12.0%	2010
2011																2,968,626	597.85%	12.0%	2011
2012																5,225,217	477.21%	12.0%	2012
2013																3,375,000	454.58%	12.0%	2013
2014																6,000,000	469.02%	12.0%	2014
2015																11,662,250	469.02%	12.0%	2015
2016																13,467,263	532.88%	11.8%	2016
2017																15,117,867	557.89%	12.0%	2017
2018																16,633,791	622.03%	11.7%	2018
2019																18,137,715	649.99%	12.0%	2019
2020																19,525,239	700.17%	11.7%	2020
2021																20,914,613	710.76%	12.0%	2021
2022																22,303,000	755.92%	12.0%	2022
2023																23,692,400	747.51%	12.0%	2023
2024																24,446,824	753.73%	12.0%	2024
2025																25,390,558	752.82%	12.0%	2025
2026																26,187,152	741.00%	12.0%	2026
2027																26,831,156	725.51%	12.0%	2027
2028																27,319,629	696.16%	12.0%	2028
2029																27,753,852	674.82%	12.0%	2029
2030																27,137,851	651.54%	12.0%	2030
2031																27,273,651	659.04%	12.0%	2031
2032																26,573,025	649.62%	12.0%	2032
2033																25,367,769	621.70%	12.0%	2033
2034																23,530,223	597.52%	10.3%	2034
2035																20,736,696	547.80%	8.3%	2035
2036																16,846,470	497.40%	5.7%	2036
2037																12,342,344	368.25%	2.9%	2037
2038																8,383,500	247.57%		2038
																104,966,650			





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HCC Payments to City of Missouri City TIRZ No. 3

Prepared 1/14/2020

Journal ID	Line #	Date	Account	Fund	Dept	Program	Class	Amount	Check No.
AP00262224	59	7/15/2009	10020	1110	0531	268	100	27,435.96	0351648
AP00282237	20	3/5/2010	10020	7205	TM50	554	500	36,485.30	0364940
AP00295582	77	8/27/2010	10020	7205	TM50	554	500	609.33	0374054
AP00331300	131	8/26/2011	10020	7205	TM50	554	500	42,724.38	0387015
AP00348529	4	3/30/2012	10020	7205	TM50	554	500	48,459.25	0392075
AP00355735	122	8/30/2012	10020	7205	TM50	554	500	3,333.04	0396040
AP00378250	3	3/22/2013	10020	7205	TM50	554	500	53,445.40	0400721
AP00385551	6	7/25/2013	10020	7205	TM50	554	500	2,250.04	0404063
AP00411289	2	4/25/2014	10020	7205	TM50	554	500	54,742.11	0410139
AP00417496	250	8/26/2014	10020	7205	TM50	554	500	2,707.52	0413435
AP00442125	56	5/21/2015	10020	7205	TM50	554	500	69,250.04	0420476
AP00467366	70	5/19/2016	10020	7205	TM50	554	500	8,981.72	0428133
Total Amount								350,424.09	



City of Missouri City

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Missouri City, Texas 77489

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www.missouricitytx.gov

January 16, 2020

McCall Gibson Swedlund Barfoot PLLC
Attn: Virginia Blake
13100 Wortham Center Dr., Suite 235
Houston, TX 77065

Ms Blake,

Please let this letter serve as confirmation that the City of Missouri City received payments totaling \$350,424.09 from Houston Community College as their contribution to the TIRZ from FY 2009 to FY 2016. In the below schedule the revenue column represents the information from the City's general ledger. Since revenues billed in FY 2016 and FY 2017 were not received, they are recorded as deferred revenue. Please see the below schedule:

Notes:	Tax Year/ Fiscal Year	Revenue	Account No.	From County
	TY 2008/FY2009	(27,435.96)	265-41113	\$ 27,435.96
	TY 2009/FY2010	(37,094.63)	265-41113	\$ 37,094.63
	TY 2010/FY2011	(42,724.38)	265-41113	\$ 42,724.38
	TY 2011/FY2012	(51,792.29)	265-41113	\$ 51,792.29
	TY 2012/FY2013	(55,695.44)	265-41113	\$ 55,695.44
	TY 2013/FY2014	(54,742.11)	265-41113	\$ 54,742.11
	TY 2014/FY2015	(71,957.56)	265-41113	\$ 71,957.56
	TY 2015/FY2016	(8,981.72)	265-41113	\$ 8,981.72
Deferred Revenue	TY 2015/FY2016	(70,041.83)	265-41113	
Deferred Revenue	TY 2016/FY2017	(125,991.97)	265-41113	
		<u>(546,457.89)</u>		<u>\$ 350,424.09</u>
	Deferred Revenue	\$ <u>(196,033.80)</u>	265-25100	
	Cash Received	(350,424.09)		\$ 350,424.09

For additional reference, attached is 1) customer history showing the uncollected amounts and 2) the general ledger account that displays the balance in deferred revenue.

If you have any questions or need additional information/documentation, please feel free to contact me.

Thank you,

 Allena Portis
 Director of Financial Services



CITY OF MISSOURI CITY
Customer Number Find

01/16/2020 16:07
6655apor

CUSTOMER: 21419
NAME: HCC COMMUNITY COLLEGE

EFF DATE: 01/16/2020

YEAR	CAT	BILL	NSC REFERENCE	BILLED/ADJ	UNPAID BAL	DUE NOW
2015	GB-I	134	N 04/30/15 21419	69250.04	0.00	0.00
2016	GB-I	249	N 04/30/16 21419	8981.72	0.00	0.00
2016	GB-I	259	N 05/17/16 21419	70041.83	70041.83	70041.83
2018	GB-I	436	N 10/02/17 21419	2500.00	0.00	0.00
2018	GB-I	459	N 02/07/18 21419	124880.79	124880.79	124880.79
2018	GB-I	460	N 02/07/18 21419	1111.18	1111.18	1111.18
				TOTAL DUE NOW		196033.80
				TOTAL UNPAID		196033.80

** END OF REPORT - Generated by Allena Portis **



01/16/2020 16:47
6655apor

CITY OF MISSOURI CITY
G/L ACCOUNT DETAIL

Org: 265 Object: 25100
DEF REVENUE - TAXES

265-25100-00-000-
REFERENCE

YEAR PER JOURNAL EFF DATE	SRC T	PO/REF2	REFERENCE	AMOUNT	P	CHECK NO	WARRANT	VDR NAME/ITEM	DESC	COMMENTS
2020 00	5	10/01/2019	SOY 1	-196,033.80	Y		0			OPENING B

Total Amount: -196,033.80

** END OF REPORT - Generated by Allena Porttis **



MISSOURI CITY DEVELOPMENT AUTHORITY AGENDA ITEM COVER MEMO

May 4, 2020

To: Board of Directors

Agenda Items: 6 Discuss the termination of the interlocal agreement between Reinvestment Zone Number Three, City of Missouri City, the City of Missouri City, Texas, and the Houston Community College System for the Houston Community College System's participation in Reinvestment Zone Number Three, City of Missouri City

Submitted by: E. Joyce Iyamu, City Attorney

SYNOPSIS

The Missouri City Development Authority is charged with assisting the City of Missouri City with the implementation of the project and financing plan for Reinvestment Zone Number Three, City of Missouri City, Texas ("Reinvestment Zone No. 3"). The Houston Community College System (HCCS) has requested the termination of HCCS's agreement requiring HCCS's participation in Reinvestment Zone No. 3. This item is being presented to provide the Missouri City Development Authority with situational awareness of the request.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Have quality development through buildout

BACKGROUND

On or about December 15, 2008, an interlocal agreement was executed between the City of Missouri City (the "City"), Houston Community College System ("HCCS"), and Reinvestment Zone No. 3. The agreement provided for HCCS's participation in the zone with the limitation that HCCS's tax increment participation was to be used solely for the payment of project costs relating to certain educational facilities. HCCS no longer operates, and has no future plans to operate, any educational facilities within Reinvestment Zone No. 3. The HCCS facility was relocated to another part of the City (near the City Hall complex) outside of the zone. Further, HCCS no longer owns real property in the reinvestment zone. HCCS is currently requesting the termination of the participation agreement. The Board of Directors for Reinvestment Zone No. 3 considered HCCS's request on April 30, 2020.

If termination of the participation agreement is authorized, a request to remove HCCS from Reinvestment Zone No. 3's project and financing plan will be presented at a subsequent Council meeting.

FISCAL ANALYSIS

HCCS's tax increment is restricted to the system's educational facilities (which are no longer located in Reinvestment Zone No. 3). As such, there should not be a fiscal impact to the fund.

SUPPORTING MATERIALS

1. Proposed draft termination agreement
2. Interlocal Agreement

STAFF'S RECOMMENDATION

NO ACTION REQUESTED: This item is being presented for information purposes only.

TERMINATION OF INTERLOCAL AGREEMENT
FOR
REINVESTMENT ZONE NUMBER THREE, CITY OF MISSOURI CITY

RECITALS

WHEREAS, the Houston Community College System (“**HCC**”) entered into an Interlocal Agreement for Participation in Reinvestment Zone Number Three, City of Missouri City, dated effective December 15, 2008 (the “**Agreement**”) by and between the City of Missouri City, Texas (the “**City**”), HCC, and Reinvestment Zone Number Three, City of Missouri City, Texas (Sienna Zone) (the “**Reinvestment Zone**”) (collectively, the City, HCC and the Reinvestment Zone shall be known as the “**Parties**” or individually as a “**Party**”).

WHEREAS, Article V, Paragraph B of the Agreement states that use of HCC’s contributions to the Reinvestment Zone via the Tax Increment Participation may only be used for Project Costs relating to educational facilities identified in the Project Plan as “Houston Community College” or “HCC” facilities.

WHEREAS, HCC no longer operates, and has no future plans to operate, any educational facilities within the Reinvestment Zone, and no longer owns real property in the Reinvestment Zone.

WHEREAS, the Parties hereby agree that the current circumstances have rendered the parties’ future performance under the Agreement impossible.

THEREFORE, the Parties desire to terminate the Agreement, subject to HCC’s rights to receive reimbursements and/or disbursements of HCC’s tax increment contributions under the Agreement.

NOW THEREFORE, in for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Recitals**. The Parties hereby ratify the above Recitals. All capitalized terms not defined in this instrument shall have the same meanings given them in the Agreement.

2. **Termination**. The Parties hereby agree to terminate the Agreement in full, thereby releasing the Parties from all obligations contained in the Agreement, including the payment of Tax Increment payments due, but not paid prior to the effective date of this termination, except for processing reimbursements and disbursements due to HCC under the Agreement.

3. **Multiple Counterparts.** This instrument may be executed in multiple counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same instrument. A signed counterpart of this instrument transmitted in electronic format shall also be deemed an original and effective for all purposes.

4. **Binding Effect.** The provisions of this instrument shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

**HOUSTON COMMUNITY COLLEGE
SYSTEM**

By: _____
Name: _____
Title: _____

ATTEST/SEAL:

By: _____
Name: _____
Title: _____

[The remainder of this page is intentionally left blank]

**REINVESTMENT ZONE, NUMBER THREE
CITY OF MISSOURI CITY, TEXAS**

By: _____
Name: _____
Title: _____

ATTEST/SEAL:

By: _____
Name: _____
Title: _____

[The remainder of this page is intentionally left blank]

**CITY OF MISSOURI CITY, TEXAS,
a home-rule municipality**

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

COUNTERSIGNED:

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Name: _____
Title: _____

[The remainder of this page is intentionally left blank]

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

INTERLOCAL AGREEMENT

I. PARTIES

A. Address

THIS INTERLOCAL AGREEMENT (“Agreement”) is made by and between the CITY OF MISSOURI CITY, TEXAS (“City”) a municipal corporation and home-rule city of the State of Texas principally situated in the County of Fort Bend, acting by and through its governing body, the City Council; HOUSTON COMMUNITY COLLEGE SYSTEM (“HCCS”), a Texas community college district located in Fort Bend and Harris Counties; and REINVESTMENT ZONE NUMBER THREE, CITY OF MISSOURI CITY, TEXAS (SIENNA ZONE) (the “Reinvestment Zone”), a reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, acting by and through its Board of Directors. This Agreement is made pursuant to Chapter 791 of the Texas Government Code and Section 311.013 of the Texas Tax Code.

The initial addresses of the parties, which one party may change by giving written notice of its changed address to the other parties, are as follows:

<u>City</u>	<u>HCCS</u>	<u>The Reinvestment Zone</u>
City Manager or Designee City of Missouri City, Texas 1522 Texas Parkway Missouri City, Texas 77459	Houston Community College System Attn: Dr. Mary Spangler 3100 Main Street Houston, TX 77002	Reinvestment Zone No. Three, City of Missouri City, Texas Attn: Chair, Board of Directors c/o Executive Director P.O. Box 22167 Houston, Texas 77092

B. Index

The City, HCCS and the Reinvestment Zone hereby agree to the terms and conditions of this Agreement. This Agreement consists of the following sections:

<u>Section/Description</u>	<u>Page</u>
I. PARTIES	1
II. DEFINITIONS	6
III. BACKGROUND	7
IV. OBLIGATIONS OF HCCS	7
V. OBLIGATIONS OF CITY AND THE REINVESTMENT ZONE	8
VI. TERM AND TERMINATION	8
VII. MISCELLANEOUS	9

C. Parts Incorporated

All of the above described sections and documents are hereby incorporated into this Agreement by this references for all purposes.

**REINVESTMENT ZONE NUMBER THREE,
CITY OF MISSOURI CITY, TEXAS**

By:  Date: _____
Chairman, Board of Directors

ATTEST/SEAL:

By:  Date: 2/3/2009
Secretary, Board of Directors

[The remainder of this page is intentionally left blank.]

HOUSTON COMMUNITY COLLEGE SYSTEM

By: Mary Spangler Date: 12-09-08
Name: Mary Spangler
Title: Chancellor

ATTEST/SEAL:



By: Reatha Bell Date: 12.9.08
Name: Reatha Bell
Title: Secretary

APPROVED AS TO FORM
BY HCC GENERAL COUNSEL

[Signature]

II. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set out below:

“Administrative Costs” means the costs of organizing the Reinvestment Zone, the costs of operating the Reinvestment Zone and the imputed administrative costs associated with the Reinvestment Zone incurred by the City in connection with the implementation of the Project Plan.

“Agreement” means this agreement between the City, HCCS and the Reinvestment Zone.

“Agreement Term” is defined in Section VI.

“Captured Appraised Value” means the captured appraised value of the Reinvestment Zone as defined by Chapter 311, Texas Tax Code.

“City” is defined in Section I of this Agreement and includes its successors and assigns.

“Countersignature Date” means that date shown as the date countersigned by the City Manager on the signature page of this Agreement.

The “HCCS” is defined in Section I of this Agreement and includes its successors and assigns.

The “HCCS Tax Increment Participation” means the amount of HCCS tax levy on the Captured Appraised Value which HCCS agrees to contribute to the Reinvestment Zone pursuant to Subsections A and B of Section IV of this Agreement.

“Project Plan” means project plan and reinvestment zone financing plan for the Reinvestment Zone adopted by the board of directors of the Reinvestment Zone and approved by the City Council of the City as amended.

“Reinvestment Zone” means Reinvestment Zone Number Three, City of Missouri City, Texas and includes its successors and assigns.

“Tax Increment Fund” means the tax increment fund created by the City in the City Treasury for the Reinvestment Zone.

Otherwise, the terms used herein shall have the meanings ascribed to them in Chapter 311, Texas Tax Code, as applicable.

III. BACKGROUND

The City created the Reinvestment Zone for the purposes of development and redevelopment in the area of the Reinvestment Zone. HCCS desires to participate in the Reinvestment Zone in consideration of the agreements set forth below.

HCCS received written notice from the City of the City's intent to establish the Reinvestment Zone. Such notice was received more than 60 days before the public hearing on the creation of the Reinvestment Zone and conforms in all respects to the requests of §311.003 of the Texas Tax Code, as amended.

IV. OBLIGATIONS OF HCCS

A. Tax Increment Participation by HCCS

HCCS shall pay to the City for deposit into the Tax Increment Fund 100 percent of all taxes collected by HCCS each year during the term of this Agreement at the then-prevailing HCCS tax rate on the Captured Appraised Value.

HCCS Tax Increment Participation and obligation to participate in the Reinvestment Zone shall be restricted to its tax increment collected on the Captured Appraised Value in the Reinvestment Zone in the amounts shown above. HCCS shall not be obligated to pay its HCCS Tax Increment Participation from other HCCS taxes or revenues or until HCCS Tax Increment Participation in the Reinvestment Zone is actually collected. The obligation to pay HCCS Tax Increment Participation shall accrue as taxes representing HCCS tax increment are collected and payment shall be due on the first day of each calendar quarter.

B. Expansion of the Investment Zone

The obligation of HCCS to participate in the Reinvestment Zone is limited to the area of the Reinvestment Zone as of the date hereof. HCCS participation shall not extend to the tax increment on any additional property added to the Reinvestment Zone by the City unless HCCS approves in writing the participation in the expanded area.

C. Board of Directors

HCCS has the right to appoint one member on the Reinvestment Zone Board of Directors.

V. OBLIGATIONS OF CITY AND THE REINVESTMENT ZONE

A. Project Plan

A copy of the Project Plan has been provided to HCCS and any amendments thereto shall be provided to HCCS before any such plan is finally approved by the Reinvestment Zone.

B. Educational Facilities

HCCS's Tax Increment Participation shall be used solely for the payment of Project Costs (including without limitation financing costs) relating to the implementation of the Project Plan with respect to the educational facilities identified in the Project Plan as "Houston Community College," or "HCC" facilities.

VI. TERM AND TERMINATION

A. Agreement Term

This Agreement shall become effective as of the date of the final signature hereto. The first payment of HCCS Tax Increment Participation shall be for those taxes levied by HCCS in the year 2007 and the last payment by HCCS under this Agreement is for those taxes levied by HCCS in the year 2037.

B. Early Termination

The City shall not adopt an ordinance terminating the Reinvestment Zone earlier than 2037 without the prior written consent of HCCS; provided that the Reinvestment Zone may otherwise terminate by operation of law.

C. Disposition of Tax Increments

Upon termination of the Reinvestment Zone, if all public improvements in the Project Plan have been constructed and financed and if all Reinvestment Zone debt is paid in full, the City and the Reinvestment Zone shall pay to HCCS all monies remaining in the Tax Increment Fund that are attributable to HCCS Tax Increment Participation.

VII. MISCELLANEOUS

A. Severability

In the event any term, covenant or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained, provided that such invalidity does not materially prejudice either HCCS, the City or the Reinvestment Zone in their respective rights and obligations contained in the valid terms, covenants or conditions hereof.

In the event any term, covenant or condition shall be held invalid and affects in any manner the limitations on HCCS's contributions or participation, then this Agreement shall be void as to HCCS and HCCS shall have no liability for any incremental or other payments as may otherwise be provided for in this Agreement.

B. Entire Agreement

This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied) or other terms with respect to the covenants, whether written or verbal, antecedent or contemporaneous, with the execution hereof.

C. Written Amendment

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.

D. Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address prescribed in Section I of this Agreement or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

E. Non-Waiver

Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

F. Assignment

No party shall assign this Agreement at law or otherwise without the prior written consent of the other parties.

No party shall delegate any portion of its performance under this Agreement without the written consent of the other parties.

G. Successors

This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer or agent of the City or of any trustee, officer, agent or employee of HCCS.

H. No Waiver of Immunity

No party hereto waives or relinquishes any immunity or defense on behalf of itself, its trustees, officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

[End of Agreement.]