

**REINVESTMENT ZONE NUMBER TWO  
CITY OF PEARLAND, TEXAS**



**ANNUAL REPORT  
2012**

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# **CITY OF PEARLAND, TEXAS CITY COUNCIL**

## **2012 Council Members**

<b>Mayor</b>	Hon. Tom Reid
<b>Mayor Pro-Tem</b>	Hon. Susan Sherrouse
<b>Council Member</b>	Hon. Scott Sherman
	Hon. Woodrow Owens
	Hon. Keith Ordeneaux
	Hon. Greg Hill
<b>City Manager</b>	William Eisen
<b>Director of Finance</b>	Claire Bogard

# REINVESTMENT ZONE NUMBER TWO CITY OF PEARLAND, TEXAS

## BOARD OF DIRECTORS

### 2012 Board Members

- Position 1 Donna Coleman  
State Senator Designee
- Position 2 Gary Davis  
State Representative Designee
- Position 3 Herb Fain  
City of Pearland Designee
- Position 4 Gary Cook, Vice Chair  
City of Pearland Designee
- Position 5 Kenneth R. Phillips, Chair  
City of Pearland Designee
- Position 6 Jo Knight  
City of Pearland/Alvin Independent  
School District Designee
- Position 7 Mike Pyburn  
Alvin Independent School District Designee
- Position 8 Ron Castillo  
Fort Bend County Designee
- Position 9 Larry Loessin  
Brazoria County Designee

# DESCRIPTION OF ZONE

In accordance with the Tax Increment Financing Act (Chapter 311, Tax Code), Reinvestment Zone Number Two, City of Pearland, Texas (the Zone) was established by Ordinance 891 of the City Council of the City of Pearland (the City), Texas on December 21, 1998. The original Zone, also known as "Shadow Creek Ranch", consisted of 3,467 acres located in Brazoria County and Fort Bend County, Texas. In addition, the Zone is located in Alvin I.S.D. (AISD), Fort Bend I.S.D. (FBISD) and a small portion in Pearland I.S.D. (PISD). The original Zone is generally bounded by Clear Creek on the north, State Highway 288 on the east, Broadway (the extension of FM 518 west of S.H. 288) on the south and FM 521 on the west. A map illustrating the original boundaries of the Zone follows on page 15 as Exhibit 1. On August 23, 1999, by Ordinance No. 918 of the City, the Project Plan and Reinvestment Zone Financing Plan (the Project Plan) for the original TIRZ boundaries was adopted.

## **1<sup>st</sup> Plan Amendment**

On July 10, 2006, by Ordinance 1276 of the City, the Project Plan was amended and the Zone was expanded to provide for the annexation of 457 acres of vacant land, adjacent to the Zone. 288 acres are in Brazoria County and 169 acres are in Fort Bend County.

## **2<sup>nd</sup> Plan Amendment**

On November 13, 2006 by Ordinance 1312 of the City, the Project Plan was amended to provide for development of public improvements to serve Shadow Creek Ranch Town Center. The proposed development is within the boundaries of the original Zone and Brazoria County.

## **3<sup>rd</sup> Plan Amendment**

On November 13, 2006 by Ordinance 1313 of the City, the Project Plan was amended and the Zone was expanded to provide for the annexation of 8± acres to facilitate the improvement and widening of Broadway from S.H. 288 to F.M. 521. The boundaries of the annexed area are within Brazoria County.

The Zone is now composed of 3,932+ acres, of which 3,125± acres are within Brazoria County and 807± acres are within Fort Bend County. A map illustrating the boundaries of the Zone as expanded follows on page 16 as Exhibit 2.

## **PURPOSE OF ZONE**

The objective of the Zone is to facilitate quality mixed-use development with a self-sustaining tax base for the City and the other participating taxing entities.

The City Council, in adopting the ordinances creating and expanding the Zone, found that the development described in the Project Plan, and its subsequent amendments, would not likely occur, to the quality, standards and densities described in the Project Plan, but for the creation of the Zone.

The City Council further found that improvements in the Zone will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City. The Zone will pursue its objective by acting as a financing vehicle for regional public improvements, as described in the Project Plan as amended. The methods of financing and the sources of funding available to the Zone, including the participation levels of the various participating entities, including the City, Brazoria County, Fort Bend County and Alvin ISD, are described in the Project Plan and its amendments.

# STATE OF THE ZONE AND PLAN IMPLEMENTATION IN 2012

**1. The information provided in this section is in accordance with § 311.016 (a) (1) of the Texas Tax Code, which requires inclusion of the amount and source of revenue in the tax increment fund established for the zone.**

In addition to the City's tax increment revenue, interlocal agreements with Brazoria County, Fort Bend County and Alvin ISD provide for each taxing unit's participation in the Zone. The Project Plan also allows for the participation of Brazoria Drainage District No. 4 and Fort Bend Independent School District, though neither is currently participating. Levels of participation are detailed in the Project Plan and current levels of participation are shown in Table A.

**TABLE A  
Taxing Entity Participation**

<b>Taxing Entity</b>	<b>Zone Years</b>	<b>Percent Participation</b>
<b>City of Pearland</b>	9 through 30	100% (1)
<b>Brazoria County</b>	1 through 30	38%
<b>Fort Bend County</b>	11 through 20	75% (2)
<b>Alvin ISD</b>	1 through 30	100% (3)

*(1) 64% to be repaid as an administrative cost, provided the TIRZ retain at least \$.255 / \$100.*

*(2) In years 21 through 30 participation drops to 50%.*

*(3) 75% to be used by AISD for the construction of educational facilities.*

The obligations of the participating taxing jurisdictions, as defined in their respective interlocal agreements, include the timely deposit of tax increment into the City's tax increment revenue fund.

Table B illustrates the growth in appraised value from base year to tax year 2012 for each participating jurisdiction. Table C illustrates the amount of the incremental revenue, which has been transferred to the increment fund. These amounts are based upon actual taxes collected as of December 31, 2012.

**TABLE B**  
**Base Market Value by Jurisdiction (1)**

Taxing Entity	Base Year	Base Value	2012 Value (2)	Change
<b>Original Zone</b>	<b>1998</b>			
City of Pearland		7,172,980	1,296,306,653	1,289,133,673
Brazoria County		4,143,160	1,165,472,698	1,161,329,538
Fort Bend County		3,029,820	130,833,955	127,804,135
Alvin ISD		4,143,160	1,306,768,420	1,302,625,260
<b>1st Plan Amendment</b>	<b>2006</b>			
City of Pearland		4,381,680	9,781,810	5,400,130
Brazoria County		3,354,830	6,059,930	2,705,100
Fort Bend County		1,026,850	3,721,880	2,695,030
<b>2nd Plan Amendment (3)</b>	<b>2006</b>			
City of Pearland				
Brazoria County				
Fort Bend County				
<b>3rd Plan Amendment (4)</b>	<b>2006</b>			
City of Pearland				
Brazoria County				
Fort Bend County				

(1) The information in this table was provided by the Brazoria and Fort Bend County Appraisal Districts

(2) Market value (less exemptions) as of January 1, 2012.

(3) All of the land within the 2nd Plan Amendment area is within the boundaries of the original Zone.

(4) All of the land within the 3rd Plan Amendment area is either owned by a municipality or within dedicated ROW and thus tax exempt.

**TABLE C**  
**City of Pearland TIRZ No. 2 Tax Increment Revenue Fund Balance by Year (1)**

Year	2000 / 2001		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	1999 (2)	(2) (5)											
City of Pearland Revenue	\$ 45,111	\$ 93,856	\$ 67,388	\$ 167,897	\$ 753,905	\$ 935,516	\$ 4,632,534	\$ 6,312,426	\$ 6,719,800	\$ 8,318,686	\$ 9,600,003	\$ 8,349,033	\$ 10,280,251
Rebate to City for Administrative Costs (3)			\$ (23,221)	\$ (60,353)	\$ (299,311)	\$ (344,257)	\$ (1,667,712)	\$ (4,039,953)	\$ (4,067,024)	\$ (5,068,860)	\$ (5,848,747)	\$ (5,233,446)	\$ (6,514,331)
Brazoria County Revenue				\$ 159,854	\$ 205,459	\$ 815,614	\$ 1,110,573	\$ 1,055,912	\$ 1,297,278	\$ 1,434,579	\$ 1,449,043	\$ 1,486,826	
Alvin ISD Revenue (4)			\$ 10,969	\$ 207,479	\$ 229,941	\$ 826,613	\$ 2,616,519	\$ 2,917,931	\$ 2,879,739	\$ 3,574,007	\$ 6,941,779	\$ 3,927,965	\$ 4,112,895
Other Revenue				\$ 4,130	\$ 80,981	\$ 40,827	\$ 90,358	\$ 267,907	\$ 150,232	\$ 46,199	\$ 16,119	\$ 9,859	\$ 2,532,291
Fort Bend County Revenue						\$ 125,300	\$ 185,540	\$ 189,508	\$ 358,745	\$ 654,408	\$ 435,863	\$ 432,546	
Expenditures for Zone Administration				\$ (11,824)	\$ (154,203)	\$ (134,237)	\$ (305,626)	\$ (302,978)	\$ (127,259)	\$ (94,639)	\$ (68,646)	\$ (40,196)	\$ (16,767)
Transfers to Development Authority						\$ (1,204,318)	\$ (3,129,978)	\$ (5,106,344)	\$ (3,548,991)	\$ (7,671,822)	\$ (10,784,813)	\$ (10,381,230)	\$ (12,016,051)
<b>Fund Balance</b>	<b>\$ 45,111</b>	<b>\$ 230,491</b>	<b>\$ 194,103</b>	<b>\$ 395,012</b>	<b>\$ 1,166,179</b>	<b>\$ 1,511,781</b>	<b>\$ 1,449,062</b>	<b>\$ 1,930,590</b>	<b>\$ 1,638,990</b>	<b>\$ 1,854,605</b>	<b>\$ 2,277,367</b>	<b>\$ 1,989,003</b>	<b>\$ 2,127,904</b>

(1) Source: City of Pearland, Texas. Fund balances as of 12/31 of each year.

(2) Note that in years 1999 through 2001 revenue was reported net of expenditures. From year 2002 forward gross revenue is reported along with rebates to the city and other expenditures.

(3) Rebate for admin costs prior to 2007 is 36%. In 2007 the rebate increased to 64%.

(4) Note that Alvin ISD revenue is reported net of the 75% rebate to Alvin ISD.

(5) Revenue for 2000 and 2001 have been combined. In each year revenue was the same as in 1999.

(6) In addition to fund balance, as of 12/31/12, AISD had \$4,223,853 in the suspense account.

**2. The information provided in this section is in accordance with §311.016 (a) (2) of the Texas Tax Code, which requires inclusion of the amount and purpose of expenditures from the fund.**

The Board of Directors of the Zone has been granted by City Council, in accordance with Section 311.010 of Texas Tax Code, the power to administer, manage, and operate the Zone and to implement the Project Plan. The Zone was created for the duration of 30 years, or until dissolved by the City.

The total cost of the public improvements within the Zone, as outlined in the original Project Plan, amounts to \$294,482,034. Of this amount, the City will fund \$35,471,061 worth of improvements, and the Texas Department of Transportation (TxDOT) will fund another \$10,277,050 worth of improvements. The Zone will fund the remaining improvements, which amounts to a cost of \$248,733,923, unadjusted for inflation.

**1st Plan Amendment**

The original list of project costs was amended with the approval of the 1st Plan Amendment, which included improvements, estimated to total \$34,724,218. These improvements address the water, wastewater, storm sewer, lakes channels, roads and landscaping costs for the 457± acre annexation.

**2nd Plan Amendment**

The list of project costs was amended again with the approval of the 2nd Plan Amendment, which included improvements estimated to total \$11,749,618. These improvements address major road infrastructure, detention, drainage, landscaping and the relocation of pipelines and overhead utilities. All projects associated with this annexation have been completed.

**3rd Plan Amendment**

The list of project costs was amended a third time with the approval of the 3rd Plan Amendment, which included improvements estimated to total \$8 million. This amendment addressed the need to fund and construct a section of Broadway. All projects associated with this annexation have been completed.

These costs are detailed in the amended Project Budget, a copy of which follows as Table D. The Zone as now enlarged is composed of 3,932± acres, of which 3,125± acres are within Brazoria County and 807± acres are within Fort Bend County. A map illustrating the boundaries of the Zone as amended follows on page 14 as Exhibit 2.

TABLE D  
 Reinvestment Zone NO. 2, City of Pearland, Texas - Shadow Creek Ranch  
 Budget

Item	TIRZ Budget as approved (08/23/99) (1)	1st Plan Amendment (2)	2nd Plan Amendment (2)	3rd Plan Amendment (2)	TIRZ Budget as Amended (3)
<b>Infrastructure</b>					
<b>Streets</b>					
Pavement	12,610,050	1,634,000			14,244,050
Sidewalks	1,859,400				1,859,400
Landscaping and Irrigation	9,675,350				9,675,350
Entry Monuments	735,320				735,320
Lighting		125,900			125,900
Broadway Widening and Signalization			2,831,789		2,831,789
Business Center Drive Paving			852,722		852,722
Memorial Hermann Drive Paving			383,107		383,107
Water System	3,026,863	363,000			3,389,863
Wastewater System	6,940,964	1,029,000			7,969,964
Storm Water System	10,195,776	1,649,000			11,844,776
Lakes and Channels					
Improvements	29,121,915	5,625,600			34,747,515
Land Cost	4,597,889	6,675,000			11,272,889
Detention and Drainage					
Land Cost			2,850,000		2,850,000
Beautification / Deepening / Pond Creation			200,000		200,000
Site Drainage Facilities			1,842,000		1,842,000
Parks and Recreation					
Improvements	5,155,524	5,573,025			10,728,549
Land Cost	2,383,545				2,383,545
Landscaping					
Business Center Drive			157,500		157,500
Memorial Hermann Drive			67,500		67,500
Overhead Utilities Placed Underground			1,200,000		1,200,000
Pipeline Relocation			700,000		700,000
Major Improvements					
Water Plants					
Land Cost	20,000				20,000
WWTP	340,000				340,000
Lift Station	300,000				300,000
Traffic Signals	600,000	550,000			1,150,000
McHard Road Reimbursables					
Miscellaneous	150,000				150,000
Signal	100,000				100,000
SH 288 Access Road	1,000,000				1,000,000
FM 518 Improvements		6,485,600			6,485,600
Broadway / FM 518 Improvements				7,100,000	7,100,000
Contingencies and Engineering					
Contingencies (10%)	8,181,116	1,733,620			9,914,736
Engineering (15%)	11,274,211	2,860,473	490,000	900,000	15,524,684
Master Drainage Plan Costs		70,000			70,000
Environmental Study Costs		100,000			100,000
Subtotal	108,267,923	34,474,218	11,574,618	8,000,000	162,316,759
Zone Administration / Creation					
TIRZ Administration (1-3 Years)	466,000				466,000
Reimbursable TIRZ Creation Costs	900,000				900,000
Annexation Costs		250,000			250,000
Plan Amendment Costs			175,000		175,000
Subtotal	1,366,000	250,000	175,000		1,791,000
<b>Total</b>	109,633,923	34,724,218	11,749,618	8,000,000	164,107,759
<b>City Facilities</b>					
Library					
Improvements	2,395,000				2,395,000
Land Cost	105,000				105,000
Fire / Police Station					
Improvements	2,255,000				2,255,000
Land Cost	245,000				245,000
Subtotal	5,000,000				5,000,000
Educational Facilities					
AISD Elementary School	41,600,000				41,600,000
AISD Jr. High School	21,450,000				21,450,000
AISD Fresh/Soph Campus	34,050,000				34,050,000
FBISD Elementary School	11,000,000				11,000,000
FBISD Middle School	26,000,000				26,000,000
Subtotal	134,100,000				134,100,000
<b>Grand Total</b>	248,733,923	34,724,218	11,749,618	8,000,000	303,207,759

(1) The original TIRZ Budget as approved in 1999 dollars has not been adjusted for inflation.

(2) The amended Budgets as approved in 2006 are shown in 2006 dollars and have not been adjusted for inflation.

(3) The Budget as amended shows budget line items as approved in their respective years without adjustment for inflation.

**TIRZ-Funded Projects:**

Since the creation of the Zone a series of infrastructure improvements have been funded and constructed. Project #12-06-001, Village 7, Phase 1 was initiated in 2012. The proposed improvements total \$8.8 million (2006 dollars) for construction, design, and contingency for streets, water, sewer, drainage, land, and landscaping.

During calendar year 2012 Shadow Creek Ranch Development Company reported approximately 367 home sales and 361 closings. This brings the total number of homes in the Zone to 5,238 as of December 31, 2012.

**City Funded Improvements:**

- There were no City funded projects in 2012.

**TxDOT Funded Improvements:**

- There were no TxDOT funded projects in 2012.

***3. The information provided in this section is in accordance with §311.016 (a) (3) of the Texas Tax Code, which requires inclusion of the amount of principal and interest due on outstanding bonded indebtedness.***

**Bond Issues**

In accordance with a Tri-Party Agreement dated October 11, 2004 between the TIRZ, the City of Pearland, and the Development Authority of Pearland (DAP), the TIRZ has pledged increment to provide for the repayment of debt issued on its behalf. In this regard, the DAP sold bonds in 2004, 2005, 2006, 2007 and 2009. The bonds were refunded in 2012 and are outlined in Table E.

**TABLE E  
Development Authority of Pearland Outstanding Debt as of Fiscal Year End**

<b>Tax increment Contract Revenue Bonds (1)</b>	<b>Principal Amount Issued</b>	<b>Principal Amount Outstanding</b>	<b>Total Debt Service Outstanding</b>
<b>Series 2012</b>	\$56,915,000	\$54,235,000	\$69,866,212

(1) Series summary provided by City of Pearland fiscal year ended September 30, 2012 CAFR.

In addition to developer reimbursements made via the sale of bonds, the DAP has also made payments from cash reserves. In 2012 the DAP made direct payments to the developer totaling \$13,105,300. Total direct payments as of the end of 2012 for the DAP is \$35,068,430, all of which are reflected in the reimbursements outlined in Table F.

**Additional LFA’s Approved for Reimbursement**

The Zone Board has approved a series of Letter Financing Agreements (LFA’s) for reimbursement. Prior to Board action all project costs related to each LFA were reviewed by the Zone’s Auditor, McGrath & Co. PLLC, and summarized in a reimbursement report, which included eligible project costs plus interest.

Table F outlines Letter Financing Agreements approved through the end of 2012.

**TABLE F**  
**Letter Finance Agreements Approved for Reimbursement**

Letter Finance Agreement (LFA)	LFA Date	LFA Amount (1)	Reimbursements Through 2012 (2)
<b>Creation Costs</b>	6/19/2000	\$ 900,000	\$ 1,235,408
LFA 99-11-001 (Entry)	11/8/1999	919,150 *	1,220,281
LFA 00-01-001 (V1P1A)	2/21/2000	6,524,629	5,243,529
LFA 00-10-002 (V1P1B)	10/9/2000	10,318,290	10,593,290
LFA 01-04-001 (V1P1B)	8/23/2001	1,967,061	805,884
LFA 03-10-004 (Kingsley Drive, Phase 3)	10/7/2003	3,529,173	2,791,877
LFA 04-07-006 (Traffic Signal Shadow Creek PKWY/Kingsley)	7/13/2004	287,788	293,578
LFA 04-07-007 (Parks and Trails Grading and Infrastructure)	7/13/2004	1,007,256	877,201
LFA 03-10-001 (Remaining Village 2, Phase 2 Improvements)	10/7/2003	7,554,654	8,493,040
LFA 04-07-002 (Fire/Police Station Land Cost)	7/13/2004	408,668	555,954
LFA 02-08-001 (Village 1 and Village 2 Phase 2 Improvements)	8/6/2002	4,727,516	6,029,532
LFA 01-11-002 (Additional Village 1 and Village 2 Improvements)	11/12/2001	24,509,430	33,055,576
LFA 03-10-002 (Village 3, Phase 1 and 2 Improvements)	10/7/2003	7,809,950	11,734,369
LFA 06-03-001 (Elementary School #2 Site)	3/27/2006	1,687,801	1,886,601
LFA 06-08-002 (Library Site)	8/28/2006	481,569	557,100
LFA 04-07-003 (Regional Nature Park)	7/13/2004	760,988	245,910
LFA 03-10-005 (Kingsley Drive Phase 4 Improvements)	10/07/03	4,486,342	-
LFA 03-10-006 (Village 5 Improvements)	10/07/03	7,055,177	-
LFA 04-07-005 (Village 4, Phase 1 and Refelction Bay North Improvements)	04/07/05	3,354,452	-
LFA 03-10-003 (Village 3, Phase 3 Improvements)	10/07/03	7,711,582	-
LFA 04-07-004 (Village 3, Phase 4 Improvements)	07/13/04	8,204,999	-
LFA 06-01-003 (Remaining Village 4 Improvements)	01/30/06	7,120,532	-
LFA 06-08-001 (Additional Sidewalks)	08/28/06	2,356,305	-
LFA 06-01-001 (Kingsley Drive North)	01/31/06	6,417,644	-
LFA 06-01-002 (Additional Village 4 Improvements)	01/31/06	9,392,437	-
LFA 06-08-003 (S.H. 228 Frontage Road)	08/31/06	1,276,667	-
LFA 06-10-001 (Road Infrastructure, Pipeline Relocation and Site Drainage; Part of 2nd Plan Amendment)	10/23/06	9,949,618	-
LFA 07-03-002 (Shadow Creek Ranch Town Center Improvements; Part of 2nd Plan Amendment)	03/12/07	1,851,598	-
LFA 07-03-001 (Village 7, Phase 1 Broadway Improvements)	3/12/2007	1,271,499	-
LFA 08-05-001 (Broadway to FM 521)	5/5/2008	9,482,989	-
LFA 08-05-002 (Broadway Landscape - Northside)	5/5/2008	1,158,218 *	-
LFA 08-01-001 (Broadway Improvements) City of Pearland	1/15/2008	8,449,086	-
LFA 10-06-001 (Discovery Bay Extension to SH288)	6/7/2010	912,908	-
LFA 10-06-002 (SCH-4 Site)	6/7/2010	2,530,620	-
LFA 10-06-003 (SCH-5 Site)	6/7/2010	4,935,370	-
LFA 12-06-001 (Village 7, Phase 1)	6/11/2012	8,824,599	-
		\$ 180,136,565	\$ 85,619,130

(1) LFA amounts have been adjusted for inflation per the Project and Financing Plan and related budget.

(2) Amounts reimbursed include actual interest per the Developer Reimbursement Agreement.

\* Actual costs exceeded the amount of the LFA. Per the governing agreements, reimbursement is limited to the amount of the LFA

**4. The information provided in this section is in accordance with §311.016 (a) (4) of the Texas Tax Code, which requires inclusion of the tax increment base and current captured appraised value retained by the zone.**

In each year subsequent to the base year, the Zone will receive tax increment revenue based on ad valorem property taxes levied and collected by each participating taxing unit on the captured appraised value of the Zone. The captured appraised value of the Zone is the total appraised value of all real property located within the Zone as of January 1, less the total appraised base year (January 1, 1998) value.

As of December 31, 2012, development schedules for the original Zone remained unchanged from projections in the Project Plan. However, because the pace of development is unpredictable, and because the Project Plan provides a best estimate of captured appraised values, the actual captured appraised value in any future year may not equal the projected estimates of such value.

As of January 1, 1998, the base year for the Zone, the area encompassed by the original Zone was undeveloped land, with a total appraised value of \$7,172,980. On January 1, 2012, the area encompassed by the Zone had a total appraised value of \$1,296,306,653. As a result, the total captured appraised value (net base year value and exemptions) on the tax roll as of January 1, 2012 was \$1,289,133,673 for the City, as illustrated in Table B.

The City of Pearland base year (2006) value for the 457± acres annexed in the 1st Plan Amendment was \$4,381,680. As of January 1, 2012 the total appraised value was \$9,781,810. As a result the total captured appraised value on the roll as of January 1, 2012 was \$5,400,130. All lands associated with the 2nd Plan Amendment are within the boundaries of the original Zone. All lands associated with the 3rd Plan Amendment are either owned by a municipality or are dedicated right-of-way with no taxable value.

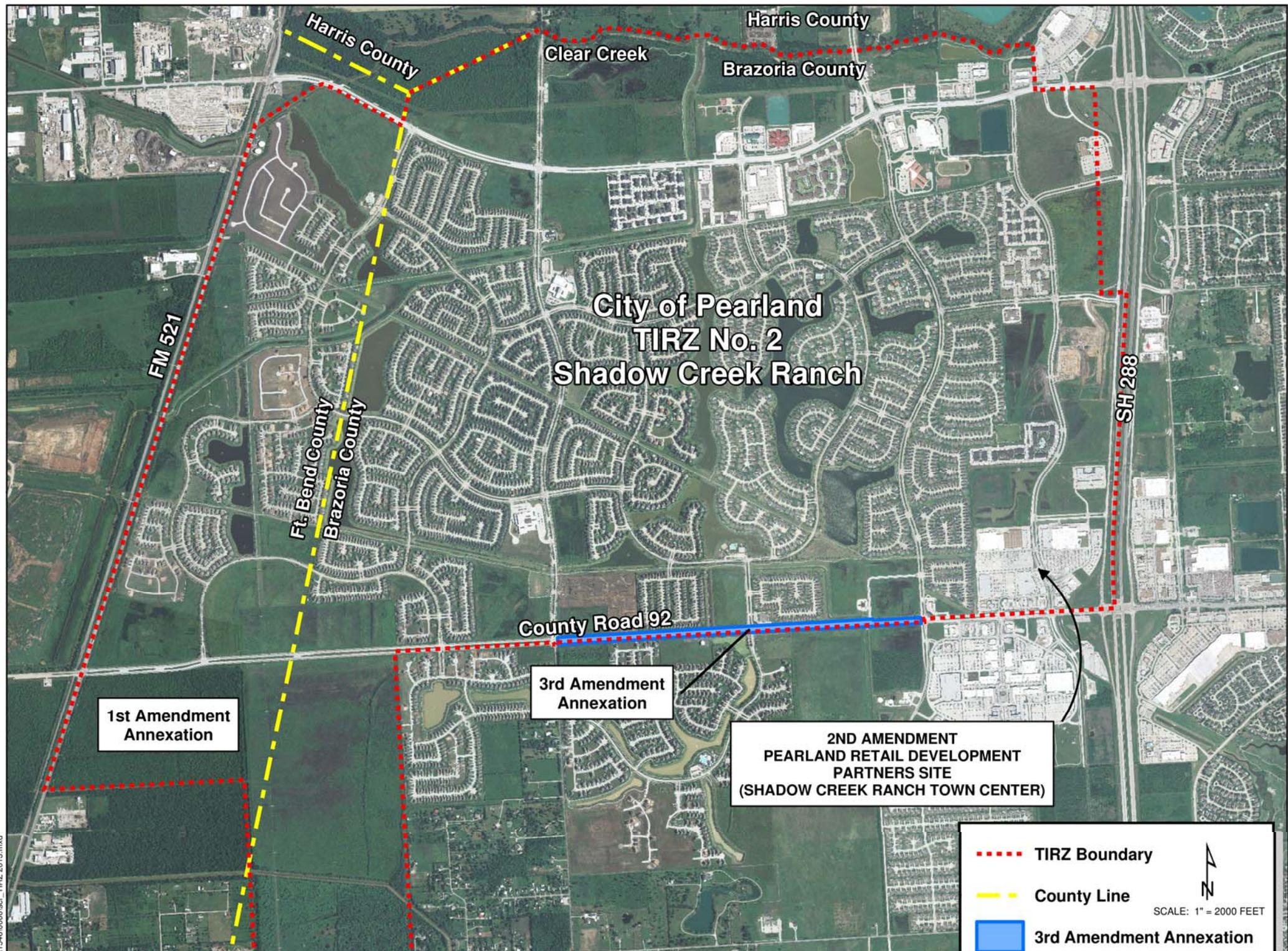
**5. The information provided in this section is in accordance with §311.016 (a) (5) of the Texas Tax Code, which requires inclusion of the captured appraised value shared by the municipality and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.**

As previously stated, the City, Brazoria County, Fort Bend County and Alvin ISD are the only taxing units currently participating in the Zone. As of December 31, 2012 the Project Plan and the total appraised value in the TIRZ was \$1,294,533,803 for the original and annexed areas of the Zone. The total amount of tax increment revenue received is detailed in Table C.

*(This report was written in accordance with the provisions of Chapter 311.016 of the Texas Tax Code)*

**REINVESTMENT ZONE NUMBER TWO  
CITY OF PEARLAND, TEXAS**

**2012 ANNUAL REPORT  
EXHIBITS**



**City of Pearland  
TIRZ No. 2  
Shadow Creek Ranch**

**1st Amendment  
Annexation**

**3rd Amendment  
Annexation**

**2ND AMENDMENT  
PEARLAND RETAIL DEVELOPMENT  
PARTNERS SITE  
(SHADOW CREEK RANCH TOWN CENTER)**

- - - TIRZ Boundary
- - - County Line
- 3rd Amendment Annexation

SCALE: 1" = 2000 FEET



Exhibit 2