

**ORDINANCE NO. 1562**

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**An Ordinance of the City Council of the City of Pearland, Texas, amending the Project Plan and Reinvestment Zone Financing Plan for Reinvestment Zone Number Two (Amendment No. 4), City of Pearland, Texas to facilitate the construction of City facilities and infrastructure improvements (“Improvements”); authorizing the City Secretary to distribute such plans; containing findings and provisions related to the foregoing subjects; and providing for severability.**

**WHEREAS**, the City of Pearland, Texas (the “City”), pursuant to the provisions of Chapter 311, Texas Tax Code, created Reinvestment Zone Number Two, City of Pearland, Texas (the “Zone”), for the purposes of redevelopment of the area of the City within the Zone; and

**WHEREAS**, the proposed 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 and the residents of Shadow Creek Ranch; and

**WHEREAS**, the Project Plan and Reinvestment Zone Financing Plan adopted in connection with the creation of the Zone (the “Plan”) should be amended to increase construction costs of certain Improvements, and the Board of Directors of the Zone have unanimously recommended that the City Council approve Amendment No. 4.

**WHEREAS**, a public hearing on the amendment to the Plan has been scheduled and will take place in conformance with the provisions of Sections 311.011(e) and 311.003(c) and (d) of the Texas Tax Code, and the City previously provided notice to all participants in the Zone.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS THAT:**

**Section 1.** The facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.

**Section 2.** The Plan is hereby amended as provided in **Exhibit “A”** attached hereto to accommodate the additional cost included in the Plan Budget for the construction of Improvements in the Zone. The Plans as amended (the “Amended Plans”) are hereby determined to be feasible and is approved. The appropriate officials of the City are authorized to take all steps reasonably necessary to implement the Amended Plans.

**Section 3.** The City Secretary is directed to provide copies of the Amended Plans to each taxing unit currently participating in the Zone.

**Section 4.** If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining provisions of this Ordinance shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionally, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

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**Section 5.** The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, TEX. GOV'T CODE ANN., Ch. 551; and that this meeting was open to the public as required by law at all times during which this Ordinance and the subject matter thereof was discussed, considered and acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PASSED AND APPROVED ON FIRST READING this the 23<sup>rd</sup> day of July, A. D., 2018.

CITY OF PEARLAND, TEXAS



Tom Reid  
Mayor

ATTEST:



Young Loring, TRMC  
City Secretary



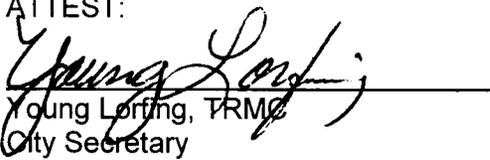
PASSED AND APPROVED ON SECOND AND FINAL READING this the 13<sup>th</sup> day of August, A. D., 2018.

CITY OF PEARLAND, TEXAS



Tom Reid  
Mayor

ATTEST:

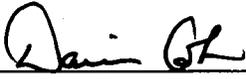


Young Loring, TRMC  
City Secretary



APPROVED AS TO FORM:

**ORDINANCE NO. 1562**

A handwritten signature in black ink, appearing to read "Darrin M. Coker". The signature is written in a cursive style with a large initial "D".

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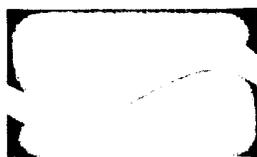
Darrin M. Coker  
City Attorney

EXHIBIT A

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

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**4<sup>th</sup> AMENDMENT TO PROJECT PLAN  
AND REINVESTMENT ZONE  
FINANCING PLAN**



**SHADOW  
CREEK  
RANCH**

**CITY COUNCIL**

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**2018 Council Members**

<b>Mayor</b>	Hon. Tom Reid
<b>Mayor Pro-Tem</b>	Hon. Derrick Reed
<b>Council Member</b>	Hon. Tony Carbone
	Hon. Gary Moore
	Hon. TBD
	Hon. J. David Little
	Hon. Trent Perez
	Hon. Woody Owens
<b>City Manager</b>	Clay Pearson

## **BOARD OF DIRECTORS**

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### **2008 Board Members**

Position 1	Vacant State Senator Designee
Position 2	Thomas King State Representative Designee
Position 3	Herb Fain, Jr., Chair City of Pearland Designee
Position 4	Gary Cook, Vice Chair City of Pearland Designee
Position 5	Kenneth R. Phillips City of Pearland Designee
Position 6	Jo Knight City of Pearland / Alvin Independent School District Designee
Position 7	Geoff Tonini Alvin Independent School District Designee
Position 8	All Hasanali Fort Bend County Designee
Position 9	Larry Loessin Brazoria County Designee

**4<sup>th</sup> AMENDMENT TO THE PROJECT PLAN AND  
REINVESTMENT ZONE FINANCING PLAN FOR  
REINVESTMENT ZONE NUMBER TWO,  
CITY OF PEARLAND, TEXAS (SHADOW CREEK RANCH)**

**I. OVERVIEW**

This 4<sup>th</sup> Amendment to Tax Increment Reinvestment Zone Number Two, City of Pearland, Texas (the "Zone" or "Shadow Creek Ranch TIRZ") Project Plan and Reinvestment Zone Financing Plan (the "Plan") is necessary to facilitate the construction of public safety, parks and recreation, landscaping, and transportation improvements to serve the residents of within Shadow Creek Ranch and the City of Pearland.

**II. 4<sup>th</sup> Plan Amendment**

This amendment increases the permitted budget amounts for various categories of improvements that are already in the approved project budget. No additional project categories are added. These budget increases are necessary to meet the level of service expected from current residents that could not be anticipated at the time of the original Zone creation. Additionally, the currently projected increment for the remaining life of the Zone is exceeding original expectations such that sufficient increment is projected to be available to fund the level of improvements needed to match resident expectations.

Improvements to be funded by this Amendment include fire station, library, park and trail improvements including land costs, roadway landscaping and monumentation, and sidewalks.

When adopted, this 4<sup>th</sup> Plan Amendment will not amend any portion of the Project Plan and Reinvestment Zone Financing Plan except as described below. With the recommendation for approval of this 4<sup>th</sup> Plan Amendment by the Board of Directors of the Zone and approval by the City Council of Pearland, the following sections of the Reinvestment Zone Project Plan and Reinvestment Zone Financing Plan shall be amended as follows:

**Project Plan**

No Changes

**Reinvestment Zone Financing Plan**

**A. Estimated Project Cost Description (311.011(c)(1))**

**Section 1. Infrastructure Improvements.** Exhibit E in the Financing Plan is amended as described in the amended Exhibit E attached hereto with total estimated additional Project Costs for infrastructure improvements of \$28,192,621.

**A. Estimated Project Cost Description (311.011(c)(1))**

**Section 4. City Facilities.** Police and fire facilities, the City public library and City annex in the Zone are considered Project Costs. Estimated Project Costs for the City facilities is \$24,131,614.

**D. Estimate of Bonded Indebtedness 311.011(c)(4)**

The estimated amount of bonded indebtedness will be increased by an amount sufficient to fund and/or reimburse the estimated \$51,432,971 million increase in the project budget, subject to the cost adjustment according to the *Engineering News Record* Index over the life of the Zone.

**AMENDED EXHIBIT E  
TIRZ BUDGET**

Exhibit E  
 Reinvestment Zone No. 2, City of Pearland, TX  
 Budget

Jan. 1999 ENR Index = 6000  
 Jan. 2006 ENR Index = 7600  
 Jan. 2018 ENR Index = 10878

Item	TIRZ Budget as approved (1) (08/23/99)	1st Plan Amendment (2) (03/27/06)	2nd Plan Amendment (2) (10/23/06)	3rd Plan Amendment (2) (10/23/06)	4th Plan Amendment (06/18/18)
<b>Infrastructure</b>					
<b>Streets</b>					
Pavement	12,610,050	1,634,000			
Sidewalks	1,859,400				
Landscaping and Irrigation	9,675,350				
Entry Monuments	735,320				
Lighting		125,900			
Broadway Widening and Signalization			2,831,789		
Business Center Drive Paving			852,722		
Memorial Hermann Drive Paving			383,107		
Water System	3,026,863	363,000			
Wastewater System	6,940,964	1,029,000			
Storm Water System	10,195,776	1,649,000			
<b>Lakes and Channels</b>					
Improvements	29,121,915	5,625,600			
Land Cost	4,597,889	6,675,000			
<b>Detention and Drainage</b>					
Land Cost			2,850,000		
Beautification/Deepening/Pond Creation			200,000		
Site Drainage Facilities			1,842,000		
<b>Park and Recreation</b>					
Improvements	5,155,524	5,573,025			
Land Cost	2,383,545				
<b>Landscaping</b>					
Business Center Drive			157,500		
Memorial Hermann Drive			67,500		
Overhead Utilities Placed Underground			1,200,000		
Pipelng Relocation			700,000		
<b>Major Improvements</b>					
<b>Water Plants</b>					
Land Cost	20,000				
WWTP	940,000				
Lift Station	300,000				
Traffic Signals	600,000	550,000			
McHard Road Reimburseables					
Miscellaneous	150,000				
Signal	100,000				
SH 288 Access Road	1,000,000				
FM 518 Improvements		6,485,600			
Broadway /FM 518 Improvements				7,100,000	
<b>Contingencies and Engineering</b>					
Contingencies (10%)	8,181,116	1,733,620			
Engineering (15%)	11,274,211	2,860,473	490,000	900,000	
Master Drainage Plan Costs		70,000			
Environmental Study Costs		100,000			
Shadow Creek Ranch Park Phase II					9,720,000
Shadow Creek Trail - SCR Park Trail to Kirby and SCR Trail System					767,760
Shadow Creek Trail Phase II - Along Clear Creek Relief Ditch & Library Trail					1,470,000
Shadow Creek Parkway Landscaping, Street Lighting & Sidewalks					7,140,000
Intersection Improvements (BCD/SCP, BCD/Broadway, etc)					7,957,160
Sidewalk Extensions					1,137,701
<b>Subtotal</b>	<b>108,267,923</b>	<b>34,474,218</b>	<b>11,574,618</b>	<b>8,000,000</b>	<b>28,192,621</b>

(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.

Item	TIRZ Budget as approved (1) (08/23/99)	1st Plan Amendment (2) (03/27/06)	2nd Plan Amendment (2) (10/23/06)	3rd Plan Amendment (2) (10/23/06)	4th Plan Amendment (06/18/18)
<b>Zone Administration/Creation</b>					
TIRZ Administration (1-3 Years)	466,000				
Reimbursable TIRZ Creation Costs	900,000				
Annexation Costs		250,000			
Plan Amendment Costs			175,000		
<b>Subtotal</b>	<b>1,366,000</b>	<b>250,000</b>	<b>175,000</b>		
<b>Infrastructure Total</b>	<b>109,633,923</b>	<b>34,724,218</b>	<b>11,749,618</b>	<b>8,000,000</b>	<b>28,192,621</b>
<b>City Facilities</b>					
<b>Library</b>					
Improvements	2,395,000				14,253,174
Land Costs	105,000				
<b>Fire/Police Station</b>					
Improvements	2,255,000				9,878,438
Land Costs	245,000				
<b>Subtotal</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,131,614</b>
<b>Educational Facilities</b>					
AISD Elementary School	41,600,000				
AISD Jr. High School	21,450,000				
AISD Fresh/Soph Campus	34,050,000				
FBISD Elementary School	11,000,000				
FBISD Middle School	26,000,000				
<b>Subtotal</b>	<b>134,100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>City Facilities Total</b>	<b>248,733,923</b>	<b>34,724,218</b>	<b>11,749,618</b>	<b>8,000,000</b>	<b>52,324,235</b>

(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.