

ORDINANCE NO. 2018-04

AN ORDINANCE APPROVING THE AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER ONE, CITY OF PENITAS, TEXAS; CONTAINING VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT.

WHEREAS, by City of Penitas Ordinance No. 2004-05, the City created Reinvestment Zone Number One, City of Penitas, Texas; and

WHEREAS, by City of Penitas Ordinance No. 2005-01, the City amended and restated City of Penitas Ordinance No. 2004-05; and

WHEREAS, by City of Penitas Ordinance No. 2006-01, the City approved the project plan and reinvestment zone financing plan; and

WHEREAS, by City of Penitas Ordinance No. 2017-10, the City approved the First Amendment to the project plan and reinvestment zone financing plan; and

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

WHEREAS, before the City and the Board of Directors of the Reinvestment Zone Number One may implement the Proposed Amended Plans, the City Council must approve the Proposed Plans as Amended, 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 PENITAS, 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 Second Amended Project Plan and Reinvestment Zone Financing Plan attached hereto for Reinvestment Zone Number One, City of Penitas, Texas are hereby approved.

PASSED AND ADOPTED this 14th day of May, 2018.

APPROVED this 14th day of May, 2018.



Mayor, City of Penitas



WITNESSED this 14th Day of May, 2018.



City Secretary

City Secretary

**TAX INCREMENT REINVESTMENT ZONE NUMBER ONE
CITY OF PENITAS, TEXAS**

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

May 14, 2018

REINVESTMENT ZONE NUMBER ONE, CITY OF PENITAS, TEXAS

Second Amended Project Plan and Reinvestment Zone Financing Plan`

Table of Contents

Introduction.....3
History.....3
Second Amended Project Plan and Reinvestment Zone Financing Plan..... 3
 A. Project Plan.....4
 B. Reinvestment Zone Financing Plan.....4

Schedule A - Residential Build-Out

Schedule B - Commercial Build-Out

Schedule C -Projected Assessed Valuations

Schedule D - Projected Zone Revenues

Schedule E - Project Costs financed or reimbursed to date.

Map 1 - Boundary Map

Map 2 - Aerial View of Property in and surrounding the Zone

Map 3 - Existing Land Use/Property Classification of Property in the Zone

Map 4 - Proposed Projects

Introduction

Tax Increment Reinvestment Zone One, City of Penitas, Texas ("Zone"), was created by the City Council of the City of Penitas, Texas ("City") on November 3, 2004.

The purpose of the Zone is to finance construction of public facilities and infrastructure necessary to catalyze residential and commercial development and redevelopment within the Zone boundaries.

Expenditures associated with the design and construction of public facilities infrastructure, as well as other specific project related costs, will be funded by tax increment revenues derived from increases in property values following new residential and commercial development.

History

The reinvestment zone covers approximately 717 acres and is generally bounded by Tom Gill Road, 2 Mile Line, Giles Road and U.S. 83. The Zone primarily consists of undeveloped or agricultural land with some commercial development. Since the creation of the Zone in 2004, development has been slow and has not occurred as originally anticipated, due to the economic downturn. Developments that have occurred since the Zone was created include a Walmart Supercenter which opened in 2009 and an apartment complex which was completed in 2016.

Second Amended Project Plan and Reinvestment Zone Financing Plan

The Board of Directors of the Zone and the City adopted a project plan and financing plan for the Zone in 2005 (the "Original Plan"). The Board of Directors of the Zone and the City adopted a First Amendment to the Project Plan and Reinvestment Zone Financing Plan (the "First Amended Plan"), in the fall of 2017, which Plan amended, and restated and replaced the Original Plan in its entirety. That First Amended Plan extended the duration of the Zone to December 31, 2047, to allow for continued improvements in the area and permit the Zone to complete the purposes for which it was established. That Amended Plan also permitted the Zone or the Penitas Redevelopment Authority (the "Authority") to incur debt and issue debt or obligations to satisfy developer reimbursements previously advanced for project costs or incur debt to undertake the projects on their own. Additionally, that Amended Plan allowed for updated development assumptions including Zone project costs, due to slow growth in the early years. In the Original Plan, development was expected to begin in 2005 with build out occurring thru 2018, however not much growth has occurred to date. The revised development plan includes a mixture of residential and commercial uses, including 1,681 single family homes. Commercial development was anticipated to begin in 2017, followed by residential development in 2019. Build out of the development is now projected to occur thru 2038. The increase in the term will allow additional time for the buildout to occur and for revenues to generate at levels adequate to pay the costs identified in this Amended Plan. In the Original Plan, annual revenue in 2014 was projected to equal approximately \$827,179, however due to slow growth, actual tax increment revenues collected in 2014 were \$138,000. Note: Schedule E reflects those project costs that have been paid or reimbursed to date. This **Second Amendment** clarifies a section of the Financing Plan pertaining to estimated bonded indebtedness, and sources of revenues which may be used to undertake financings of bonds, notes, and other obligations of the TIRZ and Redevelopment Authority.

Map 1 depicts the location of the Zone in context of the surrounding area.

A. Project Plan

Existing and Proposed Uses of Land (Texas Tax Code § 311.011(b)(1)):

Existing Conditions: Existing land uses within the Zone include predominately agriculture and undeveloped land with some commercial development, including a Walmart Supercenter and an apartment complex that were built after adoption of the Original Plan. Overall the area lacks adequate infrastructure including water, wastewater and drainage facilities, and a sufficient roadway network to support development of the land in the Zone. **Maps 2 and 3** depict existing conditions.

Surrounding Land Uses: Land surrounding the Zone ranges from undeveloped/farmland to single family residential, public and commercial uses. The aerial view shown in **Map 2** shows surrounding land uses.

Proposed Land Use: Proposed land uses shall include single-family residential, commercial, retail, and parks and open spaces with increasingly diminished undeveloped land over time.

Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances (Texas Tax Code § 311.011(b)(2)):

All construction will be done in conformance with existing building code regulations of the City. There are no proposed changes of any city development ordinances, master plans, or building codes.

Estimated Non-Project Costs (Texas Tax Code § 311.011(b)(3)):

The project costs referenced in **Table 1** are inclusive of project costs to be incurred by the Zone only. The costs that would otherwise be project costs but are derived from other parties, such as the City, the Texas Department of Transportation or private sources, are non-project costs. Non-Projects Costs were estimated at \$13,000,000 at the time the Original Plan was adopted.

Method of Relocating Persons to be Displaced, if any, as a result of implementing the Amended Plan (Texas Tax Code § 311.011(b)(4)):

There will be no persons displaced as a result of implementing this Amended Plan.

B. Reinvestment Zone Finance Plan

Estimated Project Costs (Texas Tax Code § 311.011(c)(1)):

Table 1 lists the estimated project costs for the Zone including administrative expenses. As set forth in this Second Amended Plan, the dollar amounts are approximate and may be amended from time to time by the Board of Directors of the Zone with approval of the City Council. The financing costs are a function of project financing needs and will vary with market conditions from the estimates shown on **Table 1**. The County revenues contributed to the Zone prior to this Amendment will be credited toward the overall County contribution cap.

Table 1 - Estimated Project Costs

Project	Estimated Costs
Water Improvements including wells	\$1,698,373
Waste Water Improvements	\$1,552,032
Drainage Improvements	\$6,093,650
Demolition Costs	\$ -
Relocation of Utility Lines	\$ -
Sidewalks	\$671,304
Streets	\$6,414,058
3 Bridges	\$2,250,000
Lights	\$724,388
Engineering/Surveying	\$1,800,000
Contingency	\$1,000,000
Zone Administration	\$1,200,000
Financing costs including interest	\$6,800,000
Total	\$30,203,805

Note: The project costs in this Second Amended Plan are not an increase over the project costs listed in the Original Plan, and the burden to the participating jurisdictions has not increased. This Amended Plan recognizes that the County will cap its overall participation in the Zone at \$15 million dollars.

Proposed Kind, Number, and Location of all Proposed Public Works or Public Improvements to be Financed by the Zone (Texas Tax Code § 311.011(c)(2)):

These details are described throughout this Second Amended Plan, including but not limited to roadway construction/reconstruction, stormwater conveyance and management systems, water, wastewater improvements, sidewalks, intersection improvements, lighting, signage, park and greenspace improvements, and landscaping enhancements. Water and waste water are located along major road ways and throughout subdivisions and commercial oriented locations. The bridges called for in the Original Plan were projected to cross the District 6 canal at two locations Liberty Boulevard and 23rd Street and the District 16 canal as it crosses Liberty Boulevard. The number and location of proposed improvements are contained in Table 1 and Map 4. The TIRZ Board and the City of Penitas will make final determinations on exact locations of infrastructure improvements.

Economic Feasibility (Texas Tax Code § 311.011(c)(3)):

An economic feasibility study was prepared as part of the Original Plan to assess the market for the proposed development. While development did not occur as anticipated when the Zone was originally created, due to the economic downturn, the area is now prime for development. Current economic conditions and growth, along with recent/planned infrastructure improvements support commercial and residential development in the area.

Development assumptions were updated as part of this Second Amended Plan. This Plan includes 1,681 single family homes and commercial uses valued at over \$55 million. Commercial development is anticipated to begin in 2017, followed by residential development in 2019. Build out of the development is projected to occur in 2038. Build out assumptions for residential and commercial development are provided in Schedules A and B.

The City and the Zone find that the development plan in this Second Amended Plan is economically feasible, as projected revenue estimates will generate approximately \$30 million more than is required to pay project costs including interest on debt. This is subject to the development time line and buildout being met by the developer. Schedules C and D constitute incremental revenue estimates for this Second Amended Plan.

Estimated Amount of Bond Indebtedness: Estimated Time When Related Costs or Monetary Obligations Incurred (Texas Tax Code § 311.011(c)(4), § 311.011(c)(5)):

The Zone or the Authority may issue bonds or other obligations secured in whole or in part by tax increment revenues to be collected in the Zone to finance public improvements to benefit the Zone, including "project costs" as defined in Texas Tax Code § 311.002. Bonds or any other obligations by the Zone or the Authority for project costs may be issued when actual or projected tax increment revenues, alone or in combination with any other actual or projected revenue sources, are available to support debt service on the obligations. The amount and timing of the issuance of such obligations will be contingent on market conditions for the issuance of such bonds or obligations along with the availability of revenues provided in Table 1 and Schedule C and D or any other lawful revenue sources available for debt service.

The Authority is currently contemplating selling \$5 to \$6 million in bonds as soon as it is feasible.

Methods and Sources of Financing Project Costs and Percentage of Increment from Taxing Units Anticipated to Contribute Tax Increment to the Zone (Texas Tax Code § 311.011(c)(6)):

Project costs will be financed with bonds or any obligations authorized by law and will be funded by tax increment revenues, grants, or any other funding source pursuant to any interlocal agreements, development agreements, or any other agreements, by and between the Zone or the Authority, any governmental entity or political subdivision, or any public or private entity that is a party to such agreement. Tax increment will consist of contributions from the City and Hidalgo County (the "County"). This figure is calculated as follows:

City contribution of \$0.5060/\$100 of assessed valuation

County contribution, estimated at \$0.4800/\$100 of assessed valuation. Note: The amended plan does comply with with Section VI-7 of the Hidalgo County's Tax

Increment Reinvestment Participation Policy, adopted on November 11-22-2016, which states "The aggregate amount of the County's participation in a TIRZ shall not exceed either: (i) the creating municipality's total contribution to a zone; unless (A) Special Circumstances apply and (B) the municipality is contributing a greater percentage of its tax rate than the County is contributing; and (ii) the maximum total contribution agreed to by the County in an Interlocal Agreement with the entity creating a TIRZ and the developer (if applicable)." The City participation rate for the Amended Plan currently provides for \$0.5060/ \$100 value versus the proposed County tax rate of \$0.48/\$100 value. At no time will the County be expected to contribute more than the City. Further, this Second Amended Plan recognizes that the County will cap its overall participation in the Zone at \$15 Million dollars.

Current Total Appraised Value of Taxable Real Property (Texas Tax Code § 311.011(c)(7)):

The 2016 appraised value of taxable real property in the Zone is \$19,902,548. Note: Base Value at the time of creation in 2004 was \$1,356,701.

Estimated Captured Appraised Value of Zone During Each Year of Existence (Texas Tax Code § 311.011(c)(8)):

It is projected that taxable property values in the Zone will increase by approximately \$415,000,000 by 2047 over the base value. Schedules C and D shows the annual captured value of these increases in property value during the existence of the Zone.

Zone Duration (Texas Tax Code § 311.011(c)(9)):

The Zone was established by the City on November 3, 2004 and will terminate on December 31, 2047. The Zone may terminate at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of proposed revenue bonds, notes or other obligations, if any, that all project costs, bonds, and interest on bonds have been paid in full.

REVENUE SCHEDULES / FEASIBILITY ANALYSIS

SCHEDULE A- RESIDENTIAL BUILD OUT

SCHEDULE B- COMMERCIAL BUILD OUT

SCHEDULE C-PROJECTED ASSESSED VALUATIONS

SCHEDULE D- PROJECTED ZONE REVENUES

SCHEDULE E- PROJECT COSTS PAID/ REIMBURSED TO DATE

SCHEDULE 3

FISCAL YEAR 2018-2038 STATEMENT JOURNAL AND CITY OF PERITO

Commercial Building Schedule in Thousands

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Original Value	\$2,100	\$2,100	\$1,970	\$4,385	\$3,400	\$1,800	\$2,400	\$3,130	\$1,050	\$1,050	\$1,000
Accumulated Depreciation											
Carrying Value	\$2,100	\$2,100	\$1,970	\$4,385	\$3,400	\$1,800	\$2,400	\$3,130	\$1,050	\$1,050	\$1,000
2028											
Original Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$17,775	\$2,400	\$3,130	\$1,050	\$2,175	\$2,175
Accumulated Depreciation											
Carrying Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$17,775	\$2,400	\$3,130	\$1,050	\$2,175	\$2,175
2036											
Original Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$43,475	\$2,500	\$48,475	\$2,500	\$2,500	\$2,500
Accumulated Depreciation											
Carrying Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$43,475	\$2,500	\$48,475	\$2,500	\$2,500	\$2,500
2037											
Original Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$43,475	\$48,475	\$54,475	\$50,975	\$50,975	\$50,975
Accumulated Depreciation											
Carrying Value	\$2,200	\$2,200	\$2,400	\$2,500	\$2,500	\$43,475	\$48,475	\$54,475	\$50,975	\$50,975	\$50,975
2038											

1. Carrying value in thousands of dollars

SCHEDULE C

TAX INCREMENT REINVESTMENT ZONE NO. ONE, CITY OF PENITAS

Projected Assessed Valuations

Tax Roll January 1	Incremental Residential Assessed Valuation	Residential Cumulative Assessed Valuation	No. of Homes Added	Cum. No. of Homes Added	Senior Citizen Exemption		Cumulative Commercial Valuation	City Projected Taxable Valuation	County Projected Taxable Valuation
					No. of Eligible Homes (5% of total)	County Exemption Amount (\$15,000)			
2016		2016 Actual							
2017	\$0	\$0	0	0	0.00	\$0	\$2,100,000	\$18,545,847	\$18,545,847
2018	\$0	\$0	0	0	0.00	\$0	\$5,600,000	\$20,645,847	\$20,645,847
2019	\$5,785,500	\$5,785,500	45	45	2.25	\$33,750	\$7,550,000	\$24,145,847	\$24,145,847
2020	\$6,435,100	\$12,220,600	50	95	4.75	\$71,250	\$12,375,000	\$31,881,347	\$31,847,597
2021	\$7,764,750	\$19,985,350	60	155	7.75	\$116,250	\$15,975,000	\$43,141,447	\$43,070,197
2022	\$8,211,350	\$28,196,700	64	219	10.95	\$164,250	\$17,775,000	\$54,506,197	\$54,389,947
2023	\$9,084,250	\$37,280,950	71	290	14.50	\$217,500	\$20,175,000	\$64,517,547	\$64,353,297
2024	\$9,591,750	\$46,872,700	75	365	18.25	\$273,750	\$23,275,000	\$76,001,797	\$75,784,297
2025	\$10,860,500	\$57,733,200	85	450	22.50	\$337,500	\$25,225,000	\$88,693,547	\$88,419,797
2026	\$11,621,750	\$69,354,950	91	541	27.05	\$405,750	\$27,175,000	\$101,504,047	\$101,166,547
2027	\$12,129,250	\$81,484,200	95	636	31.80	\$477,000	\$29,175,000	\$115,075,797	\$114,670,047
2028	\$12,129,250	\$93,613,450	95	731	36.55	\$548,250	\$31,175,000	\$129,205,047	\$128,728,047
2029	\$12,129,250	\$105,742,700	95	826	41.30	\$619,500	\$33,575,000	\$143,334,297	\$142,786,047
2030	\$12,129,250	\$117,871,950	95	921	46.05	\$690,750	\$35,975,000	\$157,863,547	\$157,244,047
2031	\$12,129,250	\$130,001,200	95	1,016	50.80	\$762,000	\$38,475,000	\$172,392,797	\$171,702,047
2032	\$12,129,250	\$142,130,450	95	1,111	55.55	\$833,250	\$40,975,000	\$187,022,047	\$186,260,047
2033	\$12,129,250	\$154,259,700	95	1,206	60.30	\$904,500	\$43,475,000	\$201,651,297	\$200,818,047
2034	\$12,129,250	\$166,388,950	95	1,301	65.05	\$975,750	\$45,975,000	\$216,280,547	\$215,375,047
2035	\$12,129,250	\$178,518,200	95	1,396	69.80	\$1,047,000	\$48,475,000	\$230,909,797	\$229,934,047
2036	\$12,129,250	\$190,647,450	95	1,491	74.55	\$1,118,250	\$50,975,000	\$245,539,047	\$244,492,047
2037	\$12,129,250	\$202,776,700	95	1,586	79.30	\$1,189,500	\$53,475,000	\$260,168,297	\$259,050,047
2038	\$12,129,250	\$214,905,950	95	1,681	84.05	\$1,260,750	\$55,975,000	\$274,797,547	\$273,608,047
2039	\$12,311,189	\$227,217,139	95	1,681	84.05	\$1,260,750	\$58,475,000	\$289,426,797	\$288,166,047
2040	\$12,495,857	\$239,712,995	95	1,681	84.05	\$1,260,750	\$61,475,000	\$302,577,611	\$301,316,861
2041	\$12,683,294	\$252,396,290	95	1,681	84.05	\$1,260,750	\$64,475,000	\$315,925,687	\$314,664,937
2042	\$12,873,544	\$265,269,834	95	1,681	84.05	\$1,260,750	\$67,475,000	\$329,473,984	\$328,213,234
2043	\$13,065,647	\$278,336,481	95	1,681	84.05	\$1,260,750	\$70,475,000	\$343,225,505	\$341,964,755
2044	\$13,262,647	\$291,599,127	95	1,681	84.05	\$1,260,750	\$73,475,000	\$357,183,300	\$355,922,550
2045	\$13,461,586	\$305,060,714	95	1,681	84.05	\$1,260,750	\$76,475,000	\$371,350,461	\$370,089,711
2046	\$13,663,510	\$318,724,224	95	1,681	84.05	\$1,260,750	\$79,475,000	\$385,730,130	\$384,469,380
2047	\$13,868,463	\$332,592,687	95	1,681	84.05	\$1,260,750	\$82,475,000	\$400,325,493	\$399,064,743
							\$64,001,254	\$415,139,788	\$413,879,038

SCHEDULE D

TAX INCREMENT REINVESTMENT ZONE NO. ONE, CITY OF PENITAS
 Projected Zone Revenues - County Participates until 2047

Tax Year	Collection Year	City Tax Rate	City Zone Collection	County Tax Rate (M&O Rate)	County Zone Collection	Gross Annual Zone Revenues Available	City Rebate for Services (5.1%)	County Revenue Retained (1.764%)	Annual Zone Revenue Available	Cumulative Zone Revenue Available
2017	2018	\$0.5060	\$104,468	\$0.4800	\$99,100	\$203,568	\$5,328	\$1,748	\$196,492	\$196,492
2018	2019	\$0.5060	\$122,178	\$0.4800	\$115,900	\$238,078	\$6,231	\$2,044	\$229,802	\$426,295
2019	2020	\$0.5060	\$161,320	\$0.4800	\$152,868	\$314,188	\$8,227	\$2,697	\$303,264	\$729,559
2020	2021	\$0.5060	\$218,296	\$0.4800	\$206,737	\$425,033	\$11,133	\$3,647	\$410,253	\$1,139,811
2021	2022	\$0.5060	\$275,801	\$0.4800	\$261,072	\$536,873	\$14,066	\$4,605	\$518,202	\$1,658,013
2022	2023	\$0.5060	\$326,459	\$0.4800	\$308,896	\$635,355	\$16,649	\$5,449	\$613,256	\$2,271,270
2023	2024	\$0.5060	\$384,569	\$0.4800	\$363,765	\$748,334	\$19,613	\$6,417	\$722,304	\$2,993,574
2024	2025	\$0.5060	\$448,789	\$0.4800	\$424,415	\$873,204	\$22,888	\$7,487	\$842,829	\$3,836,403
2025	2026	\$0.5060	\$513,610	\$0.4800	\$485,599	\$999,210	\$26,194	\$8,566	\$964,450	\$4,800,853
2026	2027	\$0.5060	\$582,284	\$0.4800	\$550,416	\$1,132,700	\$29,696	\$9,709	\$1,093,294	\$5,894,147
2027	2028	\$0.5060	\$653,778	\$0.4800	\$617,895	\$1,271,672	\$33,343	\$10,900	\$1,227,430	\$7,121,577
2028	2029	\$0.5060	\$725,272	\$0.4800	\$685,373	\$1,410,645	\$36,989	\$12,090	\$1,361,566	\$8,483,142
2029	2030	\$0.5060	\$798,790	\$0.4800	\$754,771	\$1,553,561	\$40,738	\$13,314	\$1,499,509	\$9,982,651
2030	2031	\$0.5060	\$872,308	\$0.4800	\$824,170	\$1,696,477	\$44,488	\$14,538	\$1,637,451	\$11,620,102
2031	2032	\$0.5060	\$946,332	\$0.4800	\$894,048	\$1,840,380	\$48,263	\$15,771	\$1,776,346	\$13,396,448
2032	2033	\$0.5060	\$1,020,356	\$0.4800	\$963,927	\$1,984,282	\$52,038	\$17,004	\$1,915,240	\$15,311,688
2033	2034	\$0.5060	\$1,094,380	\$0.4800	\$1,033,805	\$2,128,185	\$55,813	\$18,236	\$2,054,135	\$17,365,823
2034	2035	\$0.5060	\$1,168,404	\$0.4800	\$1,103,683	\$2,272,087	\$59,589	\$19,469	\$2,193,029	\$19,558,853
2035	2036	\$0.5060	\$1,242,428	\$0.4800	\$1,173,562	\$2,415,989	\$63,364	\$20,702	\$2,331,924	\$21,890,777
2036	2037	\$0.5060	\$1,316,452	\$0.4800	\$1,243,440	\$2,559,892	\$67,139	\$21,934	\$2,470,818	\$24,361,595
2037	2038	\$0.5060	\$1,390,476	\$0.4800	\$1,313,319	\$2,703,794	\$70,914	\$23,167	\$2,609,713	\$26,971,308
2038	2039	\$0.5060	\$1,464,500	\$0.4800	\$1,383,197	\$2,847,697	\$74,689	\$24,400	\$2,748,608	\$29,719,916
2039	2040	\$0.5060	\$1,531,043	\$0.4800	\$1,446,321	\$2,977,364	\$78,083	\$25,513	\$2,873,767	\$32,593,683
2040	2041	\$0.5060	\$1,598,584	\$0.4800	\$1,510,392	\$3,108,976	\$81,528	\$26,643	\$3,000,805	\$35,594,488
2041	2042	\$0.5060	\$1,667,138	\$0.4800	\$1,575,424	\$3,242,562	\$85,024	\$27,790	\$3,129,747	\$38,724,235
2042	2043	\$0.5060	\$1,736,721	\$0.4800	\$1,641,431	\$3,378,152	\$88,573	\$28,955	\$3,260,624	\$41,984,859
2043	2044	\$0.5060	\$1,807,347	\$0.4800	\$1,708,428	\$3,515,776	\$92,175	\$30,137	\$3,393,464	\$45,378,324
2044	2045	\$0.5060	\$1,879,033	\$0.4800	\$1,776,431	\$3,655,464	\$95,831	\$31,336	\$3,528,297	\$48,906,621
2045	2046	\$0.5060	\$1,951,794	\$0.4800	\$1,845,453	\$3,797,247	\$99,542	\$32,554	\$3,665,152	\$52,571,773
2046	2047	\$0.5060	\$2,025,647	\$0.4800	\$1,915,511	\$3,941,158	\$103,308	\$33,790	\$3,804,060	\$56,375,833
2047	2048	\$0.5060	\$2,100,607	\$0.4800	\$1,986,619	\$4,087,227	\$107,131	\$35,044	\$3,945,052	\$60,320,885
Totals						\$30,365,967	\$62,495,128	\$1,638,587	\$535,656	\$60,320,885

Revised 3/6/2017

SCHEDULE E—TIRZ REVENUES EXPENDED IN PAYMENT OF PROJECT COSTS

Table 1


Exhibit E -- Project costs financed or reimbursed to date

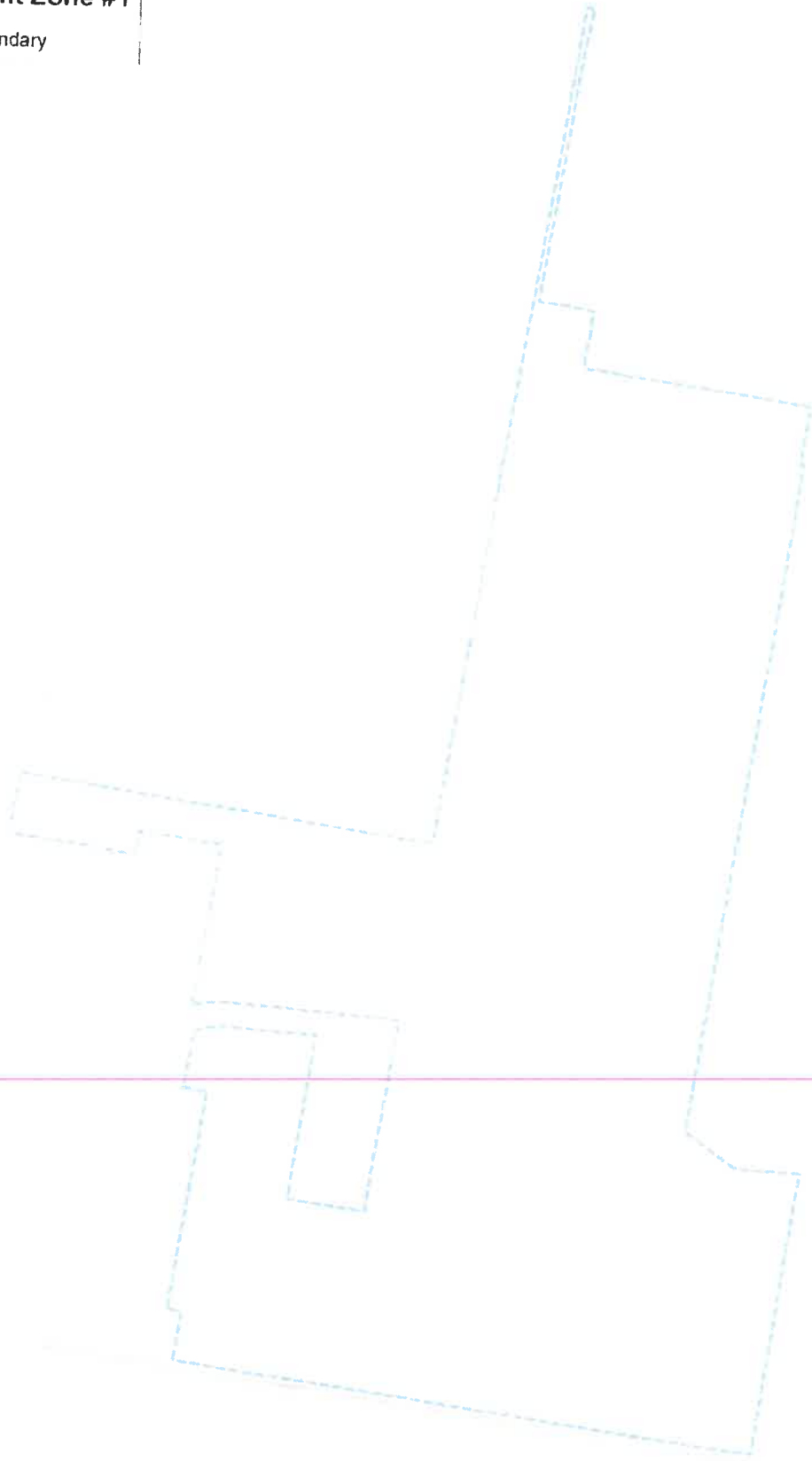
	Approved Project Cost Value	Amount disbursed to date
Water Improvements including wells	\$1,698,373	\$0
Waste Water Improvements	\$1,552,032	\$0
Drainage Improvements	\$6,093,650	\$0
Demolition Costs	\$0	\$0
Utility Relocation	\$0	\$0
Sidewalks	\$671,304	\$0
Streets	\$6,414,058	\$241,213
3 bridges	\$2,250,000	\$0
Lights	\$724,388	\$0
Engineering/Surveying	\$1,800,000	\$0
Contingency	\$1,000,000	\$0
Zone Admin	\$1,200,000	\$174,419
Financing Costs	\$6,800,000	
Totals	\$30,203,805	\$415,632

MAP 1--BOUNDARY

Map 1

**Penitas Tax Increment
Reinvestment Zone #1**

 Zone Boundary



Sources: Esri, DeLorme, NAVTEQ, TomTom, USGS, Intermap, iPC, NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand)

MAP 2 –Aerial View of Property in and surrounding the zone.

Map 2

Penitas Tax Increment Reinvestment Zone #1

 Zone Boundary

3 Mile Line

Mesquite
La Joya
Penitas
Palm

N 11TH ST

N 11TH ST

NA VISTA ST

County Road 3165

GRANITE DR

DIAMOND AVE

US 83

FM 1427
CINDY AVE

ALMA AVE

US 83

BU 83

US 83

County Road 3164

Sapphire
Ruby
Quartz
Platinum
Opal
Nugget

Tom Gill

Marble

County Road 8352

Sapphire
Ruby
Quartz
Platinum
Opal
Nugget

LIBERTY

White Rock

Volcano

County Road 3055

La Plaza
La Plaza

La Plaza

Ozuna

Arboledas

La Fuente

Tomy

Jesus

County Road 3055

Bell Farm

N 23RD ST

0 500 1,000 2,000 Feet



NORTH

Map 3 Existing Land Use/ Property Classification

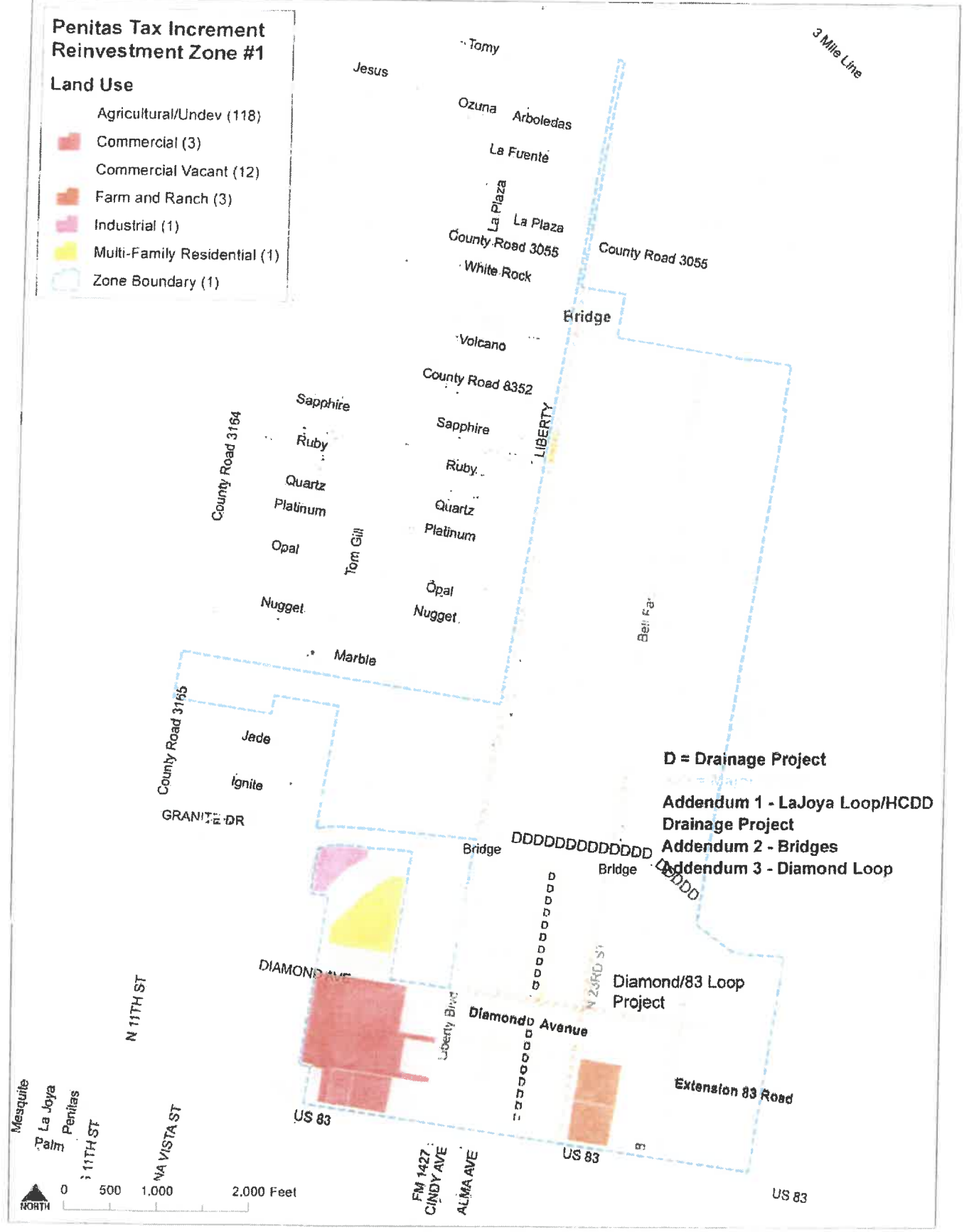
Map 4- Location of Proposed Project / Infrastructure Improvements.

Map 7

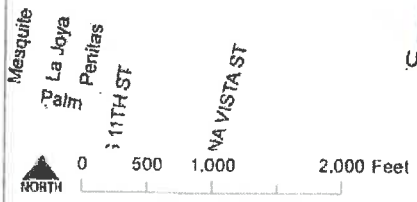
Penitas Tax Increment Reinvestment Zone #1

Land Use

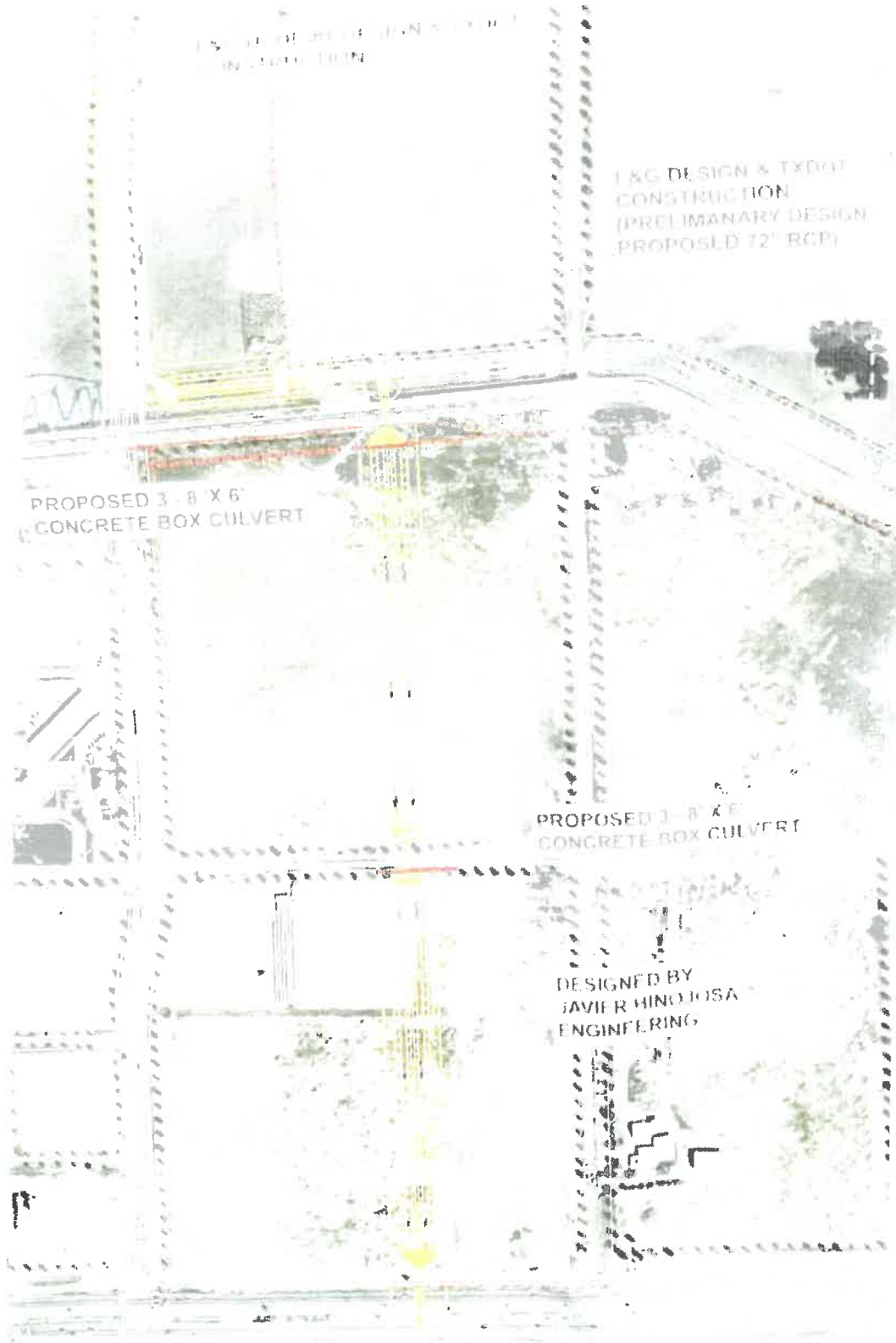
- Agricultural/Undev (118)
- Commercial (3)
- Commercial Vacant (12)
- Farm and Ranch (3)
- Industrial (1)
- Multi-Family Residential (1)
- Zone Boundary (1)



D = Drainage Project
Addendum 1 - LaJoya Loop/HCCD Drainage Project
Addendum 2 - Bridges
Addendum 3 - Diamond Loop

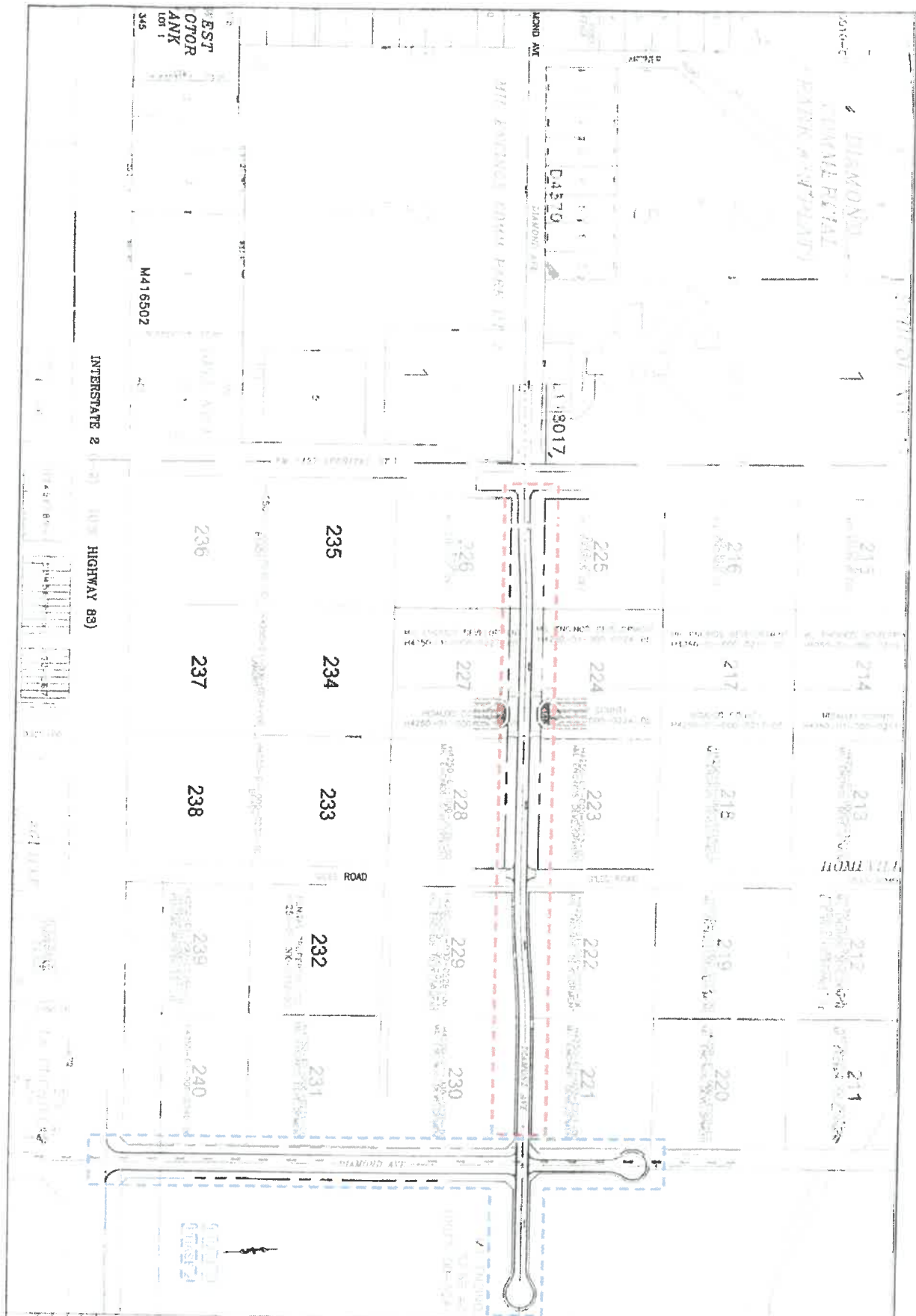


ADDENDUM 1



ADDENDUM 2





PHASE 1 & 2 EXHIBIT
CITY OF PENITAS - DIAMOND AVE PAVING & DRAINAGE IMPROVEMENTS

C S J GROUP
 ENGINEERS • CONSULTANTS • MANAGERS
 835 E. ALBERLA RD. | EDINBURG TX 78539
 956.239.2984 | eddie@csjgroup.com
 FIRM REGISTRATION #1-17262 (TEXAS)

THIS DOCUMENT IS THE PROPERTY OF C S J GROUP AND IS LOANED TO YOU FOR THE PURPOSES OF THE PROJECT ONLY. IT IS NOT TO BE REPRODUCED, COPIED, OR DISTRIBUTED WITHOUT THE WRITTEN PERMISSION OF C S J GROUP.
 DATE: 07/07/17

1 OF 1