



**CITY OF ANGLETON  
TAX INCREMENT REINVESTMENT ZONE NO. 2 AGENDA  
120 S. CHENANGO STREET, ANGLETON, TEXAS 77515  
THURSDAY, DECEMBER 16, 2021 AT 3:00 PM**

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**NOTICE IS HEREBY GIVEN PURSUANT TO V.T.C.A., GOVERNMENT CODE, CHAPTER 551, THAT THE TAX INCREMENT REINVESTMENT ZONE NO. 2 FOR CITY OF ANGLETON WILL CONDUCT A MEETING, OPEN TO THE PUBLIC, ON THURSDAY, DECEMBER 16, 2021, AT 3:00 P.M., AT THE CITY OF ANGLETON COUNCIL CHAMBERS LOCATED AT 120 S. CHENANGO STREET ANGLETON, TEXAS 77515.**

1. Declaration of a quorum and call to order.
2. Discussion and possible action to approve the minutes of the Angleton TIRZ No. 2 January 28, 2021 meeting.
3. Discussion and possible action on the Proposed Final Project and Finance Plan for Tax Increment Reinvestment Zone #2 to forward to City Council for adoption.
4. Discussion and possible action on future meetings of the Board of Directors.

**ADJOURNMENT**

**CERTIFICATION**

I, Frances Aguilar, City Secretary, do hereby certify that this Notice of a Meeting was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times and to the City's website, [www.angleton.tx.us](http://www.angleton.tx.us), in compliance with Chapter 551, Texas Government Code. The said Notice was posted on the following date and time: Monday, December 13, 2021 by 3:00 p.m. and remained so posted continuously for at least 72 hours proceeding the scheduled time of said meeting.

/S/ Frances Aguilar  
Frances Aguilar, TRMC, MMC  
City Secretary

*In compliance with the Americans with Disabilities Act, the City of Angleton will provide reasonable accommodations for persons attending City Council meetings. The facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary at 979-849-4364, extension 2115 or email [citysecretary@angleton.tx.us](mailto:citysecretary@angleton.tx.us).*



## AGENDA ITEM SUMMARY FORM

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**MEETING DATE:** 5/6/2021

**PREPARED BY:** Frances Aguilar

**AGENDA CONTENT:** Discussion and possible action to approve the minutes of the Angleton TIRZ No. 2 January 28, 2021 meeting.

**AGENDA ITEM SECTION:** Regular Agenda

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**BUDGETED AMOUNT:** EnterTextHere      **FUNDS REQUESTED:** EnterTextHere

**FUND:** EnterTextHere

**EXECUTIVE SUMMARY:**

The following minutes to be approved as presented: minutes of the Angleton City Council TIRZ No. 2 January 28, 2021 meeting.

**RECOMMENDATION:**

Staff recommends approval.



**CITY OF ANGLETON**  
**TAX INCREMENT REINVESTMENT ZONE NO. 2 MEETING**  
**120 S. CHENANGO STREET, ANGLETON, TEXAS 77515**  
**THURSDAY, JANUARY 28, 2021 AT 3:00 PM**

## MINUTES

THE FOLLOWING REPRESENTS THE ACTIONS TAKEN BY THE ANGLETON TAX INCREMENT REINVESTMENT ZONE NO. 2 IN THE ORDER THEY OCCURRED DURING THE MEETING. THE TAX INCREMENT REINVESTMENT ZONE NO. 2, TEXAS CONVENED IN A REGULAR MEETING ON THURSDAY, JANUARY 28, 2021 AT 3:00 PM, IN THE ANGLETON CITY HALL COUNCIL CHAMBERS, 120 S. CHENANGO, ANGLETON, TEXAS.

### DECLARATION OF A QUORUM AND CALL TO ORDER

With a quorum present, Sue Darcy on behalf of Mayor Perez, called the Meeting to order at 3:06 P.M.

### PRESENT

Chair, Position 1 Jason Perez  
 Vice Chair, Position 3 John Wright  
 Director, Position 4 Cecil Booth  
 Director, Position 5 Mike Carroll  
 Director, Position 2 Robin Crouch

### REGULAR AGENDA

1. Welcome and introductions; discuss qualifications of directors.

Sue Darcy, Associate of Marsh Darcy Partners introduced herself; along with Jan Buehler, executive administrator; and Alan Mueller, who wrote the Preliminary Project Plan. Ms. Darcy stated that Marsh Darcy Partners is involved in the capacity of their contract with the developer, Mike Carroll and Mr. John Santasiero of Riverway Properties, to assist in the creation of the Tax Increment Reinvestment Zone including the organization of the Board and adoption of the Final Project and Financing Plan.

2. Discussion and possible action to organize the Board of Directors and elect Officers.

Ms. Darcy stated that the purpose of the meeting was to organize the Board into a functioning entity. The statute allows the City Council to appoint a Chair annually. The City has appointed Jason Perez. The Board is authorized to organize itself with a Vice Chair and Secretary. Ms. Darcy described the duties of both positions and asked for a volunteer to fill the Vice Chair position. Hearing none, the Board was asked to nominate a Director.

Upon a motion by Chair Perez and seconded by Director Carroll, the Board elected John Wright to Vice Chair. The motion passed on a 5-0 vote.

Upon a motion by Chair Perez and seconded by Director Crouch, the Board elected Mike Carroll to Secretary. The motion passed on a 5-0 vote.

3. Discussion and possible action on Open Meetings Act and Public Information Act training requirements.

**Ms. Darcy advised that the Board is a public body and subject to Open Government Law requirements. The Directors should complete the training and submit documentation of course completion within 90 days of this meeting.**

4. Discussion on the conflict of interest disclosure required under Chapter 176 of the Texas Local Government Code, including review of disclosure forms adopted by the Texas Ethics Commission and List of Local Government Officers.

**Ms. Darcy advised that, since this body will be dealing with issues relating to City regulations and the implementation of the TIRZ plan, the Directors are subject to the Conflict of Interests statute within Chapter 176 of the Local Government Code. The corresponding Forms CIS and CIQ included in the packet should be reviewed by each Director and, if desired, discussed with Ms. El Masri.**

5. Discussion and possible action on the basics of tax increment financing, the role and functions of the Zone and the Board of Directors, and the creation of the Zone.

**The presentation was made by Ms. Darcy on the aspects of tax increment financing, how a TIRZ works, the background and steps taken to date for creation of the Angleton TIRZ 2. Ms. Darcy reviewed the TIRZ enabling creation statute under Chapter 311 of the Texas Tax Code, other documents and criteria required including the Project Plan, Financing Plan, development financing agreements, possible bond covenants, and the powers of the Board and its relationship with City Council.**

6. Discussion and possible action on the Preliminary Project Plan, Reinvestment Zone Financing Plan, and on the preparation of the Final Project Plan and Reinvestment Zone Financing Plan.

**Mr. Mueller reported that the Preliminary Plan is required, by statute, to be prepared prior to the creation, and that the format of the Preliminary Plan document is specified by the statute as denoted in each section. The review of the Preliminary Plan by the Board will be followed by the creation of the Final Project Plan. Director Wright asked whether the tax rate listed at time of adoption will remain the same if the rate changes. Mr. Mueller advised that, the 2020 tax rate was used in preparation of the document, however the key number is the 27% noting that increment collected in 2021 will be 27% of taxes generated by the current rate. Ms. Darcy advised the Board that if there were no objections, Marsh Darcy would proceed to prepare the Final Project and Financing Plan for Board consideration at its next meeting.**

7. Discussion and possible action on future TIRZ No. 2 Board of Directors Meetings.

Ms. Darcy suggested the next meeting date of February 18th, a few days before the second Council meeting in February, to approve the Final Plan to be placed on that Council agenda.

**ADJOURNMENT**

The meeting was adjourned at 3:51 P.M.

These minutes were approved by Angleton TIRZ NO. 2 Board on this the 6th day of May 2021, upon a motion by XX, seconded by XX. The motion passed on a 5-0 vote.

CITY OF ANGLETON, TEXAS

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Jason Perez  
Chair

ATTEST:

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Frances Aguilar, TRMC, CMC  
City Secretary



## AGENDA ITEM SUMMARY FORM

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**MEETING DATE:** 12/16/2021

**PREPARED BY:** Chris Hill, Finance Director

**AGENDA CONTENT:** Discussion and possible action on the Proposed Final Project and Finance Plan for Reinvestment Zone #2 to forward to City Council for adoption.

**AGENDA ITEM SECTION:** Regular Agenda

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**BUDGETED AMOUNT:** N/A

**FUNDS REQUESTED:** N/A

**FUND:** N/A

**EXECUTIVE SUMMARY:**

Attached is the proposed Final Project and Finance Plan for Reinvestment Zone #2 (Riverwood Ranch) for discussion and resolution of any items with the City attorney and P3 Works.

**RECOMMENDATION:**

Staff recommends board discuss and approve the Proposed Final Project and Finance Plan and forward to City Council for adoption.



REINVESTMENT ZONE NUMBER TWO,  
CITY OF ANGLETON, TEXAS  
FINAL PROJECT AND FINANCE PLAN  
TBD, 2021

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## SECTION 1: INTRODUCTION

### 1.1 Authority and Purpose

The City of Angleton, Texas, a Texas home-rule municipality (the “City”) has the authority under Chapter 311, Texas Tax Code, Tax Increment Financing Act, as amended (the “Act”) to designate a contiguous or noncontiguous geographic area within the corporate limits or extraterritorial jurisdiction of the City as a tax increment reinvestment zone to promote development or redevelopment of the area because the governing body of the City (the “City Council”) has determined that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the City and the property in the Zone. The purpose of the Zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the Zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

### 1.2 Eligibility Requirements

An area is eligible under the Act to be designated as a tax increment reinvestment zone if it is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City. The City cannot, however, designate a zone if more than thirty percent (30%) of the property in the proposed zone, excluding property that is publicly owned, is used for residential purposes, or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds fifty percent (50%) of the total appraised value of taxable real property in the City and in industrial districts created by the City.

### 1.3 The Zone

The City Council created a tax increment reinvestment zone to be known as “*Reinvestment Zone Number Two, City of Angleton, Texas*” (the “Zone”) that includes approximately 78.1 acres of land as depicted on **Exhibit A** and described on **Exhibit H** (the “Property”). The Property is owned by Riverway Capital Partners, LLC (the “Owner”). The Property is currently zoned planned development. The Property is primarily undeveloped, and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. The costs of constructing the infrastructure within the Property to serve the demands of contemporary homebuyers are significant. The Property substantially impairs and arrests the sound growth of the City because it is predominately open and undeveloped due to factors such as the lack of public infrastructure and the need for economic incentive to attract development to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone. If the public improvements,

and other projects are financed as contemplated by this Final Plan (hereinafter defined), the City envisions that the Property will be developed to take full advantage of the opportunity to bring to the City, and Brazoria County, (the "County"), a quality master planned residential and commercial development.

#### **1.4 Preliminary Plan and Hearing**

Before the City Council adopted the ordinance designating the Zone, the City Council prepared a preliminary reinvestment zone financing plan in accordance with the Act and held a public hearing on the creation of the Zone and its benefits to the City and to the Property, at which public hearing interested persons are given the opportunity to speak for and against the creation of the Zone, the boundaries of the Zone and the concept of tax increment financing, and at which hearing the owners of the Property were given a reasonable opportunity to protest the inclusion of their Property in the Zone. The requirement of the Act for a preliminary reinvestment zone financing plan was satisfied by the *Reinvestment Zone Number Two, City of Angleton, Texas Preliminary Project and Finance Plan* dated July 14, 2020 (the "Preliminary Plan"), the purpose of which was to describe, in general terms, the public improvements that will be undertaken and financed by the Zone. A description of how such public improvements and projects will be undertaken and financed will be determined by this Final Plan and by the TIRZ Agreement (both hereinafter defined), which require approval by the Board (hereinafter defined) and by the City Council.

#### **1.5 Creation of the Zone**

Upon the closing of the above referenced public hearing, the City Council adopted Ordinance No. 20200714-012 creating the Zone in accordance with the Act (the "Creation Ordinance") finding (1) that development or redevelopment of the Property would not occur solely through private investment in the reasonably foreseeable future, (2) that the Zone is feasible, and (3) that improvements in the Zone will significantly enhance the value of all the taxable real property in the Zone and will be of general benefit to the City. Among other provisions required by the Act, the Creation Ordinance appointed a Board of Directors for the Zone (the "Board").

#### **1.6 Board Recommendations**

After the creation of the Zone, the Board reviewed this Final Plan, and has approved and recommended to the City Council a "*Reinvestment Zone Number Two, City of Angleton, Texas, Final Project and Finance Plan*" (this "Final Plan"), and an agreement between the Owner, Board, and City (the "TIRZ Agreement") consistent with the Facilities and Creation Costs Agreement (defined hereafter) pursuant to which the City will contribute a portion of its ad valorem tax increment attributable to new development in the Zone (the "Tax Increment") into a tax increment fund created by the City and segregated from all other funds of the City (the "TIRZ

Fund”) to pay to the Owner, in accordance with the TIRZ Agreement, the costs of public improvements and other projects benefiting the Zone.

### **1.7 Council Action**

The City Council will take into consideration the recommendations of the Board and will consider approval of this Final Plan. If the TIRZ Agreement is approved, the City Council will authorize and direct its execution.

On November 12, 2019, the City Council created a Public Improvement District (the “Riverwood Ranch PID”) on the same boundary, by approving Resolution No. 20191112-011. Combining the resources of the Riverwood Ranch PID with the resources of the Zone shall provide a mechanism for the feasibility of high-quality residential development within the Zone.

On July 14, 2020, the City and the Owner entered into a Facilities and Creation Costs Reimbursement Agreement (the “Facilities and Creation Costs Agreement”), which detailed certain obligations of the Zone.

## **SECTION 2: DESCRIPTION AND MAPS**

### **2.1 Existing Uses and Conditions**

The Property is currently located within the corporate limits of the City and is zoned planned development, in accordance with the City’s zoning ordinance. The property is predominantly open and contains several deteriorating, obsolete, and potentially unsafe structures. The absence of any internal roadways, sidewalks, or utilities are inadequate for productive use of the land. The current condition of the property substantially impairs the sound growth of the City.

Development will require extensive public infrastructure that: (1) the City cannot provide, and (2) will not be provided solely through private investment in the foreseeable future. A map of the Property and the Zone is shown on **Exhibit A**.

### **2.2 Proposed Uses**

The proposed use of the Property is a residential subdivision to be known as Riverwood Ranch, consisting of up to 318 single-family residential homes. It is currently anticipated that the first phase shall consist of approximately 205 single-family residential homes.

## **SECTION 3: PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS**

The Property is wholly located in the corporate limits of the City and shall be subject to the City’s zoning regulation. The City has exclusive jurisdiction over the subdivision and platting of the

property within the Property and the design, construction, installation, and inspection of water, sewer, drainage, roadway, and other public infrastructure. No proposed changes to zoning ordinances, comprehensive plan, building codes, subdivision rules, or other municipal ordinances are planned.

#### SECTION 4: RELOCATION OF DISPLACED PERSONS

No persons were displaced and in need of relocation due to the creation of the Zone or will be due to the implementation of this Final Plan.

#### SECTION 5: ESTIMATED NON-PROJECT COSTS

Non-project costs are private funds that will be spent to develop in the Zone but will not be financed by the Zone. The list of non-project costs is shown on **Exhibit C** and are estimated to be approximately \$41.1 million.

#### SECTION 6: PROPOSED PUBLIC IMPROVEMENTS

##### 6.1 Categories of Public Improvements

The proposed public improvements to be financed by the Zone include roadway improvements, water improvements, wastewater improvements, storm water improvements, landscaping and park improvements, and professional services (the “Public Improvements”), as depicted in **Exhibit B**. All Public Improvements shall be designed and constructed in accordance with all applicable City standards and shall otherwise be inspected, approved, and accepted by the City. At the City's option, the Public Improvements may be expanded to include any other category of improvements authorized by the Act.

The Public Improvements are in compliance with Chapter 311 and the Facilities and Creation Costs Reimbursement Agreement, based on the specific categories described below:

- *Capital Costs* related to construction of water, sanitary, sewer, storm drainage and detention, paving, landscaping, amenities, and other improvements.
- *Land Costs* associated with property formally conveyed to the public in conjunction with the implementation of projects otherwise eligible for reimbursement may also be eligible for reimbursement.
- *Professional Services Costs* incurred for architectural, planning, engineering, legal, landscape architecture, environmental, archaeological, and other services necessary to a project.

- *Financing Costs* related to developer interest, and financing interest, or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity.
- *Operational Expenses* as may be necessary to provide for the proper administration of the Zone, operation of Zone facilities and services provided therein, over the life of the TIRZ.

## 6.2 Locations of Public Improvements

The estimated locations of the proposed Public Improvements are depicted on **Exhibit G**. These locations may be revised, with the approval of the City, from time to time without amending the Final Plan.

# SECTION 7: ESTIMATED PROJECT COSTS

## 7.1 Project Costs

In accordance with Chapter 311, the total costs for projects in the Zone include the Public Improvements and the cost of administering the Zone (the “Project Costs”). The total Project Costs for the first phase of the development are currently estimated to be \$5.7 million, as shown on **Exhibit B**. It is anticipated that this Final Plan shall be amended in the future, in order to add additional projects for a future improvement area within the Zone.

## 7.2 Estimated Costs of Public Improvements

The Public Improvements are comprised of roads, water, storm drainage, wastewater, landscape and park improvements, and professional services (the “Public Improvement”). The total estimate costs of the Public Improvements are estimated at \$5.3 million, as shown on **Exhibit B**.

## 7.3 Estimated Administrative Costs

The estimated costs for administration of the Zone shall be the actual, direct costs paid or incurred by or on behalf of the City to administer the Zone (the “Administrative Costs”). The Administrative Costs include the costs of professional services, including those for planning, engineering, and legal services paid by or on behalf of the City. The Administrative Costs also include organizational costs, the cost of publicizing the creation of the Zone, and the cost of implementing the project plan for the Zone paid by or on behalf of the City that are directly related to the administration of the Zone. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid. The Administrative Costs are estimated to be \$10,000 per year beginning 2022 and escalating at two percent (2%) thereafter.

#### 7.4 Estimated Timeline of Incurred Costs

The Administrative Costs will be incurred annually beginning at the time the Zone is created and through the duration of the Zone. It is estimated the Project Costs will be incurred during calendar years 2022 through 2024 as shown on **Exhibit E**.

### SECTION 8: ECONOMIC FEASIBILITY

#### 8.1 Feasibility Study

For purposes of this Final Plan, economic feasibility has been evaluated over the term of the Zone, as shown on **Exhibit E** (the "Feasibility Study"). This evaluation focuses on only direct financial benefits (i.e. ad valorem tax revenues from the development of Public Improvements in the Zone). Based on the Feasibility Study, during the term of the Zone, new development (which would not have occurred but for the Zone will generate approximately \$11.0 million in total new City real property tax revenue. The City, as a participant, will benefit from the new development within the Zone and will retain approximately \$8.0 million in net additional real property tax revenue.

The Feasibility Study shows a portion of the new real property tax revenue generated by the Zone will be retained by the City. The remainder of the new real property tax revenue generated within the Zone will be available to pay Project Costs, until the term expires or is otherwise terminated. Upon expiration or termination of the Zone, one hundred percent (100%) of all tax revenue generated within the Zone will be retained by the respective taxing entities. Based on the foregoing, the feasibility of the Zone has been demonstrated.

### SECTION 9: ESTIMATED BONDED INDEBTEDNESS

No bonded indebtedness issued by the City pursuant to the Act is contemplated. Nothing in this section is intended to prohibit the ability of the City to issue or cause to be issued bonds, notes, or other obligations secured by tax increment revenues up to the maximum amount that may be financed by available increment. The use of the proceeds of such bonds would be limited to the eligible Project Costs identified in this Final Plan.

### SECTION 10: APPRAISED VALUE

#### 10.1 2020 Appraised Value of Taxable Real Property

The appraised value of all taxable real property in the Zone at the time of creation is estimated at \$125,440, which represents the Tax Increment Base, (the "Tax Increment Base") of the Property and is determined by the Brazoria County Appraisal District in accordance with Section 311.012(c) of the Act.

## 10.2 Estimated Captured Appraised Value

The amount of the Tax Increment for a year during the term of the Zone is the amount of property taxes levied and collected by the City for that year on the captured appraised value of the Property less the Tax Increment Base of the Property, (the "Captured Appraised Value"). The Tax Increment Base of the Property is the total taxable value of the Property for the year in which the Zone was designated, as described in **Section 10.1** above. It is estimated that upon expiration of the term of the Zone, the total Captured Appraised Value of taxable real property in the Zone will be approximately \$76.2 million, as shown on **Exhibit E**. The actual Captured Appraised Value, as certified by the Brazoria County Appraisal District will, for each year, will be used to calculate annual payment by the City into the TIRZ Fund pursuant to the Final Plan.

## SECTION 11: METHOD OF FINANCING

This Final Plan shall obligate the City to deposit into the TIRZ Fund each year for the duration of the Zone an amount equal to twenty-seven percent (27%) of the Captured Appraised Value in the Zone levied and collected that constitutes the Tax Increment for that year. For example, in FY 2021, the City tax rate is \$0.66514 per \$100 of assessed value, therefore the City will contribute \$0.17958888 per \$100 of the Captured Appraised Value in the Zone levied and collected.

The revenue produced by the Zone (the "TIRZ Revenue") shall be used annually as follows:

- 1) For reasonable Administrative Costs of the Zone; then
- 2) As a credit towards the principal and interest on the Riverwood Ranch PID Bonds, as further defined and described in the Riverwood Ranch PID Service and Assessment Plan (the "TIRZ No. 2 Annual Credit Amount"); then
- 3) Any remaining TIRZ Revenue after the first two obligations shall be transferred to the General Fund of the City.

All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City unless otherwise approved by the governing body, and the TIRZ Fund shall only be used to pay the Project Costs in accordance with this Final Plan and the TIRZ Agreement. The City may amend this Final Plan in compliance with the TIRZ Agreement, including but not limited to what is considered a Project Cost.

Pursuant to the Facilities and Creation Costs Agreement, the Owner has paid, and will in the future pay, those Project Costs attributable to the Public Improvements and will construct or cause to be constructed the Public Improvements. The Public Improvements are to be constructed within the boundaries of the Riverwood Ranch PID and are to be financed in part by the City via the issuance of Riverwood Ranch PID Bonds, as further described in the Riverwood

Ranch PID Service and Assessment Plan. In accordance with the Facilities and Creation Costs Agreement, the Zone shall contribute to the Public Improvements annually, in the form of the TIRZ No. 2 Annual Credit Amount, as further described in the Riverwood Ranch PID Service and Assessment Plan, and as depicted on **Exhibit F**.

## **SECTION 12: DURATION OF THE ZONE, TERMINATION**

### **12.1 Duration**

The stated term of the Zone commenced on the creation of the Zone and shall continue until the earlier of (1) thirty (30) years, with the last contribution to the TIRZ Fund being received by January 31, 2051, or (2) the date when all Project Costs are paid, and any debt is retired, or (3) unless otherwise terminated in accordance with the TIRZ Creation Ordinance.

### **12.2 Termination**

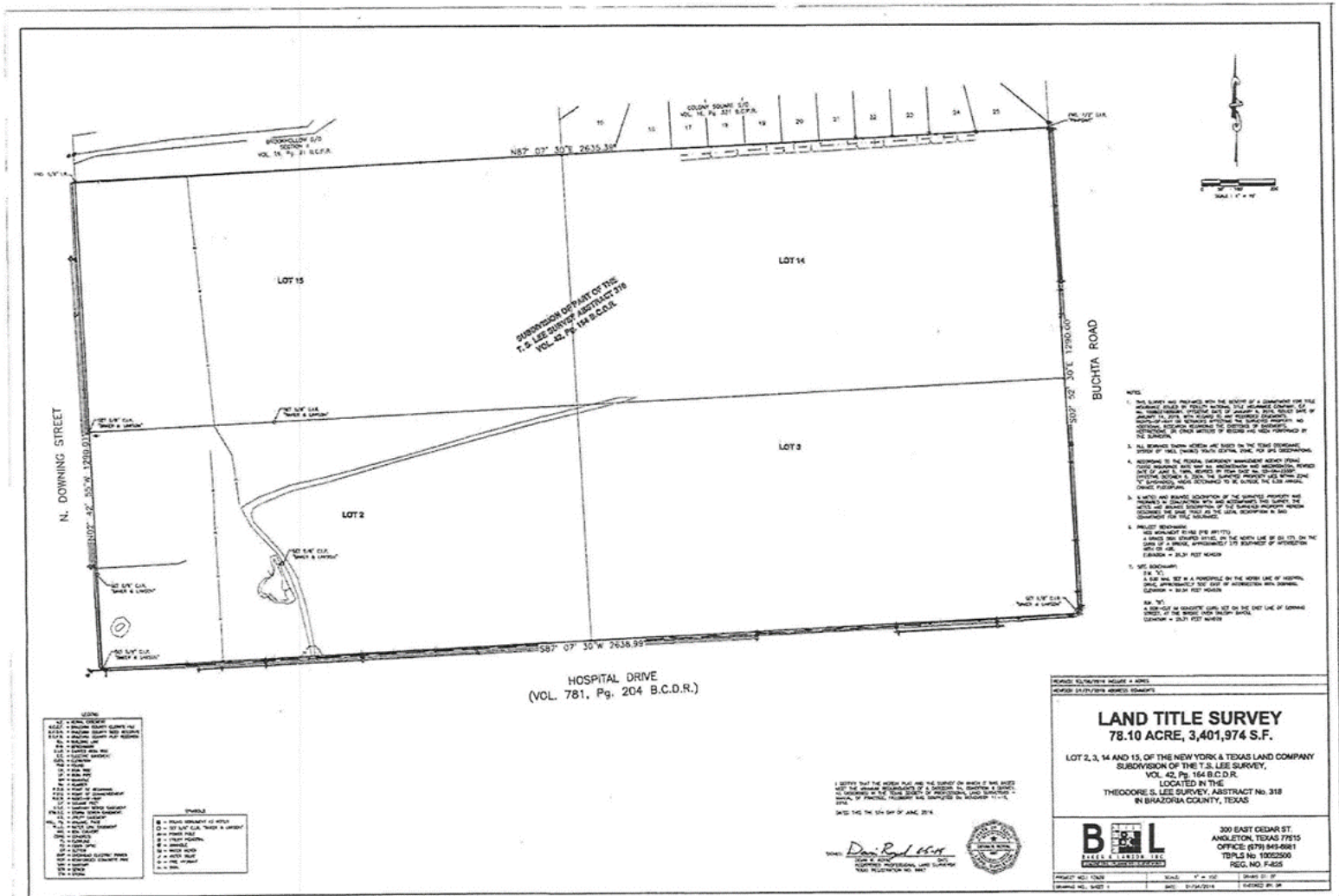
The Zone will terminate prior to the expiration of its stated term if the Project Costs have been fully paid by the revenue collected into the TIRZ Fund and distributed according to this Final Plan. If upon expiration of the stated term of the Zone, the Project Costs have not been funded by the Zone, the City shall have no obligation to pay the shortfall and the term shall not be extended. The provisions of this section shall be included in the TIRZ Agreement. Nothing in this section is intended to prevent the City from extending the term of the Zone in accordance with the Act.

**LIST OF EXHIBITS**

- Exhibit A**     Map of the Zone
- Exhibit B**     Project Costs
- Exhibit C**     Non-Project Costs
- Exhibit D**     Estimated Timeline of Incurred Costs
- Exhibit E**     Feasibility Study
- Exhibit F**     Annual TIRZ Credit Amount
- Exhibit G**     Map of the Public Improvements
- Exhibit H**     Legal Description

*[Remainder of page left intentionally blank.]*

EXHIBIT A – MAP OF THE ZONE



## EXHIBIT B – PROJECT COSTS

Public Improvements	
Roadway	\$ 1,698,506
Water	\$ 376,407
Wastewater	\$ 452,137
Storm Water	\$ 655,617
Landscape and Park	\$ 425,589
Contingency	\$ 360,826
Soft Costs	\$ 541,238
Bond Issuance Costs & District Formation Expenses	\$ 845,304
<b>Subtotal</b>	<b>\$ 5,355,625</b>
<b>Administrative Costs</b>	<b>\$ 405,681</b>
<b>Total Project Costs</b>	<b>\$ 5,761,306</b>

**EXHIBIT C – NON-PROJECT COSTS**

Reinvestment Zone No. 2, City of Angleton Non-Project Costs						
Land Use <sup>1</sup>	Units	Lot Value per Unit/SF	Total Finished Lot Value	Buildout Value per Unit/SF	Total Buildout Value	Estimated Non Project Costs
Lot Type 1 (45')	148	\$ 42,750	\$ 6,327,000	\$ 241,000	35,668,000	\$ 29,341,000
Lot Type 2 (50')	30	\$ 47,500	\$ 1,425,000	\$ 254,000	7,620,000	\$ 6,195,000
Lot Type 3 (60')	27	\$ 57,000	\$ 1,539,000	\$ 263,347	7,110,369	\$ 5,571,369
<b>Total</b>	<b>205</b>		<b>\$ 9,291,000</b>		<b>\$ 50,398,369</b>	<b>\$ 41,107,369</b>

1) Based on data provided by the Owner, includes only Improvement Area #1 units, as further described in the Riverwood Ranch PID Service and Assessment Plan.

**EXHIBIT D – ESTIMATED TIMELINE OF INCURRED COSTS**

Zone Year	Calendar Year	Collection Year	Project Costs					
			Beginning TIRZ Fund Balance	Admin. Costs	TIRZ No. 2 Annual Credit Amount	Deposit to General Fund		
						Annual	Cumulative	
Base	2020	2021						
1	2021	2022	\$ -	\$ 10,000	\$ -	\$ -	\$ -	
2	2022	2023	\$ -	\$ 10,200	\$ -	\$ -	\$ -	
3	2023	2022	\$ 30,194	\$ 10,404	\$ 19,790	\$ -	\$ -	
4	2024	2025	\$ 59,916	\$ 10,612	\$ 49,304	\$ -	\$ -	
5	2025	2022	\$ 90,233	\$ 10,824	\$ 79,409	\$ -	\$ -	
6	2026	2027	\$ 92,042	\$ 11,041	\$ 81,001	\$ -	\$ -	
7	2027	2022	\$ 93,888	\$ 11,262	\$ 82,626	\$ -	\$ -	
8	2028	2029	\$ 95,770	\$ 11,487	\$ 84,283	\$ -	\$ -	
9	2029	2022	\$ 97,690	\$ 11,717	\$ 85,973	\$ -	\$ -	
10	2030	2031	\$ 99,648	\$ 11,951	\$ 86,529	\$ 1,168	\$ 1,168	
11	2031	2022	\$ 99,648	\$ 12,190	\$ 86,529	\$ 929	\$ 2,098	
12	2032	2033	\$ 99,648	\$ 12,434	\$ 86,529	\$ 686	\$ 2,784	
13	2033	2022	\$ 101,645	\$ 12,682	\$ 86,529	\$ 2,434	\$ 5,218	
14	2034	2035	\$ 103,683	\$ 12,936	\$ 86,529	\$ 4,218	\$ 9,436	
15	2035	2022	\$ 105,761	\$ 13,195	\$ 86,529	\$ 6,038	\$ 15,474	
16	2036	2037	\$ 107,881	\$ 13,459	\$ 86,529	\$ 7,893	\$ 23,367	
17	2037	2022	\$ 110,043	\$ 13,728	\$ 86,529	\$ 9,786	\$ 33,154	
18	2038	2039	\$ 112,248	\$ 14,002	\$ 86,529	\$ 11,717	\$ 44,871	
19	2039	2022	\$ 114,498	\$ 14,282	\$ 86,529	\$ 13,687	\$ 58,558	
20	2040	2041	\$ 116,792	\$ 14,568	\$ 86,529	\$ 15,695	\$ 74,253	
21	2041	2022	\$ 116,792	\$ 14,859	\$ 86,529	\$ 15,404	\$ 89,657	
22	2042	2043	\$ 116,792	\$ 15,157	\$ 86,529	\$ 15,107	\$ 104,764	
23	2043	2022	\$ 119,133	\$ 15,460	\$ 86,529	\$ 17,144	\$ 121,909	
24	2044	2045	\$ 121,520	\$ 15,769	\$ 86,529	\$ 19,222	\$ 141,131	
25	2045	2022	\$ 123,955	\$ 16,084	\$ 86,529	\$ 21,342	\$ 162,472	
26	2046	2047	\$ 126,438	\$ 16,406	\$ 86,529	\$ 23,504	\$ 185,976	
27	2047	2022	\$ 128,971	\$ 16,734	\$ 86,529	\$ 25,709	\$ 211,685	
28	2048	2049	\$ 131,555	\$ 17,069	\$ 86,529	\$ 27,958	\$ 239,642	
29	2049	2022	\$ 134,191	\$ 17,410	\$ 86,529	\$ 30,252	\$ 269,895	
30	2050	2051	\$ 136,879	\$ 17,758	\$ 86,529	\$ 32,592	\$ 302,487	
				\$ 405,681	\$ 2,299,487	\$ 302,487		

## EXHIBIT E – FEASIBILITY STUDY

Reinvestment Zone No. 2, City of Angleton, TX Feasibility Study															
Zone Year	Calendar Year	Collection Year	Growth/ Year <sup>1</sup>	Riverwood Ranch Development <sup>2</sup>						Added Development Value <sup>2</sup>	New Taxable Value	Incremental Value	City		
				Lot Type 1 (45's)		Lot Type 2 (50's)		Lot Type 3 (60's)					TIRZ Contribution		
				Unit	\$	Unit	\$	SF	\$/SF				%	Annual	Cumulative
Base	2020	2021													
1	2021	2022							\$ 125,440						
2	2022	2023	2%						\$ 1,156,510						
3	2023	2022	2%	48	\$ 226,500	10	\$ 247,000	9	\$ 268,500	\$ 15,758,500	\$ 16,938,140	\$ 16,812,700	27%	\$ -	\$ -
4	2024	2025	2%	50	\$ 226,500	10	\$ 247,000	9	\$ 268,500	\$ 16,211,500	\$ 33,488,403	\$ 33,362,963	27%	\$ 30,194	\$ 30,194
5	2025	2022	2%	50	\$ 226,500	10	\$ 247,000	9	\$ 268,500	\$ 16,211,500	\$ 50,369,671	\$ 50,244,231	27%	\$ 59,916	\$ 90,110
6	2026	2027	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 51,377,064	\$ 51,251,624	27%	\$ 90,233	\$ 180,343
7	2027	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 52,404,606	\$ 52,279,166	27%	\$ 92,042	\$ 272,385
8	2028	2029	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 53,452,698	\$ 53,327,258	27%	\$ 93,888	\$ 366,273
9	2029	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 54,521,752	\$ 54,396,312	27%	\$ 95,770	\$ 462,043
10	2030	2031	0%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 55,612,187	\$ 55,486,747	27%	\$ 97,690	\$ 559,732
11	2031	2022	0%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 55,612,187	\$ 55,486,747	27%	\$ 99,648	\$ 659,380
12	2032	2033	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 55,612,187	\$ 55,486,747	27%	\$ 99,648	\$ 759,028
13	2033	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 56,724,431	\$ 56,598,991	27%	\$ 99,648	\$ 858,676
14	2034	2035	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 57,858,919	\$ 57,733,479	27%	\$ 101,645	\$ 960,322
15	2035	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 59,016,098	\$ 58,890,658	27%	\$ 103,683	\$ 1,064,005
16	2036	2037	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 60,196,420	\$ 60,070,980	27%	\$ 105,761	\$ 1,169,766
17	2037	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 61,400,348	\$ 61,274,908	27%	\$ 107,881	\$ 1,277,647
18	2038	2039	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 62,628,355	\$ 62,502,915	27%	\$ 110,043	\$ 1,387,690
19	2039	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 63,880,922	\$ 63,755,482	27%	\$ 112,248	\$ 1,499,938
20	2040	2041	0%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 65,158,540	\$ 65,033,100	27%	\$ 114,498	\$ 1,614,436
21	2041	2022	0%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 65,158,540	\$ 65,033,100	27%	\$ 116,792	\$ 1,731,228
22	2042	2043	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 65,158,540	\$ 65,033,100	27%	\$ 116,792	\$ 1,848,020
23	2043	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 66,461,711	\$ 66,336,271	27%	\$ 116,792	\$ 1,964,812
24	2044	2045	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 67,790,945	\$ 67,665,505	27%	\$ 119,133	\$ 2,083,945
25	2045	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 67,790,945	\$ 67,665,505	27%	\$ 119,133	\$ 2,203,078
26	2046	2047	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 69,146,764	\$ 69,021,324	27%	\$ 121,520	\$ 2,324,598
27	2047	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 70,529,700	\$ 70,404,260	27%	\$ 123,955	\$ 2,448,553
28	2048	2049	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 71,940,294	\$ 71,814,854	27%	\$ 126,438	\$ 2,575,008
29	2049	2022	2%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 73,379,100	\$ 73,253,660	27%	\$ 128,971	\$ 2,703,979
30	2050	2051	0%		\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 74,846,682	\$ 74,721,242	27%	\$ 131,555	\$ 2,835,534
					\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 76,343,615	\$ 76,218,175	27%	\$ 134,191	\$ 2,970,005
					\$ 226,500		\$ 247,000		\$ 268,500	\$ -	\$ 76,343,615	\$ 76,218,175	27%	\$ 136,879	\$ 3,106,884
					148		30		27						\$ 2,987,455

**Assumptions**

Base Taxable Value<sup>3</sup>     \$125,440

City AV Rate                 0.66514

**Footnotes:**

(1) Includes 2% value increase annually, with two years of no growth each decade to simulate an economic downturn.

(2) Based on data provided by the Developer.

(3) Estimated based on Appraisal District data.

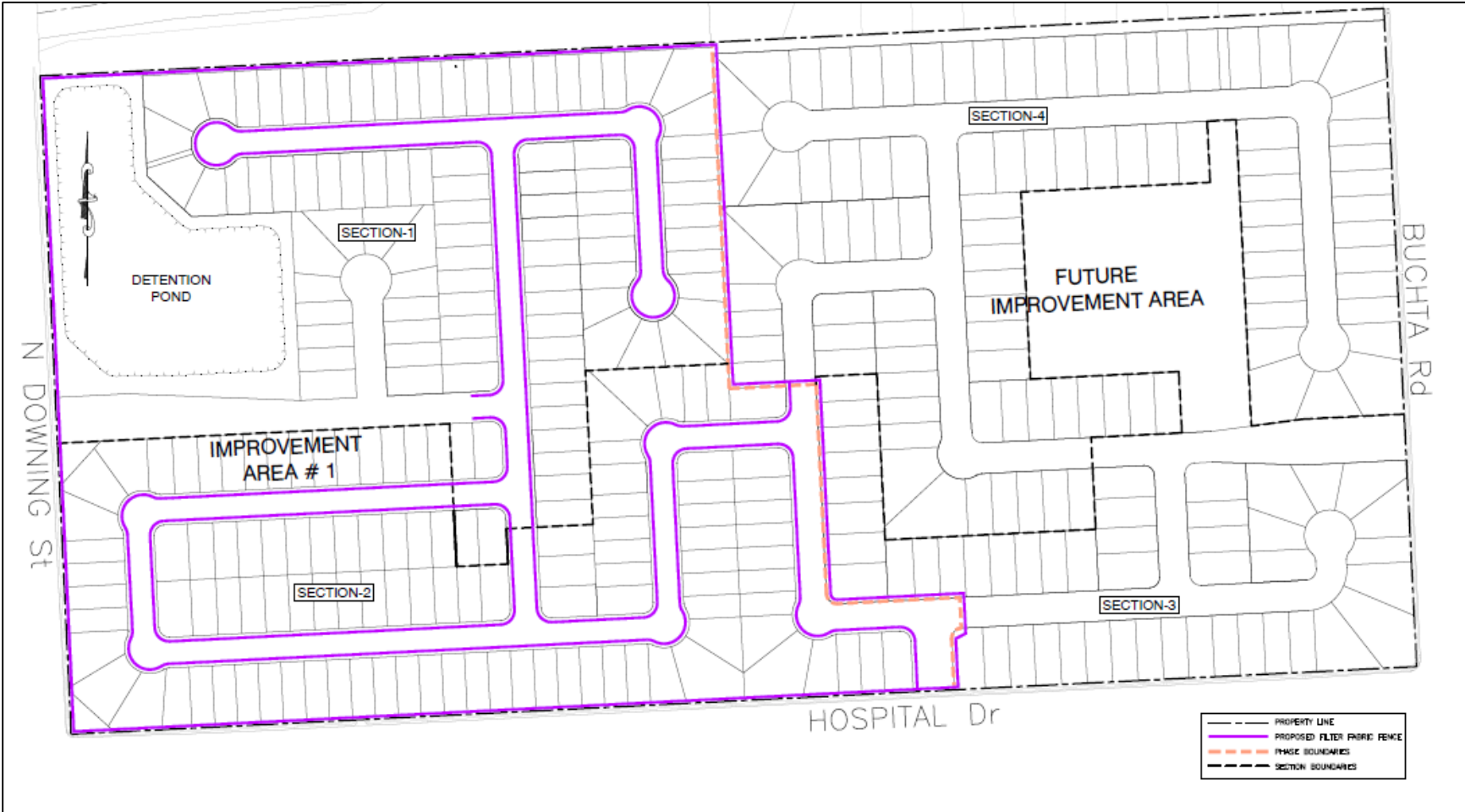
**EXHIBIT F – ANNUAL TIRZ CREDIT AMOUNT**

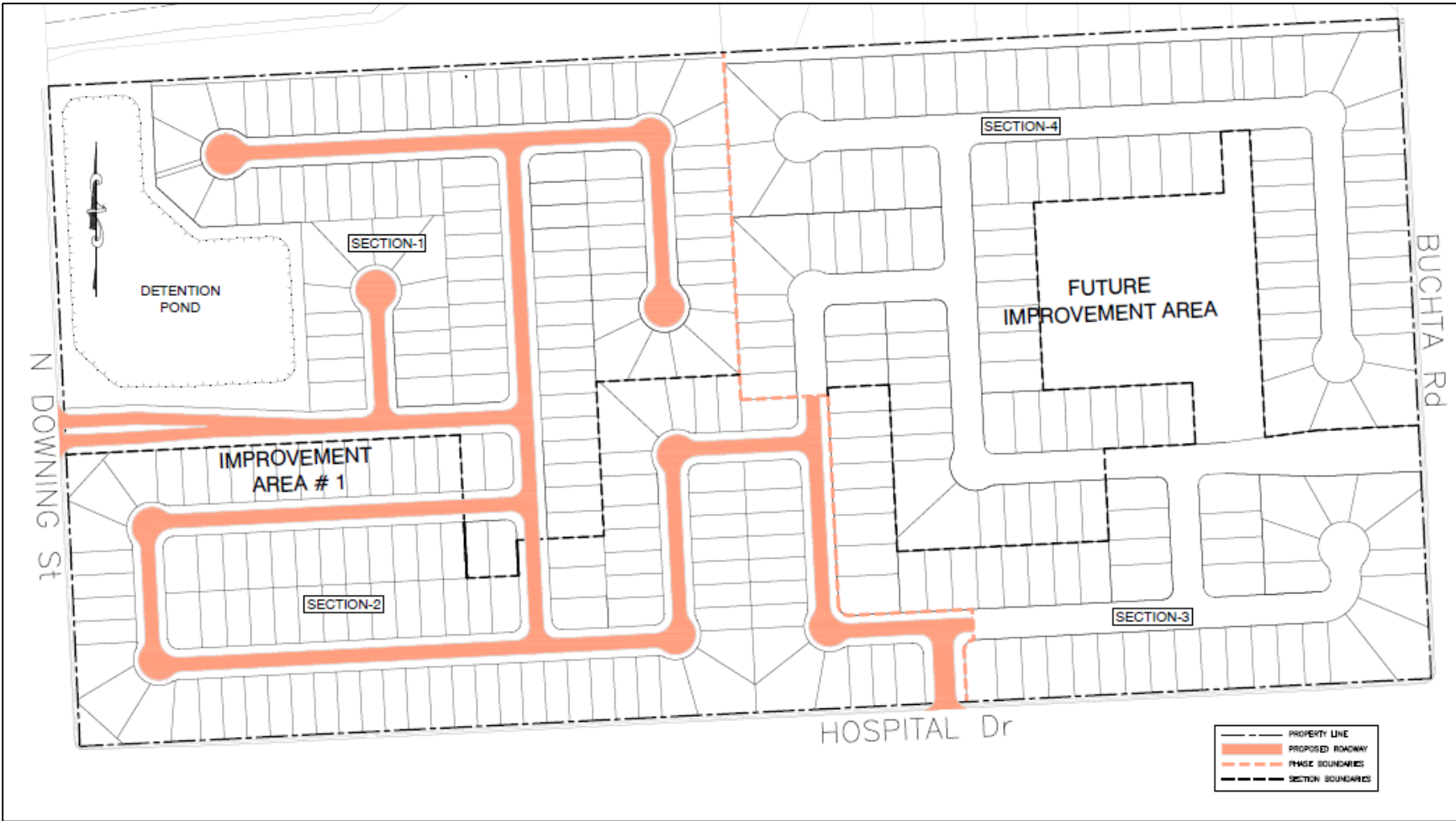
Lot Type	Units	Pre-TIRZ Annual Installment per Unit	TIRZ No. 2 Annual Credit Amount <sup>1</sup>	Post-TIRZ Annual Installment Per Unit
<b>Improvement Area #1</b>				
Lot Type 1 (45')	148	\$ 1,755	\$ (407)	\$ 1,348
Lot Type 2 (50')	30	1,914	\$ (444)	1,470
Lot Type 3 (60')	27	2,081	\$ (482)	1,598
<b>IA#1 Total</b>	<b>205</b>		<b>\$ (86,529)</b>	

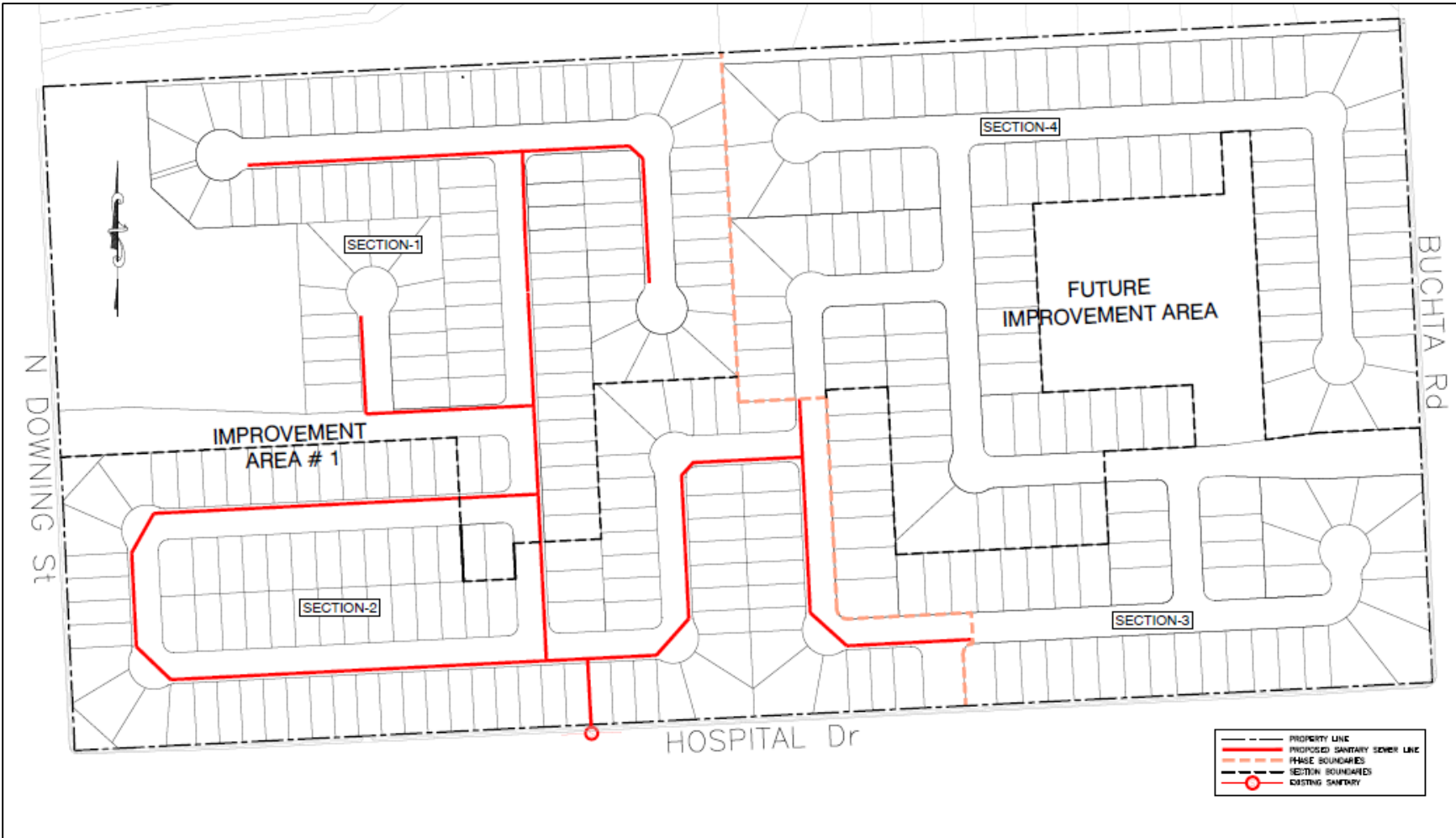
**Footnotes:**

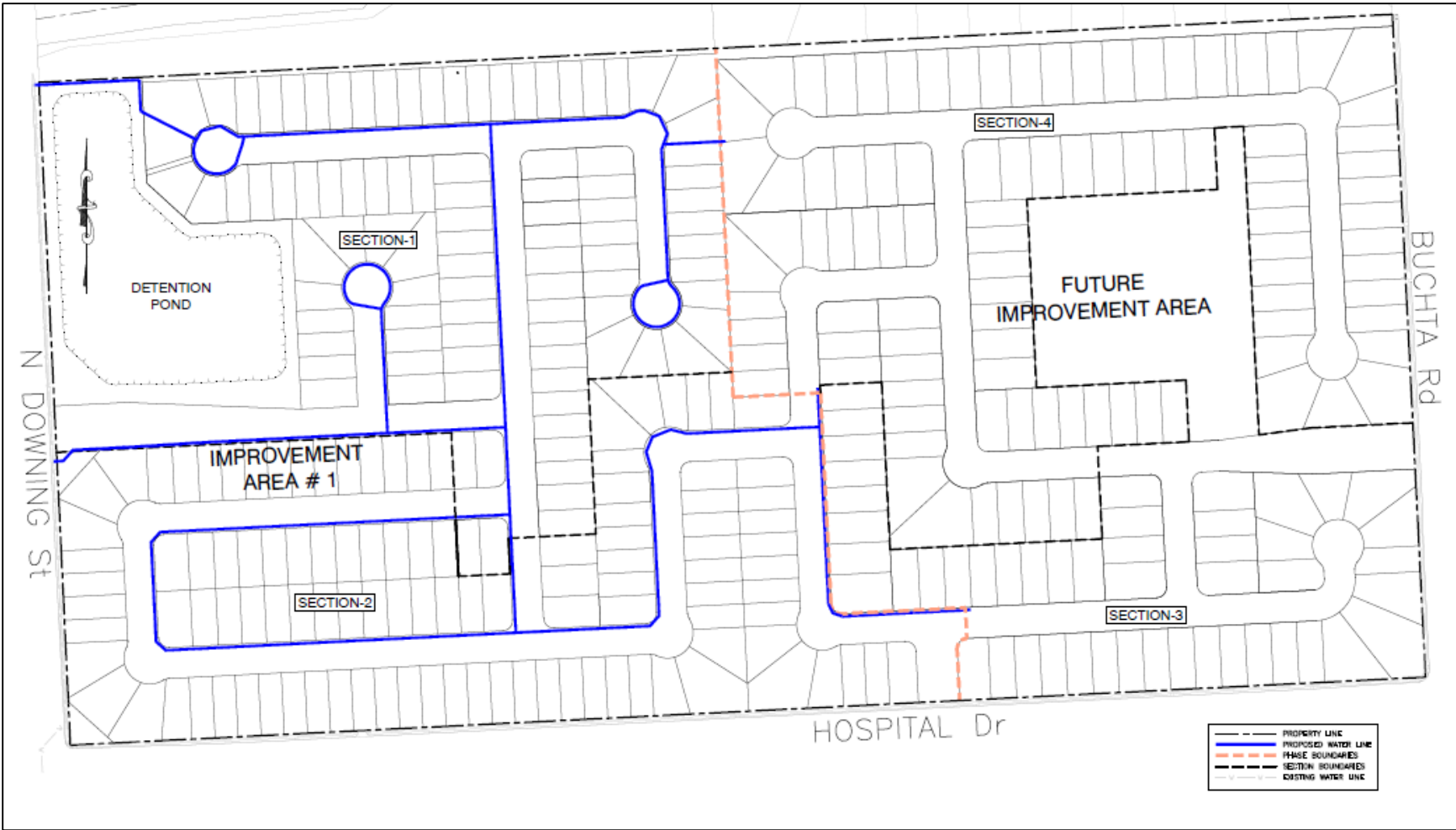
(1) Based on the Riverwood Ranch PID Annual TIRZ No. 2 Credit Amount, as further described in the PID Service and Assessment Plan.

### EXHIBIT G – MAP OF THE PUBLIC IMPROVEMENTS









**EXHIBIT H – LEGAL DESCRIPTION**

County: Brazoria  
Project: 78 Acres Downing Rd  
Job No.: 12939

**FIELD NOTES FOR 78.10 ACRE**

Being a tract of land containing 78.10 acre (3,401,974 square feet), located within T. S. Lee Survey, Abstract Number (No.) 318, in Brazoria County, Texas; Said 78.10 acre being all of Lots 2, 3, 14 and 15 of the subdivision of the T. S. Lee Survey, Abstract 318 recorded in Volume (Vol.) 42, Page (Pg.) 164 of the Brazoria County Deed Records (B.C.D.R.); Said 78.10 acres being more particularly described by metes and bounds as follows (bearings are based on the Texas Coordinate System of 1983, (NAD83) South Central Zone, per GPS observations):

**BEGINNING** at a 5/8-inch iron rod found on the east right-of-way (R.O.W.) line of North Downing Street (variable width), at the southwest corner of Brookhollow S/D Section II, a subdivision of record in Vol. 16, Pg. 21 of the Brazoria County Plat Records (B.C.P.R.), for the northwest corner of said Lot 15 and the herein described tract;

Thence, with the south lines of said Brookhollow S/D Section II and Colony Square S/D, a subdivision of record in Vol. 16, pg. 321 of the B.C.P.R., with the north lines of said Lots 15 and 14, North 87 degrees 07 minutes 30 seconds East, a distance of 2,635.39 feet to a found 1/2-inch iron rod with cap stamped "Pinpoint" on the west R.O.W. line of Buchta Road (variable width) at the southeast corner of said Colony Square S/D, for the northeast corner of said Lot 14 and the herein described tract;;

Thence, with the west R.O.W. line of Buchta Road and the east lines of said lots 14 and 3, South 02 degrees 52 minutes 30 seconds East, a distance of 1,290.00 feet to a 5/8-inch iron rod with cap stamped "BAKER & LAWSON" set at the northwest corner of the intersection of said Buchta Road and Hospital Drive (sixty feet wide per Vol. 781, Pg. 204 B.C.D.R.), for the southeast corner of herein described tract;

Thence, with the north R.O.W. line of said Hospital Drive and the south lines of said Lots 3 and 2, South 87 degrees 07 minutes 30 seconds West, a distance of 2,638.99 feet to a 5/8-inch iron rod with cap stamped "BAKER & LAWSON" set for the northeast corner of the intersection of said Downing Road and said Hospital Drive, for the southwest corner of the herein described tract;

THENCE, with the east R.O.W. line of said Downing Road and the west line of said Lots 2 and 15, North 02 degrees 42 minutes 55 seconds West, a distance of 1,290.01 feet to the **POINT OF BEGINNING** and containing 78.10 acres of land.

A land title survey of the herein described tract has been prepared by Baker & Lawson Inc. and accompanies this metes and bounds description.

  
Devin R. Royal  
Registered Professional Land Surveyor  
Texas Registration No. 6667



Baker & Lawson Inc.  
Texas Firm Registration No. 10052500  
PH: (979) 849-6681  
January 4, 2019  
Revised: June 6, 2019

