

Cameron County Commissioners Court Agenda Request Form

No. 23

Date: December 16, 2004

Meeting Date Request: December 21, 2004

Deadline for Action: _____

Contact Person: Frank Bejarano

Department: P D & M

Phone: 544-0828

Fax: 544-0891

Dept. Head /Official Signature: 

Caption:

Consideration and Approval of an Interlocal Agreement between Cameron County, Texas, the City of Brownsville, Texas, and Reinvestment Zone Number One in Brownsville, Texas for purposes of tax increment financing, pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code.

Background: (Briefly summarize your request, if needed use separate sheet(s) or attach supporting documentation).

Reinvestment Zone Number One was created by the City of Brownsville and is generally located in that city's northwest quadrant. The zone was created for purposes of tax increment financing, in conjunction with Santander Properties, Ltd., the zone's developer.

The interlocal agreement before the Court, with the City of Brownsville and Reinvestment Zone Number One, authorizes County participation in tax increment financing. The agreement will provide County tax increments for a 15 year period at 100% participation. The estimated revenue to be invested by the County during this period is \$3,068,659.00.

Please initial or place a check mark:

Reviewed or approved by: County Judge _____ Auditor Yelm Budget _____ Legal BD Personnel _____

Fiscal Data:

Dept./Fund 10-419 Est. Cost: \$3,068,659.00 Funds/Staffing Budgeted: Yes _____ No _____

Account Code: _____ Impact on Future budget: Yes _____ No _____

Comments:

Tax increment financing impacts potential future tax revenue.

Action taken by Commissioners Court:

Approved _____ Tabled _____ Denied _____ Motion made by _____ Seconded _____ Vote _____

INTERLOCAL AGREEMENT

THE STATE OF TEXAS

§

COUNTY OF CAMERON

§

§

THIS INTERLOCAL AGREEMENT ("Agreement") is made by and between the **CITY OF BROWNSVILLE, TEXAS** ("City"), a municipal corporation and home-rule city of the State of Texas principally situated in Cameron County, acting by and through its governing body, the City Commission; **CAMERON COUNTY, TEXAS**, a body corporate and politic under the laws of the State of Texas, acting by and through its governing body, the Cameron County Commissioners Court ("County"); and **REINVESTMENT ZONE NUMBER ONE, CITY OF BROWNSVILLE, TEXAS** (the "Zone"), a reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, acting by and through its Board of Directors. This Agreement is made pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code.

The City, the County and the Zone hereby agree to the following terms and conditions of this Agreement.

I. DEFINITIONS

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

"Agreement" means this Interlocal Agreement between the City, the County and the Zone.

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

"City" means the City of Brownsville, Texas, and its successors and assigns.

"Countersignature Date" means that date shown as the date countersigned by the City Controller on the signature page of this Agreement.

"County" means Cameron County, Texas, and its successors and assigns.

"County Tax Increment Participation" means the amount of the County tax levy on the Captured Appraised Value which the County agrees to contribute to the Zone pursuant to Subsections A and B of Section III of this Agreement.

"Project" means the acquisition and redevelopment of the area known as Santander Properties, LTD., and as described in the Project Plan.

"Project Plan" means the project plan and reinvestment zone financing plan for the Zone, a true and correct copy of which is attached to this Agreement as **Exhibit "2"**, and such amendments and revisions to such plan as may be adopted by the board of directors of the Zone and approved by the City Council of the City.

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

"Zone" means Reinvestment Zone Number One, City of Brownsville, Texas, created by the City on October 5, 2004, by Ordinance No. 2004-1421, a true and correct copy of said ordinance is attached to this Agreement as **Exhibit "1"**, and its successors and assigns.

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

II. BACKGROUND

On October 5, 2004, the City created the Zone by adoption of City Ordinance No. 2004-1421, for the purposes of development and redevelopment of the property within the Zone pursuant to the Project Plan. The City has agreed to participate in the Zone by contributing tax increments produced in the Zone to the Tax Increment Fund. The County desires to participate in the Zone in consideration for the agreements set forth below. The parties now desire to enter into an interlocal agreement pursuant to Section 311.013(f) of the Texas Tax Code.

III. OBLIGATIONS OF COUNTY

A. Tax Increment Participation.

For and in consideration of the agreement of the parties set forth herein, and subject to the remaining subsections of this section the participation of the County shall be limited to a term of fifteen (15) beginning January 1, 2005 and ending on December 31, 2020, which results in a tax increment based upon an increase in the Captured Appraised Value. During such period of this agreement the County agrees to participate in the Zone by contributing one hundred percent (100%) of the tax increment attributed to the Captured Appraised Value in the Zone attributable to the County. Upon the expiration of such term the participation of the County in this agreement shall terminate unless the County by official action of the Commissioners' Court agrees in writing to extend this agreement.

B. County Tax Increment Limitation

The County is not obligated to pay the County Tax Increment Participation from any source other than taxes collected on the Captured Appraised Value. Furthermore, the County has no duty or obligation to pay the County Tax Increment Participation from any other County taxes or revenues, or until the County Tax Increment Participation in the Zone is actually collected. The obligation to pay the County Tax Increment Participation accrues as taxes representing the County Tax Increment Participation are collected by the County, and payment shall be due on the first day of each calendar quarter. No interest or penalty will be charged to the County for any late payment received from the County; provided, however, the penalty and interest received by the County on any delinquent taxes from the County Tax Increment Participation shall be paid to the Tax Increment Fund. Any portion of the taxes representing the County Tax Increment Participation that are paid to the County and subsequently refunded

pursuant to the provision of the Texas Tax Code shall be offset against future payments to the Tax Increment Fund.

C. Expansion of the Zone.

The obligation of the County to participate in the Zone is limited to the area described in the Project Plan. The County's participation does not extend to the tax increment on any additional property added to the Zone *or on any other project added to the Zone* unless the County specifically agrees to participate in the additional area *or in the additional project*.

D. Board of Directors

Notwithstanding anything to the contrary in City's Ordinance creating the Zone, pursuant to the provisions of Section 311.009(a), Texas Tax Code, the County shall have the unequivocal right to appoint and thereafter at all times maintain one (1) member on the Board of Directors of the Zone. Failure of the County to appoint a person to the Board of Directors of the Zone by January 15, 2005, shall be deemed a waiver of the County's right to make an appointment at a later date. The County may also appoint and maintain as many non-voting ex officio members on the Board of Directors of the Zone as the County may desire.

IV. OBLIGATIONS OF THE CITY AND THE ZONE

A. Project Plan

The County Commissioners Court may review and comment upon any amendment to the Project Plan prior to its approval by the City Commission. The City agrees to provide the County with any proposed amendments to the Project Plan at least fourteen (14) days prior to their submission to the City Commission for approval.

B. Disposition of Tax Increments

Upon termination of the Zone, and after all obligations and bonded indebtedness of the Zone have been paid, the City and the Zone shall pay to the County, within sixty (60) days of

said termination, all monies remaining in the Tax Increment Fund that are attributable to the County Tax Increment Participation paid by the County into the Tax Increment Fund.

Further, if the project to be undertaken pursuant to the Plan is not undertaken, is discontinued, or is terminated, all monies remaining in the Tax Increment Fund, after satisfaction of lawful claims, shall be paid to the participating taxing entities in proportion to their respective share of the total amount of tax increments derived from taxable real property in the Zone that were deposited in the Tax Increment Fund during the Fund's existence. In no event shall payment of monies to the participating taxing units exceed ninety (90) days.

C. Audits

In the event the City recreates a redevelopment authority in connection with the Zone, the City shall provide to the County a copy of each of the audits required by the agreement between the City, the Zone and any such redevelopment authority within thirty (30) days of receipt of each audit.

On or before the 90th day following the end of the fiscal year of the City, the governing body of the City of Brownsville shall submit to the Cameron County Judge a report of the status of the Zone. The contents of the report must contain all information required under section 311.016 of the Texas Tax Code.

V. TERM AND TERMINATION

A. Agreement Term

This Agreement becomes effective as of the date of the final signature hereto. The term of this Agreement shall commence with the tax year beginning on **January 1, 2005**. This Agreement shall terminate on **December 31, 2020**, unless earlier terminated by the parties hereto. Nothing in this Agreement limits the authority of the Cameron County Commissioners

Court to extend the term of this Agreement. Upon termination of this Agreement, the obligation of the County to contribute to the Tax Increment Fund for the Zone shall end; however, any refund obligations of the City, the Zone or any related redevelopment authority shall survive such termination.

B. Early Termination

The Zone may terminate pursuant to the provisions of Section 311.017 of the Texas Tax Code.

VI. MISCELLANEOUS

A. Severability

In the event any term, covenant or condition herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained.

In the event any term, covenant or condition shall be held invalid and affects in any manner the limitations on the County's, or any other party's, contributions or participation, then neither the County, nor any other party, shall have any liability for any incremental or other payments as may otherwise be provided for in this Agreement.

B. Entire Agreement

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

C. Written Amendment

Unless otherwise provided herein, this Agreement may be amended only by written

instrument duly executed on behalf of each party.

D. Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third (3rd) day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address set out below or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

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

City of Brownsville

City Manager
P.O. Box 911
Brownsville, Texas 78520

Cameron County

Cameron County Judge
Cameron County Courthouse
964 East Harrison Street
Brownsville, Texas 78520

Zone

Reinvestment Zone No. 1
C/O City Planning Director
P.O. Box 911
Brownsville, Texas 78520

E. Non-Waiver

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

F. Assignment

No party shall assign this Agreement at law or otherwise without the prior written

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

G. Successors

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

H. No Waiver of Immunity

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

IN WITNESS HEREOF, the City, the County and the Zone have made and executed this Agreement in multiple copies, each of which is an original on this ____ day of December, 2004.

CITY OF BROWNSVILLE, TEXAS

Eddie Trevino, Jr., Mayor

ATTEST:

Inelda T. Garcia, City Secretary

**REINVESTMENT ZONE NUMBER ONE,
CITY OF BROWNSVILLE, TEXAS**

By: _____
Name: _____
Title: Chairman, Board of Directors

CAMERON COUNTY, TEXAS

Gilberto Hinojosa, County Judge

ATTEST:

Joe G. Rivera, County Clerk

City of Brownsville, Texas, Ordinance No. 2004-1421

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN CITY OF BROWNSVILLE AS REINVESTMENT ZONE NUMBER ONE, CITY OF BROWNSVILLE, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND PROVIDING A SEVERABILITY CLAUSE. * * * * *

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City may designate a contiguous geographic area within the City as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, which provides that City of Brownsville ad valorem taxes are to be deposited into the tax increment fund, and that taxes of other taxing units may be utilized in the financing of the proposed zone; and

WHEREAS, the City provided written notice of the public hearing on the creation of the proposed zone, complying with the requirements of Chapter 311, Texas Tax Code, to the governing body of all taxing units levying taxes on property in the proposed zone; and

WHEREAS, a notice of the March 2, 2004 public hearing on the creation of the proposed zone was published on February 10, 2004, in the Brownsville Herald , a newspaper of general circulation in the City; and

WHEREAS, at the public hearing on March 2, 2004, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or the

concept of tax increment financing; and owners of property in the proposed zone were given a reasonable opportunity to protest the inclusion of their property in the proposed zone; and

WHEREAS, evidence was received and presented at the public hearing in favor of the creation of the proposed zone under the provisions of Chapter 311, Texas Tax Code; and

WHEREAS, no owner of real property in the proposed zone protested the inclusion of their property in the proposed zone; and

WHEREAS, the City has provided all information, and made all presentations, given all notices and done all other things required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone unless otherwise waived; and

WHEREAS, the total appraised value of taxable real property in the proposed zone and all other tax increment reinvestment zones previously created by the City is \$1,564,000; and

WHEREAS, the total appraised value of taxable real property taxable by Cameron County, in which the proposed zone is located, is approximately \$783,219; and

WHEREAS, the total appraised value of real property taxable by the Brownsville Independent School District, in which the proposed zone is located, is \$3,370,880; and

WHEREAS, the total area within the proposed zone is approximately 289 acres, excluding property that is publicly owned; **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF BROWNSVILLE, TEXAS:**

Section 1. Findings.

(a) That 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.

(b) That the City Commission further finds and declares that the proposed improvements in the zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the City.

(c) That the City Commission further finds and declares that the proposed zone meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone contains substantial areas that are predominantly open and underdeveloped, and lack public water distribution, wastewater collection and storm drainage facilities which conditions substantially impair and arrest the sound growth of the City.

(d) That the City Commission, pursuant to the requirements of Chapter 311, Texas Tax Code, further finds and declares:

- (1) That the proposed zone is a contiguous geographic area located wholly within the corporate limits of the City of Brownsville;
- (2) That the total appraised value of taxable real property in the proposed zone does not exceed fifteen percent of the total appraised value of taxable real property in the City and in the industrial districts created by the City;
- (3) That the proposed zone does not contain more than fifteen percent of the total appraised value of real property taxable by Cameron County, the Brownsville Independent School District; and
- (4) That the development or redevelopment of the property in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

Section 2. Designation of the Zone

That the City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create

and designate a reinvestment zone over, the area described in Exhibit "A" and depicted in the map attached hereto as Exhibit "B" to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, City of Brownsville, Texas, (the "Zone"). The City Commission specifically declares that the Zone is designated pursuant to Section 311.005(a)(1) and (2) of the Texas Tax Code.

Section 3. Board of Directors

That there is hereby created a Board of Directors for the Zone, which shall consist of seven (7) members. Positions One through Five on the Board of Directors shall be reserved for the City. Positions Six and Seven shall be reserved for other taxing units levying taxes within the Zone, each of whom may appoint one director. Any taxing unit that appoints a director shall be assigned a Board position number in the order the City receives the appointment. Failure of a taxing unit to appoint a director by January 15, 2005, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position, which shall be filled as provided below. If more than two taxing units levying taxes within the Zone appoint a director, the number of directors on the Board of Directors shall be increased by one for each taxing unit above two that appoints a director to the board; provided, if more than four taxing units levying taxes within the Zone appoint a director, the number of directors on the Board of Directors shall be increased by two for each taxing unit above four that appoints a director to the board, provided, further, that the maximum number of directors shall not exceed fifteen (15). The City shall be entitled to appoint a person to one position of each

of the two positions created as a result of more than four taxing units appointing directors, which position shall be filled as provided below.

The Mayor is hereby authorized to nominate and appoint, subject to City Commission approval, the directors to Positions One through Five of the Board of Directors, any position unfilled on January 15, 2005, and any City position created by the appointment of a director by more than two taxing units levying taxes within the Zone, subject to the consent and approval of the City Commission.

The directors appointed to odd-numbered positions shall be appointed for two year terms, beginning on the effective date of this Ordinance, while the directors appointed to even-numbered positions shall be appointed to a one year term, beginning on the effective date of this Ordinance. All subsequent appointments shall be for two-year terms. The member of the Board of Directors appointed to Position One is hereby designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of this Ordinance. Thereafter the Mayor shall annually nominate and appoint, subject to City Commission approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Commission authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

The Board of Directors shall make recommendations to the City Commission concerning the administration of the Zone. The Board of Directors shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone financing plan for the Zone as described in Section 311.011, Texas Tax Code, and shall submit such plans to the City Commission for its approval. The City hereby delegates to the Board of

Directors all powers necessary to prepare and implement the project plan and reinvestment zone financing plan, subject to approval by the City Commission, including the power to employ any consultants or enter into any reimbursement agreements payable solely from the Tax Increment Fund established pursuant to Section 7 of this Ordinance, subject to the approval of the City Planning Director, that may be reasonably necessary or convenient to assist the Board of Directors in the preparation of the project plan and reinvestment zone financing plan and in the issuance of tax increment obligations.

Section 4. Duration of the Zone

That the Zone shall take effect immediately upon the passage of this Ordinance provided however, that for the deposit of tax increments into the Tax Increment Fund established pursuant to Section 7 of this Ordinance shall not commence until January 1, 2005, and termination of the operation of the Zone shall occur on December 31, 2035, or at an earlier time designated by subsequent ordinance, or at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full.

Section 5. Tax Increment Base

That the Tax Increment Base of the City or any other taxing unit participating in the Zone for the Zone is the total appraised value of all real property taxable by the City or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2004, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6. Tax Increment Fund

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. The annual Tax Increment shall equal the property taxes levied by the City and any other taxing unit participating in the Zone for that year on the captured appraised value, as defined by Chapter 311 of the Texas Tax Code, of real property located in Zone that is taxable by the City or any other taxing unit participating in the Zone, less any amounts that are to be allocated from the Tax Increment pursuant to Chapter 311 of the Texas Tax Code. All revenues from the sale of any tax increment bonds, notes or other obligations hereafter issued for the benefit of the Zone by the City, if any; revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Texas Tax Code.

Section 7. Severability

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

Section 8. Open Meetings

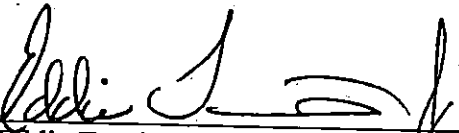
It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Commission at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the Time required by law preceding its meeting, as required by the Open Meetings Law, Texas Government Code, ch. 551, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered and formally acted upon. The City Commission further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9. Notices

The contents of the notice of the public hearing, which hearing was held before the City Commission on March 2, 2004, and the publication of said notice, are hereby ratified, and confirmed.

PASSED AND ADOPTED this 5th day of October, 2004.

APPROVED this 19th day of October, 2004.


Eddie Treviño, Jr.
Mayor of the City of Brownsville





Inelda T. Garcia
City Secretary

EXHIBIT "A"
BOUNDARY DESCRIPTION

BOUNDARY DESCRIPTION FOR THE REED TRACT IS SET FORTH IN THE TIRZ
APPLICATION WHICH IS ATTACHED HERETO.

THE REINVESTMENT ZONE BOUNDARY ALSO INCLUDES THE LAREDO
ROAD RIGHT OF WAY FROM THE SOUTHERN MOST POINT OF THE
CURRENTLY PLATTED REED TRACT, SOUTH TO MILITARY HWY. AND
ALSO INCLUDE THE RIGHT OF WAY AS SHOWN ON EXHIBIT 1.

TIRZ #1 Review

**TAX INCREMENT REINVESTMENT ZONE NUMBER ONE,
CITY OF BROWNSVILLE
(BROWNSVILLE REINVESTMENT ZONE #1)

PRELIMINARY REINVESTMENT ZONE
FINANCING PLAN**

December 9, 2004

TABLE OF CONTENTS

	<u>Page</u>
I. EXISTING USES AND CONDITIONS OF REAL PROPERTY IN THE ZONE	4
II. LIST DESCRIBING THE ESTIMATED PROJECT COSTS OF THE ZONE, INCLUDING ADMINISTRATIVE EXPENSES	5
III. THE ESTIMATED AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED	6
IV. THE TIME WHEN RELATED COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED	6
V. A DESCRIPTION OF THE METHODS OF FINANCING ALL ESTIMATED PROJECT COSTS AND THE EXPECTED SOURCES OF REVENUE TO FINANCE OR PAY PROJECT COSTS, INCLUDING THE PERCENTAGE OF TAX INCREMENT TO BE DERIVED FROM THE PROPERTY TAXES OF EACH TAXING UNIT THAT LEVIES TAXES ON REAL PROPERTY IN THE ZONE	7
VI. THE CURRENT TOTAL APPRAISED VALUE OF TAXABLE REAL PROPERTY IN THE ZONE	7
VII. THE ESTIMATED CAPTURED APPRAISED VALUE OF THE ZONE DURING EACH YEAR OF ITS EXISTENCE	8
VIII. DURATION OF THE ZONE	8

TABLES

	<u>Page</u>
A. EXISTING LAND USES	4
B. PROPOSED PROJECTS AND ESTIMATED COSTS	6
C. PERCENTAGE OF INCREMENT DEDICATED TO THE ZONE	7

MAPS

- A. BOUNDARY MAP
- B. CURRENT LAND USE MAP
- C. PROPOSED LAND USE MAP

SCHEDULES

- A. RESIDENTIAL BUILDOUT SCHEDULE
- B. COMMERCIAL BUILDOUT SCHEDULE
- C. TAX EXEMPTION SCHEDULE
- D. ZONE REVENUE SCHEDULE

APPENDIX

BOUNDARY DESCRIPTION

PRELIMINARY CONSTRUCTION COST PROJECTIONS

CITY OF BROWNSVILLE REINVESTMENT ZONE, PRELIMINARY REINVESTMENT ZONE FINANCING PLAN

I. EXISTING USES AND CONDITIONS OF REAL PROPERTY IN THE ZONE

The CITY OF BROWNSVILLE Tax Increment Reinvestment Zone Number One (the "Zone") includes a large undeveloped tract of land immediately west U.S. Hwy. 83 between Alton Gloor on the north and west, and the Quail Hollow subdivision in the CITY OF BROWNSVILLE. The land in the proposed reinvestment zone is currently undeveloped and open, and is currently agricultural in usage. The Zone totals approximately 289 acres as more accurately described in the metes and bounds description located in the Appendix of this document.

The maps included herein are as follows:

Map A Boundary Map
Map B Current Land Use Map
Map C Proposed Land Use Map

The following table illustrates the existing land uses within the boundaries of the Zone and Map B shows the current uses.

**Table A
Existing Land Uses**

Type	Acreage	Percent
Vacant	191.78	100
Residential	0	0
Commercial	0	0
Public/Institutional	0	0
Public Roadways	0	0

EXISTING CONDITIONS

Conclusions In Relation to Chapter 311 Section 005

The tract comprising the proposed Zone substantially retards the provision of housing accommodations and constitutes an economic and social liability for the CITY OF BROWNSVILLE. The area meets the statutory tests set forth in the Texas Tax Code, Chapter 311, Section 005 because of the following conditions:

1. The area is predominately open, and therefore substantially impairs and arrests the sound growth of the municipality.
2. It has a predominance of defective or inadequate sidewalk or street layout.
3. It has faulty lot layout in relation to size, adequacy, accessibility, or usefulness.
4. It lacks the infrastructure to support the development of the tract.

II. LIST DESCRIBING THE ESTIMATED PROJECT COSTS OF THE ZONE, INCLUDING ADMINISTRATIVE EXPENSES

Table B lists the estimated infrastructure project costs for the Zone. It is anticipated that developers will advance funds for the improvements and will be reimbursed as provided in separate agreements and other documentation between the developers, the Zone, and the Brownsville Redevelopment Authority. (All references herein to the Brownsville Redevelopment Authority are made in anticipation of its creation). It is anticipated that the Zone will incur additional financing costs associated with the projects.

Table B
Proposed Projects & Estimated Costs

Project Items	Estimated Cost
PUBLIC INFRASTRUCTURE Street improvements	
Laredo Road South	\$1,100,000
Laredo Street in Tract	\$400,000
Collector 1	\$26,200
Collector 2	\$26,200
Morrison Road West	\$700,000
Morrison Reed Road	\$136,000
Morrison Road East	\$1,600,000
Laredo Landscaping	\$255,000
Hike and Bike	\$63,000
Fencing	\$560,000
Contingency	\$475,000
Interest	2,000,000
CREATION & ADMINISTRATION COSTS	
Creation Costs	\$150,000
TOTAL TIRZ COSTS	\$7,491,400

III. THE ESTIMATED AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED

The estimated amount of bonded indebtedness to be incurred by the Zone, including both principle and interest, is approximately \$7.5 million. (There are no plans at this time to issue bonds to finance project costs.)

IV. THE TIME WHEN RELATED COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED

The time when related costs or monetary obligations are to be incurred is a function of the availability of Zone revenues. Schedule D shows the time when Zone funds are expected to be available to pay project costs. Initial funding for Zone projects will come from a combination of developer advances from multiple development entities.

V. A DESCRIPTION OF THE METHODS OF FINANCING ALL ESTIMATED PROJECT COSTS AND THE EXPECTED SOURCES OF REVENUE TO FINANCE OR PAY PROJECT COSTS, INCLUDING THE PERCENTAGE OF TAX INCREMENT TO BE DERIVED FROM THE PROPERTY TAXES OF EACH TAXING UNIT THAT LEVIES TAXES ON REAL PROPERTY IN THE ZONE

Description of the Methods of Financing

In accordance with Section 311.015 of the Tax Increment Financing Act, the City may issue tax increment bonds or notes, the proceeds of which may be used to pay project costs on behalf of the Zone. Alternatively, upon creation of the proposed redevelopment authority, the City may authorize the authority to incur debt and issue debt or obligations to satisfy developer reimbursements for eligible project costs. If such bonds are issued, bond proceeds shall be used to provide for the project-related costs outlined in this plan. When appropriate, developers will advance project-related costs and be reimbursed through the issuance of bonds, notes or other obligations.

Sources of Tax Increment Revenue

The purpose of the Zone is to provide the necessary public improvements to support commercial development/residential. Schedules A, B, and C show annual captured appraised value for new improvements and increases in value of pre-existing redeveloped properties within the Zone area. Schedule D shows the projected assessed valuations during the development/build-out period and depicts the Zone revenue schedule with City, County, and other taxing units' participation for all areas within the Zone.

Table C
Percentage of Increment Dedicated to the Zone

Taxing Unit	% Tax Rate Dedicated	% of Total Tax Participation
City of Brownsville	\$0.34000/\$100	66.6%
Cameron County	\$0.17027/\$100	33.4%

VI. THE CURRENT TOTAL APPRAISED VALUE OF TAXABLE REAL PROPERTY IN THE ZONE

The total current appraised value within the Zone is \$2,397,000.

VII. THE ESTIMATED CAPTURED APPRAISED VALUE OF THE ZONE DURING EACH YEAR OF ITS EXISTENCE

The estimated captured appraised value of the Zone during each year of its existence is shown in Schedules A, B and C.

VIII. DURATION OF THE ZONE

The duration of the zone is 30 years.

MAPS







SCHEDULES

SCHEDULE A

**TAX INCREMENT REINVESTMENT ZONE NO. ONE, CITY OF BROWNSVILLE
SANTANDER PROPERTIES
Residential Buildout Schedule (In Thousands)**

	2004		2005		2006		2007		2008		2009		2010		2011		2012	
	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)	Home Construction	Captured Value (K)
Residential Project Values																		
SINGLE FAMILY																		
North Section																		
Section 1 (\$125,000 ea)																		
Section 2 (\$140,000 ea)																		
South Section																		
Section 3 (\$78,000 ea)			55	\$ 4,290	67	\$ 5,226	59	\$ 4,602	59	\$ 4,602								
Section 4 (\$85,000 ea)			25	\$ 2,125	30	\$ 2,550	30	\$ 2,550	29	\$ 2,465								
Total Home Sales			80		97		89		88		40		40		40		15	489
Total Captured Value		\$0		\$6,415		\$7,776		\$7,152		\$7,067		\$5,300		\$5,300		\$5,300		\$2,100
Cumulative Captured Value		\$0		\$6,415		\$14,191		\$21,343		\$28,410		\$33,710		\$39,010		\$44,310		\$46,410

Note:

1. Captured value is presented in thousands of dollars.
2. Projected value of home construction is in 2004 dollars excluding inflation.
3. Home construction in a calendar year results in captured appraised value in the following tax year.

SCHEDULE B

**TAX INCREMENTAL REINVESTMENT ZONE NO. ONE, CITY OF BROWNSVILLE
SANTANDER PROPERTIES
Commercial Buildout Schedule (in Thousands)**

Commercial Project Values	2007		2008		2009		2010		2011		2012		2013		SUBTOTAL	
	Square Feet (K)	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)		
Multi-Family	20	\$ 2,000	20	\$ 2,000	12	\$ 1,800	12	\$ 1,800	12	\$ 1,800	12	\$ 1,800	12	\$ 1,800	9,000	40
Commercial	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	14,000	140
Total Captured Value		\$2,000		\$2,000		\$3,800		\$3,800		\$3,800		\$3,800		\$3,800	\$23,000	
Cumulative Captured Value		\$2,000		\$4,000		\$7,800		\$11,600		\$15,400		\$19,200		\$23,000		

SCHEDULE B - CONTINUED

Commercial Project Values	2014		2015		2016		2017		2018		2019		2020		2021		TOTAL
	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	Units or Square Feet	Captured Value (K)	
Multi-Family	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	9,000
Commercial	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	20	\$ 2,000	30,000
Total Captured Value		\$2,000		\$2,000		\$2,000		\$2,000		\$2,000		\$2,000		\$2,000		\$2,000	\$39,000
Cumulative Captured Value		\$25,000		\$27,000		\$29,000		\$31,000		\$33,000		\$35,000		\$37,000		\$39,000	

Note:

B 1. Captured value is presented in thousands of dollars.

Hawes Hill Calderon LLP
120904

TAX INCREMENT REINVESTMENT ZONE NO. ONE, CITY OF BROWNSVILLE

Projected Assessed Valuations

SCHEDULE C

Tax Roll Jan 1	City/County		No. of Homes Added	Cumulative Number of Homes	Senior/Disabled Citizens Exemption			Brownsville		Projected Taxable Valuation for City Tax	Projected Taxable Valuation for County Tax	Projected Taxable Valuation for B.I.S.D. Tax
	Residential Incremental Assessed Valuation	Cumulative Incremental Assessed Valuation			Number of Eligible Homes (1)	County Exemption Amount (2)	B.I.S.D. Exemption Amount (3)	I.S.D. Homestead Exemption (4)	Commercial Valuation			
2004	-	-	0	0	0	-	-	-		\$ -	\$ -	\$ -
2005	6,415,000	6,415,000	80	80	4	(48,000)	(40,000)	(1,200,000)		\$ 6,415,000	\$ 6,367,000	\$ 5,175,000
2006	7,776,000	14,191,000	97	177	9	(106,200)	(88,500)	(2,655,000)		\$ 14,191,000	\$ 14,084,800	\$ 11,447,500
2007	7,152,000	21,343,000	89	266	13	(159,600)	(133,000)	(3,990,000)	2,000,000	\$ 23,343,000	\$ 23,183,400	\$ 19,220,000
2008	7,067,000	28,410,000	88	354	18	(212,400)	(177,000)	(5,310,000)	4,000,000	\$ 32,410,000	\$ 32,197,600	\$ 26,923,000
2009	5,300,000	33,710,000	40	394	20	(236,400)	(197,000)	(5,910,000)	7,800,000	\$ 41,510,000	\$ 41,273,600	\$ 35,403,000
2010	5,300,000	39,010,000	40	434	22	(260,400)	(217,000)	(6,510,000)	11,600,000	\$ 50,610,000	\$ 50,349,600	\$ 43,883,000
2011	5,300,000	44,310,000	40	474	24	(284,400)	(237,000)	(7,110,000)	15,400,000	\$ 59,710,000	\$ 59,425,600	\$ 52,363,000
2012	2,100,000	46,410,000	15	489	24	(293,400)	(244,500)	(7,335,000)	19,200,000	\$ 65,610,000	\$ 65,316,600	\$ 58,030,500
2013	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	23,000,000	\$ 69,410,000	\$ 69,116,600	\$ 61,830,500
2014	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	25,000,000	\$ 71,410,000	\$ 71,116,600	\$ 63,830,500
2015	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	27,000,000	\$ 73,410,000	\$ 73,116,600	\$ 65,830,500
2016	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	29,000,000	\$ 75,410,000	\$ 75,116,600	\$ 67,830,500
2017	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	31,000,000	\$ 77,410,000	\$ 77,116,600	\$ 69,830,500
2018	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	33,000,000	\$ 79,410,000	\$ 79,116,600	\$ 71,830,500
2019	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	35,000,000	\$ 81,410,000	\$ 81,116,600	\$ 73,830,500
2020	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	37,000,000	\$ 83,410,000	\$ 83,116,600	\$ 75,830,500
2021	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	39,000,000	\$ 85,410,000	\$ 85,116,600	\$ 77,830,500
2022	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	39,000,000	\$ 85,410,000	\$ 85,116,600	\$ 77,830,500
2023	-	46,410,000	0	489	24	(293,400)	(244,500)	(7,335,000)	39,000,000	\$ 85,410,000	\$ 85,116,600	\$ 77,830,500
	46,410,000		489									

Note: (1) Senior Citizen Exemption projected @ 5% of total homes built
 (2) County Senior Exemption is \$12,000
 (3) Brownsville I.S.D. Senior Exemption is \$10,000
 (4) Brownsville I.S.D. Homestead Exemption is \$15,000

TAX INCREMENT REINVESTMENT ZONE NO. ONE, CITY OF BROWNSVILLE
Projected Zone Revenues

SCHEDULE D

Tax Year	Coll. Year	City Tax Rate	% Participation	City Zone Collection	County Tax Rate	% Participation	County Zone Collection	% Participation	County Zone Collection	Total Annual Revenue Available	Cumulative Rev. Available for Projects	Brownsville I.S.D. Tax Rate	B.I.S.D. Zone Collection
2004	2005	\$ 0.68000	50%	\$ -	\$ 0.34053	100%	\$ -	50%	\$ -	\$ -	\$ -	\$ 1.4656	\$ -
2005	2006	\$ 0.68000	50%	\$ 21,811	\$ 0.34053	100%	\$ 21,682	50%	\$ 10,841	\$ 32,652	\$ 32,652	\$ 1.4656	\$ 75,845
2006	2007	\$ 0.68000	50%	\$ 48,249	\$ 0.34053	100%	\$ 47,964	50%	\$ 23,982	\$ 72,231	\$ 104,883	\$ 1.4656	\$ 187,775
2007	2008	\$ 0.68000	50%	\$ 79,366	\$ 0.34053	100%	\$ 78,947	50%	\$ 39,474	\$ 118,840	\$ 223,723	\$ 1.4656	\$ 281,688
2008	2009	\$ 0.68000	50%	\$ 110,184	\$ 0.34053	100%	\$ 108,844	50%	\$ 54,822	\$ 165,018	\$ 388,739	\$ 1.4656	\$ 394,583
2009	2010	\$ 0.68000	50%	\$ 141,134	\$ 0.34053	100%	\$ 140,551	50%	\$ 70,275	\$ 211,408	\$ 600,148	\$ 1.4656	\$ 518,866
2010	2011	\$ 0.68000	50%	\$ 172,074	\$ 0.34053	100%	\$ 171,458	50%	\$ 85,729	\$ 257,803	\$ 857,951	\$ 1.4656	\$ 643,149
2011	2012	\$ 0.68000	50%	\$ 203,014	\$ 0.34053	100%	\$ 202,364	50%	\$ 101,182	\$ 304,198	\$ 1,162,147	\$ 1.4656	\$ 767,432
2012	2013	\$ 0.68000	50%	\$ 223,074	\$ 0.34053	100%	\$ 222,425	50%	\$ 111,213	\$ 334,287	\$ 1,496,434	\$ 1.4656	\$ 850,495
2013	2014	\$ 0.68000	50%	\$ 235,994	\$ 0.34053	100%	\$ 235,368	50%	\$ 117,683	\$ 353,877	\$ 1,850,110	\$ 1.4656	\$ 906,168
2014	2015	\$ 0.68000	50%	\$ 242,794	\$ 0.34053	100%	\$ 242,178	50%	\$ 121,088	\$ 363,882	\$ 2,213,993	\$ 1.4656	\$ 935,500
2015	2016	\$ 0.68000	50%	\$ 249,584	\$ 0.34053	100%	\$ 248,967	50%	\$ 124,483	\$ 374,087	\$ 2,588,080	\$ 1.4656	\$ 964,812
2016	2017	\$ 0.68000	50%	\$ 256,394	\$ 0.34053	100%	\$ 255,768	50%	\$ 127,889	\$ 384,293	\$ 2,972,373	\$ 1.4656	\$ 994,124
2017	2018	\$ 0.68000	50%	\$ 263,194	\$ 0.34053	100%	\$ 262,608	50%	\$ 131,304	\$ 394,498	\$ 3,366,871	\$ 1.4656	\$ 1,023,436
2018	2019	\$ 0.68000	50%	\$ 269,994	\$ 0.34053	100%	\$ 269,418	50%	\$ 134,709	\$ 404,703	\$ 3,771,574	\$ 1.4656	\$ 1,052,748
2019	2020	\$ 0.68000	50%	\$ 276,794	\$ 0.34053	100%	\$ 276,230	50%	\$ 138,115	\$ 414,908	\$ 4,186,483	\$ 1.4656	\$ 1,082,060
2020	2021	\$ 0.68000	50%	\$ 283,594	\$ 0.34053	100%	\$ 283,040	50%	\$ 141,520	\$ 425,114	\$ 4,611,597	\$ 1.4656	\$ 1,111,372
2021	2022	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 5,046,917	\$ 1.4656	\$ 1,140,684
2022	2023	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 5,482,236	\$ 1.4656	\$ 1,140,684
2023	2024	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 5,917,556	\$ 1.4656	\$ 1,140,684
2024	2025	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 6,352,875	\$ 1.4656	\$ 1,140,684
2025	2026	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 6,788,195	\$ 1.4656	\$ 1,140,684
2026	2027	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 7,223,514	\$ 1.4656	\$ 1,140,684
2027	2028	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 7,658,834	\$ 1.4656	\$ 1,140,684
2028	2029	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 8,094,153	\$ 1.4656	\$ 1,140,684
2029	2030	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 8,529,473	\$ 1.4656	\$ 1,140,684
2030	2031	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 8,964,792	\$ 1.4656	\$ 1,140,684
2031	2032	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 9,400,112	\$ 1.4656	\$ 1,140,684
2032	2033	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 9,835,431	\$ 1.4656	\$ 1,140,684
2033	2034	\$ 0.68000	50%	\$ 290,394	\$ 0.34053	100%	\$ 289,851	50%	\$ 144,925	\$ 435,319	\$ 10,270,751	\$ 1.4656	\$ 1,140,684
				\$ 6,852,391			\$ 6,830,720		\$ 3,418,360	\$ 10,270,751			\$ 26,588,962

APPENDIX

**Laredo Road - CCID#6 Canal to North end Reed
Tract & Two Collectors to Richaradson Tract**

	Water/Sewer	Storm Drainage	Paving/Lighting	Other
6" subgrade preparation			\$ 58,188	
Lime stabilization for 84' B.B. asphalt stree			\$ 91,438	
5" Limestone Base			\$ 192,150	
2" Type "D" Hot Mix and Prime Oil			\$ 137,250	
Construct curb & gutter			\$ 87,500	
Construct 5' wide valley gutte		\$ 3,300		
Construct 18" storm sewer line		\$ 4,800		
Construct 24" storm sewer line		\$ 28,000		
Construct 36" storm sewer line		\$ 20,000		
Construct Type "B" headwall	\$ 12,000			
Construct 5' Type "A" Inlet	\$ 11,600			
Construct 12" Waterline	\$ 107,250			
12" gate valve	\$ 9,600			
Construct 4' wide concrete sidewalk			\$ 68,900	
Construct 8" PVC waterline (C900 Cl.100)	\$ 140,000			
Construct 12" PVC waterline (C900 Cl.100)	\$ 39,000			
Proposed fire hydrant assembly	\$ 42,000			
Proposed 8" gate valve	\$ 18,850			
Proposed 12" gate valve	\$ 2,550			
connect to existing 12" water line	\$ 2,400			
Trench Safety for depth over five fee	\$ 15,850			
Construct 8" sanitary sewer line SDR35	\$ 148,125			
Construct 10" sanitary sewer line SDR35	\$ 34,000			
Construct 12" sanitary sewer line SDR35...50%	\$ 20,000			
Construct 4' Dia. manhole	\$ 91,000			
Double sewer service	\$ 57,850			
Single sewer service	\$ 6,000			
8" Force Main.....60%	\$ 33,000			
16" Dry Bore under Railroad.....60%	\$ 13,500			
Construct 18" storm sewer line	\$ 9,775			
Construct 24" storm sewer line	\$ 22,880			
Construct 30" storm sewer line	\$ 5,600			
Construct 42" storm sewer line	\$ 50,875			
Construct 48" storm sewer line	\$ 61,750			
Construct 54" storm sewer line	\$ 76,500			
Construct 5' Storm Sewer inlet	\$ 29,000			
Construct 10' Storm Sewer inlet	\$ 13,600			
Construct Type "B" headwall	\$ 4,800			
Relocate Ex. CCID #1 Ditch	\$ 60,000			
4' Conduits for electrical crossing of street			\$ 5,400	
Contingencies and miscellaneous fees @				\$ 183,628
Street lights @ \$96E			\$ 14,475	
Engineering & Surveying @				\$ 238,716
Geotechnical (estimated)@				\$ 27,544
Laredo Road - CCID#6 Canal to North end Reed Tract & Two Collectors to Richaradson Tract:				
Project Total	\$ 1,139,355	\$ 58,100	\$ 655,300	\$ 449,889
				\$ 2,300,644

Laredo Road Reconstruction- FM 802 to CCID#8

Canal	Water/Sewer	Storm Drainage	Paving/Lighting	Other
6" subgrade preparation			\$ 80,500	
Lime stabilization for 84' B.B. asphalt street			\$ 128,500	
5" Limestone Base			\$ 266,000	
2" Type "D" Hot Mix and Prime Oil			\$ 190,000	
Construct curb & gutter			\$ 126,000	
Construct 5' Valley Gutter			\$ 11,000	
Construct 18"Ø storm sewer line		\$ 12,000		
Construct 24"Ø storm sewer line		\$ 42,000		
Construct 30"Ø storm sewer line		\$ 60,000		
Construct 36"Ø storm sewer line		\$ 48,750		
Construct 5' x 5' Box Culvert		\$ 72,000		
Construct 7' x 6' Box Culvert		\$ 40,000		
Construct Type "B" Head Wal.	\$ 42,000			
Construct Type "C" Inlet	\$ 24,000			
Construct 5' Type "A" Inlet	\$ 23,200			
Remove Exist Road			\$ 27,625	
Relocate Exist 6" Force main	\$ 67,500			
Reconnect 6" Force main	\$ 3,000			
Relocate Exist 8" Sanitary Sewer Line	\$ 15,000			
Relocate Exist 10" Sanitary Sewer Line	\$ 18,750			
Relocate Exist 4'Ø Manhole	\$ 16,000			
Reconnect Exist Sanitary Sewer Service	\$ 14,000			
Relocate Exist 12" Waterline	\$ 68,000			
Construct 12" Waterline	\$ 92,400			
12" gate valve	\$ 9,600			
Reconnect Exist 8" Waterline	\$ 5,500			
Relocate Exist Fire Hydrants	\$ 18,900			
Reconnect Exist Water service	\$ 12,250			
4' Sidewalk			\$ 81,900	
Driveway approach Replacement			\$ 60,000	
Relocate Ex. CCID #1 Ditch	\$ 60,000			
Construct 4' wide concrete sidewalk	\$ 68,900			
Construct 8" PVC waterline (C900 Cl.100)	\$ 140,000			
Construct 12" PVC waterline (C900 Cl.100)	\$ 39,000			
Proposed fire hydrant assembly	\$ 42,000			
Proposed 8" gate valve	\$ 18,850			
Proposed 12" gate valve	\$ 2,550			
connect to existing 12" water line	\$ 2,400			
Trench Safety for depth over five feet	\$ 15,850			
Construct 8" sanitary sewer line SDR35	\$ 148,125			
Construct 10" sanitary sewer line SDR35	\$ 34,000			
Construct 12" sanitary sewer line SDR35...50%	\$ 20,000			
Construct 4' Dia. manhole	\$ 91,000			
Double sewer service	\$ 57,850			
Single sewer service	\$ 6,000			
8" Force Main.....60%	\$ 33,000			
16" Dry Bore under Railroad.....60%	\$ 13,500			
Construct 18" storm sewer line	\$ 9,775			
Construct 24" storm sewer line	\$ 22,880			
Construct 30" storm sewer line	\$ 5,600			
Construct 42" storm sewer line	\$ 50,875			
Construct 48" storm sewer line	\$ 61,750			
Construct 54" storm sewer line	\$ 76,500			
Construct 5' Storm Sewer inlet	\$ 29,000			
Construct 10' Storm Sewer inlet	\$ 13,600			
Construct Type "B" headwall	\$ 4,800			
4" Conduits for electrical crossing of streets			\$ 5,400	
Contingencies and miscellaneous fees @				\$ 274,758
R.O.W. acquisition (approx. 2 acres)				\$ 60,000
Street lights @ \$965			\$ 24,125	
Engineering & Surveying @				\$ 357,185
Geotechnical (estimated)@				\$ 41,214
Laredo Road Reconstruction- FM 802 to CCID#8				
Canal: Project Total	\$ 1,497,905	\$ 274,750	\$ 999,050	\$ 733,157

Brownsville Preliminary Reinvestment Zone Financing Plan
Hawes Hill Calderon LLP
120904

Laredo Road - Reed Tract & Two Collectors to Richardson Tract, Additional Cost Above 32' Baseline Street					
	Water/Sewer	Storm Drainage	Paving/Lighting	Other	
6" subgrade preparation			\$ 15,803		
Lime stabilization for 84' B.B. asphalt stree			\$ 24,833		
5" Limestone Base			\$ 63,210		
2" Type "D" Hot Mix and Prime Oil			\$ 45,150		
Construct 12" waterline versus 8" waterlin	\$ 44,688				
Contingencies and miscellaneous fees @				\$ 19,368	
Engineering & Surveying @				\$ 25,179	
Geotechnical (estimated)@				\$ 2,905	
R.O.W./ lost dev potentia				\$200,000	
Laredo Road - Reed Tract & Two Collectors to Richardson Tract, Additional Cost Above 32' Baseline Street: Project Total					
	\$ 44,688	\$ -	\$ 148,995	\$ 247,452	\$ 441,135

Laredo Road - Reed Tract & Two Collectors to Richardson Tract, Additional Costs for Landscaping					
	Water/Sewer	Storm Drainage	Paving/Lighting	Other	
<u>Landscaping</u>					
Site Preparation				\$ 31,250	
Ebony, Live Oak Trees (2-3" cal.				\$125,000	
Assorted Plants for Berms (#3 gallon				\$ 18,530	
Top Soil				\$143,750	
Hydro-mulch Bermude				\$ 17,875	
Cypress Mulch for Berms				\$ 14,000	
Irrigation System - Rain Bird 10' Spray Head				\$255,000	
<u>Jogging Trail</u>					
Crushed Granite (3" Thick)			\$ 52,800		
Geo Fabric			\$ 28,500		
Concrete Curbing			\$ 81,250		
Tax on Lndscaping & Jogging Trail @ 8.25%				\$ 63,356	
Precast Concrete Fence			\$ 568,750		
Contingencies and miscellaneous fees @				\$ 19,368	
Engineering & Surveying @				\$ 84,004	
Geotechnical (estimated)@				\$ 2,905	
Laredo Road - Reed Tract & Two Collectors to Richardson Tract, Additional Costs for Landscaping: Project Total					
	\$ -	\$ -	\$ 731,300	\$ 775,038	\$1,506,338

Morrison Road - F.M. 3248 to 77/83	Water/Sewer	Storm Drainage	Paving/Lighting	Other	
6" subgrade preparation			\$ 148,750		
Line stabilization for 84' B.B. asphalt stree			\$ 233,750		
5" Limestone Base			\$ 448,000		
2" Type "D" Hot Mix and Prime Oil			\$ 350,000		
Construct curb & gutter			\$ 490,000		
Construct 5' Valley Gulle			\$ 66,000		
Construct 18"Ø storm sewer line		\$ 19,200			
Construct 24"Ø storm sewer line		\$ 70,000			
Construct 36"Ø storm sewer line		\$ 84,000			
Construct 48"Ø storm sewer line		\$ 130,000			
Construct 5' Type "A" Inlet	\$ 35,000				
Construct @ Grade Railroad Crossing	\$ 500,000				
Construct 12" PVC waterline (C900 Cl.100	\$ 148,500				
Proposed fire hydrant assembly	\$ 31,500				
Proposed 12" gate valve	\$ 12,000				
Construct 8" sanitary sewer line SDR31	\$ 62,500				
Construct 4' Dia. Manhole	\$ 24,000				
Contingencies and miscellaneous fees @				\$285,320	
Street lights @ \$96E			\$ 24,125		
Engineering & Surveying @				\$370,918	
Geotechnical (estimated)@				\$ 42,798	
Morrison Road West - F.M. 3248 to 77/83: Project					
Total	\$ 813,500	\$ 303,200	\$ 1,760,625	\$699,034	\$3,576,359

**Santander Properties, Ltd.
North 100 acres - Residential
Brownsville, Texas
Preliminary Construction Cost Projection**

Cost per lot Summary

Gross area in single family residential development	48.0 Acres
Net area in single family residential lots	30.0 Acres
Number of single family lots (does not include common areas)	135.0 Lots
Average size of lots	9,680 Square Feet
Minimum lot size	8,500 Square Feet
Total development cost per lot	\$10,372 per lot
Total length of street	6,270 Feet
Construction cost per foot of street	\$155 per foot
Development cost per foot of street	\$223 per foot

Notes: Estimate is for planning purposes only. All Facilities subject to City approval.
Projected Development Cost includes only construction related costs. Land, legal, advertising, etc. are not included.
Construction Staking limited to front lot hubs, centerline of street and final lot pins.