

Controller's Office

To the Honorable Mayor and City Council of the City of Houston:

I hereby certify, with respect to the money required for the contract, agreement, obligation or expenditure contemplated by the ordinance set out below that:

- () Funds have been encumbered out of funds previously appropriated for such purpose.
- () Funds have been certified and designated to be appropriated by separate ordinance to be approved prior to the approval of the ordinance set out below.
- () Funds will be available out of current or general revenue prior to the maturity of any such obligation.
- (X) No pecuniary obligation is to be incurred as a result of approving the ordinance set out below.
- () The money required for the expenditure or expenditures specified below is in the treasury, in the fund or funds specified below, and is not appropriated for any other purposes.
- () A certificate with respect to the money required for the expenditure or expenditures specified below is attached hereto and incorporated herein by this reference.
- () Other -

Date: March 29, 2000

City Controller of the City of Houston

John H. Garcia
John H. Garcia

FUND REF: NA AMOUNT: NA ENCUMB. NO.: RF70003-00

City of Houston, Texas, Ordinance No. 2000-2600-212

AN ORDINANCE APPROVING AND AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF HOUSTON, TEXAS, REINVESTMENT ZONE NUMBER ONE, CITY OF HOUSTON, TEXAS AND THE SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY FOR CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EMERGENCY.

* * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON:

FORM 132.M
(Approving/Authorizing)

Section 1. The City Council hereby approves and authorizes the contract, agreement or other undertaking described in the title of this Ordinance, in substantially the form as shown in the document which is attached hereto and incorporated herein by this reference. The Mayor is hereby authorized to execute such document and all related documents on behalf of the City of Houston. The City Secretary is hereby authorized to attest to all such signatures and to affix the seal of the City to all such documents.

Section 2. The Mayor is hereby authorized to take all actions necessary to effectuate the City's intent and objectives in approving such agreement, agreements or other undertaking described in the title of this ordinance, in the event of changed circumstances.

Section 3. The City Attorney is hereby authorized to take all action necessary to enforce all legal obligations under said contract without further authorization from Council.

Section 4. There exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 29th day of March, 2000.

APPROVED this _____ day of _____, 2000.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is APR 04 2000.



City Secretary

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: APR 04 2000

FORM 132.M
(Approving/Authorizing)

(Prepared by Legal Dept. 1 GRAFF, A. R. C.)
 (DFM:dfm 3/28/00 Senior Assistant City Attorney)
 (Requested by Robert Litke, Director of Planning and Development)
 (L.D. File No. 61-92053-16)

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AYE	NO	
✓		MAYOR BROWN
....	COUNCIL MEMBERS
✓		TATRO
✓		GALLOWAY
✓		GOLDBERG
✓		BONEY
✓		TODD
✓		ELLIS
✓		KELLER
✓		VASQUEZ
✓		CASTILLO
✓		PARKER
✓		QUAN
✓		SANCHEZ
✓		BELL
✓		ROBINSON
CAPTION	ADOPTED	

MAY 017 Rev. 1/00

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AGREEMENT BY AND BETWEEN

THE CITY OF HOUSTON, TEXAS,

AND

REINVESTMENT ZONE NUMBER ONE, CITY OF HOUSTON, TEXAS

AND

SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY

AGREEMENT

I. PARTIES

A. Introduction

THIS AGREEMENT ("Agreement") is made by and between the **CITY OF HOUSTON, TEXAS**, (the "City"), a municipal corporation and home-rule city of the State of Texas principally situated in Harris County, acting by and through its governing body, the City Council; **REINVESTMENT ZONE NUMBER ONE, CITY OF HOUSTON, TEXAS**, a reinvestment zone created by the City of Houston pursuant to Chapter 311 of the Texas Tax Code ("Zone"), acting by and through its Board of Directors; and the **SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY**, a not-for-profit local government corporation, organized and existing under the laws of the State of Texas (the "Authority"), acting by and through its Board of Directors. This Agreement is made pursuant to Chapter 791 of the Texas Government Code.

B. Addresses

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

City: Director (or designee)
Public Works and Engineering Department
City of Houston
P.O. Box 1562
Houston, Texas 77251-1562

With copy to: Director (or designee)
Department of Planning and Development
City of Houston
P. O. Box 1562
Houston, Texas 77251-1562

Zone: Chairperson
Reinvestment Zone Number One, City of Houston, Texas
7324 Southwest Freeway, Ste. 1490
Houston, Texas 77074

Authority: Chairperson
Saint George Place Redevelopment Authority
7324 Southwest Freeway, Ste. 1490
Houston, Texas 77074

C. Index

The City, the Zone, and the Authority hereby agree to the terms and conditions of this Agreement. This Agreement consists of the following sections:

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D. Parts Incorporated

All of the above described sections and documents are hereby incorporated into this Agreement by this reference for all purposes.

IN WITNESS HEREOF, the City, the Zone and the Authority have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF HOUSTON: Joe P. Brown
J.P. Brown

Mayor Date 5/10/2000

ATTEST/SEAL:

[Signature]
City Secretary Date 5/10/2000

COUNTERSIGNED:

[Signature]
Shirley N. Garcia Date 05.12.00
City Controller

APPROVED:

[Signature] Date 3/31/00
Director
Department of Public Works and Engineering

APPROVED AS TO FORM:

[Signature]
Senior Assistant City Attorney
L. D. File No. 61-92053-16

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

By:  _____
Name: _____ Date _____
Title: _____

ATTEST/SEAL:

By:  _____
Name: _____ Date _____
Title: _____

**SAINT GEORGE PLACE
REDEVELOPMENT AUTHORITY**

By:  _____
Name: _____ Date _____
Title: _____

ATTEST/SEAL:

By:  _____
Name: _____ Date _____
Title: _____

II. BACKGROUND

2.1 Creation and Enlargement of Zone. By City of Houston, Texas Ordinance No. 90-1452, the City created the Zone for the purposes of redevelopment within the area of the City described in Ordinance No. 90-1452, and by City of Houston, Texas Ordinance No. 92-1674, the City enlarged the Zone for the purposes of redevelopment within the area of the City described in Ordinance No. 92-1674 (collectively, the "Saint George Place Area").

2.2 Creation of the Authority. By City of Houston, Texas Resolution No. 98-0003, dated February 11, 1998, the City approved the creation of the Authority whose purpose is to promote, develop, encourage and maintain employment, commerce and economic development in Houston, Texas and to perform the other purposes described in its Articles of Incorporation.

2.3 Agreement Between the City, Zone and Authority. By City of Houston, Texas Ordinance No. 1999-486, the City approved an agreement between the City, the Zone and the Authority (the "Saint George Place Agreement"). The Saint George Place Agreement authorizes the Authority to perform certain activities relating to the development and redevelopment of the Zone pursuant to and consistent with the Plans, including the authority to enter into agreements with "Developers/Builders," as such term is defined in the Saint George Place Agreement.

2.4 Project Plan and Reinvestment Zone Financing Plan. By Ordinance No. 92-1234, the City approved the Project Plan and Reinvestment Zone Financing Plan (the "Plans") for the Zone and by Ordinance No. 97-564, the City approved amendments to the Plans. By Ordinance Nos. 1999-755 and 1999-822, the City approved additional amendments to the Plans.

The Plans, as amended in 1999, include the reconstruction and construction of certain streets and other infrastructure improvements within the Zone.

2.5 Agreements Between the Zone, Authority and Ironwood Homes, Inc. The Zone and the Authority entered into a Development Agreement and a Real Estate Acquisition Agreement (collectively, the "Developer Agreements") with Ironwood Homes, Inc. (the "Developer"), all as approved by the Director of the City's Planning and Development Department pursuant to the Saint George Place Agreement. The Developer Agreements provide, among other things, that the Developer will finance and construct certain public improvements in the Zone, and acquire certain properties in the Zone for public right-of-way purposes, and that the Authority will use certain revenues received pursuant to the Saint George Place Agreement to reimburse the Developer for its expenditures under the Developer Agreements.

2.6 Issuance of Certificates of Obligation by the City. The City anticipates that it will issue a series of tax and revenue certificates of obligation in the amount of approximately \$5,300,00, the proceeds of which will be used to pay the obligations of the City pursuant to this Agreement (the "Certificates of Obligation"). The Certificates of Obligation will be secured by the City's annual ad valorem tax levied on taxable property within the City and by a subordinate and junior lien on and pledge of mixed beverage revenues. The City, however, may use payments made to it pursuant to this Agreement to redeem all or a portion of the Certificates of Obligation prior to maturity.

**ARTICLE III
OBLIGATIONS OF THE CITY**

3.1 Construction of Public Works. (a) In consideration of the agreement of the Zone and Authority to reimburse the City for a portion of the actual costs of the design and construction of the public infrastructure improvements described in Exhibit A, attached hereto and incorporated herein for all purposes (the "Public Works"), the City has caused the design of the Public Works to be completed and agrees to construct or cause the construction of the Public Works. The parties acknowledge that the City has not appropriated and is not in this Agreement appropriating funds for the construction of the Public Works. The parties also acknowledge that the City has not awarded a contract or approved a change order for the construction and completion of the Public Works and that such award and approval will require the appropriation of funds by the City Council. The foregoing are conditions precedent to the obligation of the City to construct or cause the construction of the Public Works. The Public Works to be constructed by the City are limited to the construction of the public infrastructure improvements specifically described and listed on Exhibit A, except as modified or amended by the parties, from time to time, due to change orders, variations in quantities of units of work or other adjustments incorporated in the completed Public Works as provided for herein and in any Contract Document entered into by the City for the construction and completion of the Public Works.

(b) The parties intend that the construction of the Public Works should begin on or about May 1, 2000 and should be substantially completed about seventeen (17) months thereafter. The construction of the Public Works shall be completed in accordance with the approved Engineering

Plans and in conformance with the City's standards and competitive bidding procedures applicable to similar public infrastructure improvements constructed by the City. The parties agree that failure of the City to achieve any construction start date or substantial completion date stated herein shall not constitute a breach of this Agreement.

(c) The obligation of the City to construct or cause the construction of the Public Works shall become effective only after each of the following conditions is satisfied:

- (1) Approval by the City of the Engineering Plans for the Public Works;
- (2) Receipt of a letter from the Chairperson of the Authority to the Director of the City's Department of Public Works and Engineering requesting that the City proceed with the construction of the Public Works. A copy of the letter shall be forwarded by the Chairperson to the Director of the City's Department of Planning and Development; and
- (3) Approval by the City Council of the City of a contract or contracts for the construction of the Public Works and the approval of the appropriation of funds for the construction contract(s).

3.2 Payment of Obligations Under Developer Agreements. (a) The City agrees to make payments on behalf of the Authority and the Zone to the Developer for the public infrastructure and right-of-way acquisition costs described in Exhibit B, attached hereto and incorporated herein for all purposes (the "Developer Reimbursement"), and the Authority and the Zone agree to fully reimburse the City for such expenditures in accordance with Article IV of this Agreement. The parties acknowledge that the City has not appropriated and is not in this Agreement appropriating funds for the Developer Reimbursement, and that the appropriation of funds for the Developer Reimbursement is a condition precedent to the obligation of the City to make the payments to the Developer described herein. The Developer Reimbursement to be paid

by the City is limited to the public infrastructure improvements and right-of-way acquisition specifically described and listed on Exhibit B. The City shall not be obligated to pay the Developer Reimbursement until such time as the City receives written instructions from an officer of the Authority indicating the Developer is owed the Developer Reimbursement in accordance with the terms of the Developer Agreements.

ARTICLE IV OBLIGATIONS OF THE ZONE AND THE AUTHORITY

4.1 Repayment Obligations. (a) In consideration of the City's causing the completion of the design of the Public Works, agreeing to construct or cause the construction of the Public Works, and agreeing to pay the Developer Reimbursement to the Developer on behalf of the Zone and the Authority, the Zone and the Authority agree to reimburse the City for the payment of the Developer Reimbursement, interest paid by the City on the Certificates of Obligation, and the actual costs of the design and the construction of the Public Works, subject to the following exclusions (the "Excluded Costs"):

- (1) fifty percent (50%) of the actual cost of construction of any water and wastewater facilities, identified on Exhibit A as the "Utility Works";
- (2) fifty percent (50%) of the actual cost of construction management, inspection and testing services; and
- (3) any costs of the Public Works paid or attributed to the City from the levy and collection of a public improvement assessment in the Lamar Terrace Public Improvement District No. 2, not to exceed \$950,000.

(b) The Zone and the Authority shall pay to the City the Developer Reimbursement, interest paid by the City on the Certificates of Obligation, and the total actual cost of the design and construction of the Public Works, excluding the Excluded Costs as defined in subsection (a) above, payable as follows:

- (1) It is currently anticipated that the Authority will issue three series of bonds, other than bonds to refund existing debt of the City on behalf of the Zone. The Authority shall pay the City one-third of the total amount due the City under this Agreement from the proceeds of each of these bond issues, unless the Planning Director after notice to the Director of the City's Finance and Administration Department consents to a lesser amount, which consent shall not operate to relieve the Authority of the obligation to pay all amounts due to the City under this Agreement.
- (2) In the event that the Authority does not issue its bonds as anticipated or issues one or more series of bonds the proceeds of which paid to the City are less than the total amount payable under this Agreement, the Authority shall pay the City the remaining amounts in five equal installments (the "payments") with one installment to be made on July 1 in each of the years 2007, 2008, 2009, 2010, and 2011 (the "Due Dates").

The current estimate of the total cost of design and construction to be paid for by the Zone and the Authority is \$4,529,687.11, the current estimate of the amount of interest the City will pay on the Certificates of Obligation is \$2,000,000, and the current estimate of the total Developer

Reimbursement is \$1,287,339. The current estimate of the total cost of the Excluded Cost is \$1,480,449.57.

(c) The Zone and the Authority shall reflect each of the payments stated above in the appropriate annual budget which the Zone and Authority are required to submit to the City Council pursuant to the Saint George Place Agreement. The obligation of the Zone and the Authority to make the payments set out herein is enforceable on the Due Date, but only to the extent that the Zone and Authority have funds available on the Due Dates and only to the extent that the Public Works have been designed and constructed and the City has paid the Developer Reimbursement. Any payment not paid on the Due Date shall accrue and remain an obligation of the Zone and the Authority until paid in full. The Zone and Authority agree that any portion of a payment that has not been paid as of July 2, 2011 shall continue beyond that date as a binding obligation of the Zone and Authority, and in the event that any portion of a payment remains outstanding and unpaid as of July 2, 2011, the City may institute such action against the Zone and Authority as the City may deem necessary to compel performance as long as such action does not abrogate the obligations of the City and the Zone to make payments to pay to any bonds, notes or other obligations of the Authority which the City Council authorizes or has authorized the Zone or Authority to issue.

(d) The Authority reserves the right, from time to time, to issue obligations as provided by applicable Texas law, payable from revenues received by the Authority pursuant to the Saint George Place Agreement to pay the City the obligations incurred hereunder by the Zone and the Authority. The obligations of the Zone and the Authority to reimburse the City under this

Agreement shall be subordinate to (i) any bonds, notes or other obligations issued by the Authority the proceeds of which are used to refund in whole or in part the City's \$2,280,000 Reinvestment Zone No. 1, City of Houston, Texas, Tax Increment Bonds, Series 1992 (Lamar Terrace Project), (ii) the Developer Agreements and any other agreements or obligations of the Zone and the Authority approved by the Zone and the Authority prior to the effective date of this Agreement to the extent that such agreements obligate the Zone and the Authority to make payments from all or part of the available tax increment of the Zone, and (iii) any bonds or notes that are hereafter issued by the Authority which the City Council authorizes or has authorized the Zone or Authority to issue.

(e) In the event that after bids are taken and accepted and the cost to construct the Public Works is in excess of \$4,529,687.11, then, and in that event, the City shall have the following four options:

- (1) The City may elect to pay the additional cost and proceed to let the construction contract and continue with the construction of the Public Works. In such case, the City shall be solely responsible for payment of the additional cost over and above the estimated cost of \$4,529,687.11, and will notify the Zone and the Authority of the lowest bidder for the Public Works;
- (2) The City may reject all bids and re-advertise for bids for the construction of the Public Works in accordance with the approved plans and specifications in the manner similar to that of other City projects;

(3) The City may reject all bids and elect not to proceed with the letting of the construction contract and terminate construction of the Public Works without further obligation to the Zone and the Authority unless otherwise specifically provided herein; or

(4) The City may notify the Zone and the Authority of the bid and undertake to negotiate with the Zone and the Authority for payment of the additional costs of the Public Works. If the parties fail to agree on an allocation of the additional costs, then the City may proceed under one of the three options above.

(f) In the event the City approves a change order to the contract for the construction of the Public Works, the parties agree that the Zone and the Authority shall reimburse the City according to the formula described in subsection (a) above; provided, however, all change orders in excess of \$100,000 shall also be approved by the Zone and the Authority if the City is to be reimbursed for any part of such change order by the Zone and the Authority under this Agreement.

(g) The City shall not be obligated to pay any Developer Reimbursement on behalf of the Authority and the Zone in excess of the amounts set forth on Exhibit B.

ARTICLE V MISCELLANEOUS

5.1 Agreement Term. This Agreement shall become effective as of the date it is countersigned by the City Controller and shall terminate upon the completion of the mutual obligations contained herein or on the rejection of bids pursuant to section 4(d)(3) above.

5.2 Enforcement. The City Attorney, or his designee, shall have the right to enforce all legal rights and obligations under this Agreement without further authorization. The Zone and the Authority covenant to provide the City Attorney all documents and records that the City Attorney deems necessary to assist in determining compliance with this Agreement.

5.3 Notices. All notices required or permitted hereunder shall be in writing and shall be deemed delivered on the earlier of the date of actual receipt or the third 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 prescribed in Article I of this Agreement or at such other address as the receiving party may have theretofore prescribed by written notice to the sending party.

5.4 Assignment. No party shall make, in whole or in part, or in law or otherwise, any assignment of this Agreement or any obligation hereunder without the prior written consent of the other parties hereto.

5.5 Governing Law. This Agreement is subject to all laws of the State of Texas, the City Charter and Ordinances of the City of Houston, the laws of the federal government of the United States of America and all rules and regulations of any regulatory body or officer having jurisdiction in Houston, Harris County, Texas. Should any provision of this Agreement require judicial interpretation, the City, the Zone and the Authority hereby agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be construed against the party who prepared the same, it being agreed that all parties hereto

have participated in the preparation of this Agreement and that each party had full opportunity to consult legal counsel of choice before the execution of this Agreement.

5.6 Third Party Beneficiary. This Agreement shall not bestow any rights upon any third party (including the Developer), but rather shall bind and benefit the City, the Zone and the Authority only.

5.7 Severability. In the event any term, covenant or condition herein contained shall be held to be valid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained, provided that such invalidity does not materially prejudice either the City, the Zone or the Authority in their respective rights and obligations contained in the valid terms, covenant and conditions hereof.

5.8 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.

5.9 Written Amendment. Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party hereto.

5.10 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 right or remedy occurring as a result of any future default or failure of performance.

5.11 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 or agent of the City, the Zone or the Authority.

5.12 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.

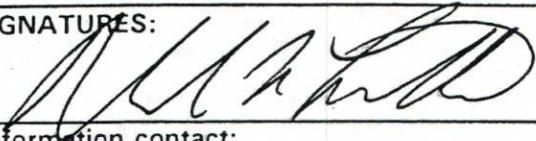
**SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY
PUBLIC WORKS DESCRIPTION AND COST ESTIMATE**

<u>ITEM</u>	<u>TOTAL COST</u>	<u>COSTS PAID BY CITY OF HOUSTON</u>	<u>COSTS PAID BY ZONE</u>
<u>PAVING ITEMS</u>			
Paving	\$2,479,874.00	\$0.00	\$2,479,874.00
Storm Sewer	409,870.00	0.00	409,870.00
Lighting	18,055.00	0.00	18,055.00
Extra Work Items	71,500.00	0.00	71,500.00
Engineering	390,727.11	0.00	390,727.11
Testing	103,531.50	0.00	103,531.50
Project Management & Inspection	<u>406,918.04</u>	<u>0.00</u>	<u>406,918.04</u>
Subtotal	<u>\$3,880,475.65</u>	<u>\$0.00</u>	<u>\$3,880,475.65</u>
<u>UTILITY WORK ITEMS</u>			
Water Main	\$406,500.00	\$203,250.00	\$203,250.00
Sanitary Sewer	491,447.50	245,723.75	245,723.75
Extra Work Items	7,800.00	3,900.00	3,900.00
Engineering	118,761.89	0.00	118,761.89
Testing	31,468.50	15,734.25	15,734.25
Project Management & Inspection	<u>123,683.14</u>	<u>61,841.57</u>	<u>61,841.57</u>
Subtotal	<u>\$1,179,661.03</u>	<u>\$530,449.57</u>	<u>\$649,211.46</u>
GRAND TOTAL	<u>\$5,060,136.68</u>	<u>\$530,449.57</u>	<u>\$4,529,687.11</u>
Construction Cost Paving Work Items		\$2,979,299.00	76.69%
Construction Cost Utility Work Items		<u>905,747.50</u>	<u>23.31%</u>
Total Construction Cost		<u>\$3,885,046.50</u>	100.00%
Engineering (total contract plus Phase III Services)		\$509,489.00	
Testing (Per R.C.A.)		\$135,000.00	
Project Management and Inspection (Per R.C.A.)		\$530,601.18	

EXHIBIT B

SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY
DEVELOPER REIMBURSEMENT

Cost Items	Estimated Total Costs	Source of Funding	
		City of Houston	
		Certificates of Obligation	
Public ROW	\$ 812,000	\$	812,000
Public Utilities	\$ 166,396	\$	166,396
Paving	\$ 200,943	\$	200,943
Demo/Clear/Site Prep	\$ 25,000	\$	25,000
Mobilization/Traffic	\$ 23,000	\$	23,000
Engineering	\$ 60,000	\$	60,000
TOTAL	\$ 1,287,339	\$	1,287,339

SUBJECT: An Ordinance Authorizing an Agreement between City of Houston, Reinvestment Zone Number One, City of Houston, Texas and St. George Place Redevelopment Authority for certain public infrastructure improvements.		Category #	Page 1 of 2	Agenda Item #
FROM (Department or other point of origin): Robert Litke, Director of Planning and Development		Origination Date	Agenda Date	
DIRECTOR'S SIGNATURES: 		Council District affected: District C - CM Goldberg		
For additional information contact: Robert Litke Phone: (713) 837-7708 Bill Calderon Phone: (713) 837-7787		Date and identification of prior authorizing Council action: See below		
RECOMMENDATION: (Summary) Approve an ordinance authorizing an Agreement between City of Houston, Reinvestment Zone Number One, City of Houston, Texas and St. George Place Redevelopment Authority for certain public infrastructure improvements.				
Amount of Funding: None at this time.			F & A Budget:	
SOURCE OF FUNDING: <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund				
<input type="checkbox"/> Other (Specify)				
SPECIFIC EXPLANATION: By Ordinance No. 90-1452, the City created City of Houston, Reinvestment Zone Number One, City of Houston, Texas ("St. George Place Zone"), for the purposes of redevelopment in the St. George Place area. By Resolution No. 98-0003, dated 02/11/98, City Council approved the creation of the St. George Place Redevelopment Authority, whose purpose is to assist the City and the St. George Place Zone in promoting the common good and general welfare of the St. George Place area, to promote, develop, encourage and maintain employment, commerce and economic development in Houston and to perform other purposes described in its Articles of Incorporation. City Council has approved the Project Plan and Reinvestment Zone Financing Plan (the "Plans") as amended, for the St. George Place Zone. The Plans include the reconstruction of certain streets and other infrastructure improvements on the west side of the St. George Place TIRZ. Pursuant to a request from the TIRZ/Redevelopment Authority, the City will issue its certificates of obligation to finance the construction of infrastructure improvements on the Zone's west side. Improvements required for the west side of the zone will include the installation of sanitary sewer lines, water lines, storm sewers, and paving, the payment for which will come from the proceeds of the Certificates of Obligation. Individual property owners will be enabled to redevelop their properties when the the area's infrastructure is upgraded. A portion of the proceeds from the sale of Certificates will also be used to repay Ironwood Homes, a developer in the TIRZ, for infrastructure Ironwood financed and installed in the East side of the zone.				
REQUIRED AUTHORIZATION				
F&A Director:		Other Authorization:		Other Authorization:

Date:	Subject: An Agreement between City of Houston, Reinvestment Zone Number One, City of Houston, Texas and St. George Place Redevelopment Authority for certain public infrastructure improvements.	Originator's Initials	Page 2 of 2
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The agreement provides that the City will contract with the lowest bidder for these improvements, and receive a 50% reimbursement for all costs associated with the sanitary sewer, waterlines, and engineering. All costs related to the paving, storm sewers, and engineering on the public works items on the west side of the zone will be fully reimbursed by the TIRZ. Payments made by the City with respect to public works on the east side of the zone also will be fully reimbursed. Reimbursement of the City will be made from excess revenues under the agreement between the City, the Zone, and the Authority approved by Ordinance No. 1999-486, as such excess revenues are generated, and from the proceeds of Bonds sold by the Redevelopment Authority for that purpose. Similar agreements have been approved by City Council for similar improvements in the Midtown and Almeda/OST TIRZs.

cc: Agenda Director
City Secretary
City Attorney