

City of Houston, Texas, Ordinance No. 97-599

AN ORDINANCE APPROVING THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN FOR REINVESTMENT ZONE NUMBER FOUR, CITY OF HOUSTON, TEXAS (VILLAGE ENCLAVES); AUTHORIZING THE CITY SECRETARY TO DISTRIBUTE SUCH PLANS; CONTAINING VARIOUS PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, by City of Houston Ordinance No. 96-1014, adopted September 25, 1996, the City created Reinvestment Zone Number Two, City of Houston, Texas (the "Village Enclaves Zone") for the purposes of development within the area of the City generally bounded by Memorial Drive on the north, Dairy Ashford on the east, Briar Forest on the south and State Highway 6 on the west, referred to herein as the "Village Enclaves area"; and

WHEREAS, the City enlarged the boundaries of the Village Enclaves Zone by City of Houston Ordinance No. 97-479 on May 7, 1997, to include additional areas within the general boundaries of the Village Enclaves area; and

WHEREAS, Houston Independent School District ("HISD") has agreed to participate in the Midtown Zone and has authorized 100 percent of its tax increment, but not more than \$1.384 per \$100 of assessed valuation per year on the captured appraised value of the Village Enclaves Zone, to be paid into the tax increment fund for the Village Enclaves Zone; and

WHEREAS, the Project Plan and the Reinvestment Zone Financing Plan reflect the participation of HISD; and

WHEREAS, the Board of Directors of the Village Enclaves Zone has approved and recommended the Project Plan and Reinvestment Zone Financing Plan (the "Proposed Plans) attached hereto for the development of the Village Enclaves Zone; and

WHEREAS, before the City and the Board of Directors of the Village Enclaves Zone may implement the Proposed Plans, the City Council must approve the Proposed Plans; and

WHEREAS, the Proposed Plans provide that at least one-third of the surface area of the Village Enclaves Zone, excluding roads, streets, utility rights-of-way and other public areas exempt from ad valorem, is dedicated to residential housing, and that one-third of the tax increment is dedicated to the provision of low-income housing during the term of the Village Enclaves Zone; **NOW, THEREFORE,**

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

Section 1. That the findings contained in the preamble of this Ordinance are declared to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That the Project Plan and Reinvestment Zone Financing Plan attached hereto for Reinvestment Zone Number Four, City of Houston, Texas, are hereby determined to be feasible and are approved.

Section 3. That the City Secretary is directed to provide copies of the Project Plan and Reinvestment Zone Financing Plan to each taxing unit levying ad valorem taxes in the Zone.

Section 4. That City Council officially finds, determines, recites and declares a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code 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 thereof has been discussed, considered and formally acted upon. That City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.


Section 5. 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 28th day of May, 1997.

APPROVED this _____ day of May, 1997.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is JUN 03 1997.



City Secretary

(Prepared by Legal Dept. DEBORAH FAUCETT)
 (DFM/dfm May 20, 1997) Senior Assistant City Attorney
 (Requested by Robert M. Litke, Director, Planning and Development)
 (L.D. File No. 61-96031-04)

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ROLL CALL VOTE

AYE	NO	
✓		MAYOR LANIER
••••	••••	COUNCIL MEMBERS
✓		HUEY
✓		YARBROUGH
✓		WONG
✓		BONEY
	✓	TODD
✓		DRISCOLL
✓		KELLEY
		ABSENT ON PERSONAL BUSINESS FRAGA
✓		CASTILLO
✓		SAENZ
✓		ROACH
✓		SANCHEZ
✓		BELL
✓		ROBINSON
CAPTION	<u>ADOPTED</u>	

CAPTION PUBLISHED IN DAILY COURT
 REVIEW JUN 03 1997
 DATE:

MAY 017 REV 2/97

TAX INCREMENT REINVESTMENT ZONE NUMBER FOUR, CITY OF HOUSTON

Project Plan and Reinvestment Zone Financing Plan

OVERVIEW

Reinvestment Zone Number Four, City of Houston (the "reinvestment zone") was created by Ordinance No. 96-1014 passed September 25, 1996. The City of Houston annexed property into the reinvestment zone by Ordinance 97-479, passed May 7, 1997. This document constitutes the project plan and reinvestment zone financing plan as required by Chapter 311.011, Tax Increment Financing Act.

PROJECT PLAN

The purpose of the reinvestment zone is to facilitate early development of residential and commercial properties within the zone and to enable the construction of a much needed shared educational facility to serve the western portion of the city. The educational facility in turn will be a significant spur to development of the area. See Map 1 for zone boundaries and delineation of Part A and B of the zone.

Part A

Part A of the project plan is to develop 196 single family homes in five sections (three sections in Lakeside Enclave and two sections in Eldridge Enclave) with projected average values of \$140,000 and \$160,000 each. The total estimated development cost requires the expenditure of \$ 3,369,002 in capital construction, related site improvements and financing. Expenditures associated with the construction of water, sewer and drainage infrastructure, detention/lake area, engineering and other specific project related costs will be funded by tax increment revenue derived from property value increases as a result of the proposed residential development.

Pursuant to a Developer Reimbursement Agreement, the developer would be reimbursed for funds advanced on behalf of the reinvestment zone for the engineering, design and construction of specific public facilities and related project costs as detailed in this project plan and reinvestment zone financing plan (Part A). The Developer shall dedicate all public improvements to the City except improvements to the detention/lake area that will be dedicated to the homeowners association.

Part B

Part B of the Project Plan is to build a high school and to encourage further residential development within the zone. It is estimated that the new development will require the expenditure of \$103 million in construction, related site improvements and financing for the shared educational facility, and an estimated \$4.8 million for paving, storm sewer items, sanitary sewer items, water main items, and street lighting items as may be needed to support new commercial and residential development which may not be likely to occur within the foreseeable future with out the improvements contemplated in Project Plan. These expenditures will be

funded by tax increment revenue derived from property value increases from the part B area and through either a rent contract or lease purchase agreement between the Houston Independent School District (the "HISD") and a separate entity. The Part B Plan is intended to provide the financing and management tool to build a much needed shared educational facility on the West Side of Houston.

The construction of a new-shared educational facility will provide area children with improved educational opportunities. The closest high school to this area is located eleven miles to the east. Construction of the shared educational facility on the West Side will be a stepping-stone for development and redevelopment within and surrounding the reinvestment zone. Infrastructure and circulation improvements as well as other public improvements that will encourage and support private investment in new residential and commercial development are contemplated. The major tenets of the reinvestment zone are:

- to maximize the ability of HISD to provide a new school utilizing all available financing tools;

to provide municipal outdoors recreational, park and indoor meeting/recreational facilities;

- to encourage additional residential development within the zone; and
- to encourage development in other nearby areas of the city through the provision of a new shared educational facility.

1. Maps showing the existing uses and conditions of real property in the reinvestment zone and maps showing proposed improvements to and uses of that property

Part A

Part A is 40.9758 acres and is generally bounded by Eldridge Parkway South on the west, Forkland Drive on the north, Enclave Parkway on the east and raw land on the south. A Vicinity Map and the boundaries of the reinvestment zone are indicated on the map and legal description included in Exhibit A: 1.

Aerial photographs included in this plan depict the surrounding land uses. The plats of Eldridge Enclave and Lakeside Enclave show single family residential lots to be developed, along with the various easements and reserves in which the proposed improvements will be located. The proposed improvements to be reimbursed by the Reinvestment Zone are listed on each plat.

Part B

Part B is 1.035 acres located in west Houston. It is generally bounded by Highway Six to the west, Westheimer to the South, Buffalo Bayou to the north, and Enclave Parkway to the east. The reinvestment zone is located within the boundaries of the City of Houston, Harris County and the Houston Independent School District (HISD).

Exhibit A: 2 includes a description, a map showing the boundaries of the reinvestment zone, a vicinity map, a current land use map showing existing uses and conditions of real property located in the reinvestment zone Part B, and a map showing the proposed improvements to and proposed uses of the property.

2. Proposed Changes of Zoning Ordinances, Master Plan of Municipality, Building Codes, and Other Municipal Ordinances

All construction will be done in conformance with existing rules and regulations of the City of Houston. There are no proposed changes of any city ordinance, master plan, or building codes.

3. List of Estimated Non-project Costs

Part A

Paving	\$ 714,100
Amenities (Swimming pool, Cabana and Fence around the swimming pool and Cabana)	\$ 85,000
Landscaping	\$ 167,000
Engineering and Contingency associated with non-project related costs	\$ 144,900
HOA Subsidy	\$ 62,100
Legal/Insurance/Accounting	\$ 30,000
Taxes	\$ 161,900
Closing Costs	\$ 86,500
Management	\$ 239,400

Part B

- \$ 2,644,600

4. Statement of Method of Relocating Persons to be displaced as a Result of Implementing the Plan

The Reinvestment Zone Project Plan calls for the development of only vacant property. Therefore, there is no displacement of property owners or residents.

SHARED EDUCATIONAL FACILITY

		<u>Estimated Cost</u>
	Land and Related Work	\$ 4,250,500
Division	01 Gen. Conditions	3,140,300
Division	02 Sitework	4,491,700
Division	03 Concrete	1,543,000
Division	04 Masonry	4,338,000
Division	05 Metals	2,820,000
Division	06 Wood and Plastics	877,000
Division	07 Thermal & Moist. Prot.	1,835,500
Division	08 Doors and Windows	1,327,000
Division	09 Finishes	3,905,500
Division	10 Specialties	936,000
Division	11 Equipment	1,223,000
Division	12 Furnishings	1,555,000
Division	13 Special Construction	431,000
Division	14 Elevators	70,000
Division	15 Mechanical/Plumbing	9,518,000
Division	16 Electrical	<u>3,696,000</u>
	Total	\$ 45,957,500

The above stated costs are preliminary revised amounts based on an April 1996 cost estimate and are subject to final adjustment upon determination of the future bid date.