



**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.

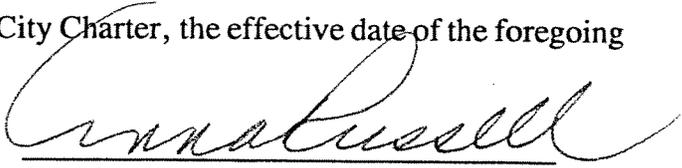
Section 4. There exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; 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.

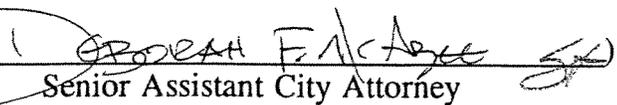
PASSED AND ADOPTED this 4th day of April, 2001.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is APR 10 2001.

  
\_\_\_\_\_  
City Secretary

(Prepared by Legal Dept.   
(DFM:dfm 3/29/01 Senior Assistant City Attorney  
(Requested by Robert Litke, Director of Planning and Development)  
(L.D. File No. 0619700066017)

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CAPTION PUBLISHED IN DAILY COURT  
REVIEW  
DATE: APR 10 2001

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

**FIRST AMENDMENT  
TO INTERLOCAL AGREEMENT BY AND BETWEEN THE  
CITY OF HOUSTON, TEXAS, HARRIS COUNTY  
AND REINVESTMENT ZONE NUMBER EIGHT, CITY OF HOUSTON, TEXAS**

**THE STATE OF TEXAS                   §  
  §     **KNOW ALL PERSONS BY THESE PRESENTS:**  
COUNTY OF HARRIS                   §**

This First Amendment to Interlocal Agreement ("First Amendment") is made and entered into by and between the City of Houston, Texas, a municipal corporation and a home-rule city in the State of Texas (the "City"); Harris County, a body corporate and politic under the laws of the State of Texas, acting by and through its governing body, the Harris County Commissioners Court ("Harris County"); and Reinvestment Zone Number Eight, City of Houston, Texas, a reinvestment zone created by the City pursuant to Chapter 311, Texas Tax Code (the "Gulfgate Zone").

**W I T N E S S E T H:**

**WHEREAS**, on or about December 10, 1997, the City Council of the City of Houston, Texas, pursuant to chapter 311 of the Texas Tax Code, adopted Ordinance No. 97-1524 designating a certain area as Reinvestment Zone Number Eight, City of Houston, Texas and described the boundaries of said Zone; and

**WHEREAS**, on June 29, 1999, the Commissioners Court of Harris County approved Harris County's entering into that certain Interlocal Agreement by and between the City, Harris County and the Gulfgate Zone (the "Original Agreement"); and

**WHEREAS**, pursuant to Ordinance No. 1999-706, adopted on July 7, 1999, the City enlarged the Gulfgate Zone; and

WHEREAS, the City, Harris County and the Gulfgate Zone desire to amend the Original Agreement in order to modify the participation of Harris County in the Gulfgate Zone and provide for the provision of tax increment funds for the enlarged Gulfgate Zone.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration and the mutual benefits herein expressed, the City, Harris County and the Gulfgate Zone agree as follows:

#### ARTICLE I

Section II of the Original Agreement entitled "DEFINITIONS" is hereby amended by adding or substituting, as appropriate, the definitions in their appropriate alphabetical order to read as follows:

"Gulfgate Area" shall mean the Gulfgate area of the City and neighboring areas, as more particularly described in Ordinance Nos. 97-1524 and 1999-706, provided that it shall not include, for purposes of determining tax increments for tax years ending prior to January 1, 2000, any area other than that described in Ordinance No. 97-1524.

"Gulfgate Zone" means Reinvestment Zone Number Eight, City of Houston, Texas, created by the City on December 10, 1997 by Ordinance No. 97-1524 and as enlarged on July 7, 1999 by Ordinance No. 1999-706 and includes its successors and assigns, provided that it shall not include, for purposes of determining any increments for tax years ending prior to January 1, 2000, any area larger than the original Zone created by Ordinance No. 97-1524.

"Project Plan" means the project plan and reinvestment zone financing plan for the Gulfgate Zone adopted by the board of directors of the Gulfgate Zone and approved by the City Council of the City on December 17, 1997 by Ordinance No.

97-1572 and as amended on July 7, 1999 by Ordinance No. 1999-707 and on August 11, 1999 by Ordinance No. 1999-824.

## ARTICLE II

Section III of the Original Agreement entitled "BACKGROUND" is amended to read as follows:

On December 10, 1997, the City created the Gulfgate Zone, by adoption of City of Houston Ordinance No. 97-1524, for the purposes of development and redevelopment in the Gulfgate Area. The Board of Directors of the Gulfgate Zone initially adopted a project plan and reinvestment zone financing plan, which was approved by the City on December 17, 1997 by City of Houston Ordinance No. 97-1572, and amended on July 7, 1999 by City of Houston Ordinance No. 1999-707 and on August 11, 1999 by City of Houston Ordinance No. 1999-824. The City has agreed to participate in the Gulfgate Zone by contributing tax increments produced in the Gulfgate Zone to the Tax Increment Fund. On October 6, 1999 by City of Houston Ordinance No. 1999-1069 the City entered into an agreement with Harris County and the Gulfgate Zone by which Harris County would participate at the rate of one hundred percent (100%) of the tax increment attributed to the Captured Appraised Value in the Gulfgate Zone attributable to Harris County, and the Port of Houston Authority of Harris County, Texas, the Harris County Flood Control District, the Harris County Hospital District, the Harris County Department of Education, and any other taxing entity for whom Harris County imposes taxes, either now or in the future would participate at the rate of zero percent (0%) of the increment attributed to such entities. The Gulfgate Zone was enlarged on July 7, 1999 by Ordinance No. 1999-706. Harris County now desires to participate in the enlarged Gulfgate Zone and enter into an amendment to the Original Agreement with the City and the Gulfgate Zone in consideration for the agreements set forth below.

### ARTICLE III

Section IV of the Original Agreement entitled "OBLIGATIONS OF HARRIS COUNTY" is amended to read as follows:

#### A. Tax Increment Participation by Harris County

For and in consideration of the agreements of the parties set forth herein, and subject to the remaining subsections of this section, the parties agree that to the extent authorized by law, the participation of Harris County in the Gulfgate Zone, to the Tax Increment Fund during the term of this Agreement is one hundred percent (100%) of the tax increment attributed to the Captured Appraised Value in the Gulfgate Zone attributable to Harris County; and the Port of Houston Authority of Harris County, Texas, the Harris County Flood Control District, the Harris County Hospital District, the Harris County Department of Education, and any other taxing entity for whom Harris County imposes taxes, either now or in the future will participate at the rate of zero percent (0%) of the tax increment attributed to the Captured Appraised Value in the Gulfgate Zone attributable to such entities. Harris County's participation in the enlarged portion of the Gulfgate Zone shall commence with the tax year beginning on January 1, 2000.

It is further agreed that should, for any reason, the City or the Gulfgate Zone receive funds due to a tax increment attributable to any of the entities named in this paragraph in excess of the contribution as agreed herein, the City and the Gulfgate Zone shall promptly return such excessive amount to such entity. It is further agreed that the Harris County Flood Control District, the Harris County Hospital District, the Port of Houston Authority of Harris County, Texas, the Harris County Department of Education, and all other taxing entities for whom Harris County imposes taxes, either now or in the future, are third party beneficiaries of this Agreement and shall be able to enforce its terms.

**B. Tax Increment Limitation**

Harris County is not obligated to pay its Tax Increment Participation from any source other than taxes collected on the Captured Appraised Value. Furthermore, Harris County has no duty or obligation to pay the Harris County Tax Increment Participation from any other Harris County taxes or revenues, or until the Harris County Tax Increment Participation in the Gulfgate Zone is actually collected. Any portion of the taxes representing the Harris County Tax Increment Participation that are paid to Harris County and subsequently refunded pursuant to the provisions of the Texas Tax Code shall be offset against future payments to the Tax Increment Fund. The obligation to pay the Harris County Tax Increment Participation accrues as taxes representing the Harris County Tax Increment Participation are collected by Harris County and payment shall be due as provided in section 311.013(c) of the Texas Tax Code. No interest or penalty will be charged to Harris County for any late payment received from Harris County; provided, however, that penalty and interest on any delinquent taxes received by Harris County on any delinquent taxes from the Tax Increment Participation shall be paid to the Tax Increment Fund in the amounts required by section 311.013(c) of the Texas Tax Code.

**C. Expansion of Gulfgate Zone**

The obligation of Harris County to participate in the Gulfgate Zone is limited to the area shown in City of Houston Ordinance Nos. 97-1524, 1999-706 and 1999-824. Harris County's participation does not extend to the tax increment on any additional property added to the Gulfgate Zone by the City or any amendment to the Project Plan by the Gulfgate Zone and the City that would increase the total amount of project costs unless Harris County specifically agrees to participate in the additional area or amendment to the Project Plan. In addition, Harris County's participation does not extend to any dedication of revenue from the Tax Increment Fund by the Gulfgate Zone for projects outside the Gulfgate Zone, unless Harris County agrees to participate in the dedication.

**D. Board of Directors**

Pursuant to the provisions of section 311.009(a), Texas Tax Code, Harris County shall have the unequivocal right to appoint and thereafter at all times maintain one (1) member on the Gulfgate Zone Board of Directors. Harris County may also appoint and maintain as many non-voting ex officio members on the Gulfgate Zone Board of Directors as Harris County may desire.

**ARTICLE IV**

Except as modified herein, the Original Agreement will remain in full force and effect. In the event of a conflict between the Original Agreement and this First Amendment, this First Amendment shall prevail. The Agreement, as amended, shall terminate on December 31, 2020, unless earlier terminated by the parties hereto or when the increments contributed by Harris County total \$3,641,216. It is the intent of the parties that Harris County's participation in the Gulfgate Zone, or any expansion thereof, is limited to the term stated herein. Nothing in this Agreement, however, limits the authority of the Harris County Commissioners Court to extend the term of this Agreement or increase the amount of the Harris County Tax Increment Participation in the Gulfgate Zone, as set forth in Section III of this Agreement. Upon termination of this Agreement, the obligation of Harris County to contribute to the Tax Increment Fund for the Gulfgate Zone shall end. However, any refund obligations to the City and the Gulfgate Zone shall survive such termination.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment, in multiple copies, each of which shall be an original.

CITY OF HOUSTON, TEXAS

*Lee P. Brown*

Mayor

*John Brown*

Date

ATTEST/SEAL:

*Ann Russell*

City Secretary

Date

*4/26/01*

APPROVED:

*[Signature]*

Director,

Planning and Development Department

Date *4/16/01*

*DC*

COUNTERSIGNED:

*[Signature]*  
*Sylvia N. Garcia*

City Controller

*5/4/01*

Date

APPROVED AS TO FORM:

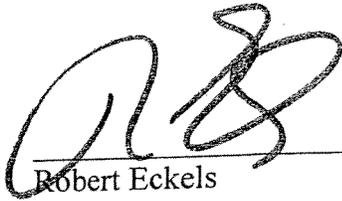
*[Signature]*

Sr. Assistant City Attorney Date

L.D. File No. 0614900066017

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HARRIS COUNTY

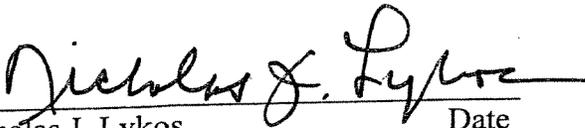


Robert Eckels  
County Judge

12/19/2000  
Date

APPROVED AS TO FORM:

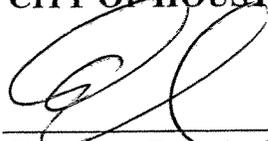
Michael P. Fleming  
County Attorney

By   
Nicholas J. Lykos  
Assistant County Attorney

Date

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**REINVESTMENT ZONE NUMBER EIGHT,  
CITY OF HOUSTON, TEXAS (Gulfgate Zone)**

  
\_\_\_\_\_  
Chairman, Board of Directors

4-26-01  
Date

ATTEST:

  
\_\_\_\_\_  
Secretary, Board of Directors

4/26/01  
Date

THE STATE OF TEXAS    §  
                                   §  
 COUNTY OF HARRIS      §

The Commissioners Court of Harris County, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the DEC 19 20 day of December, 2000, with the following members present, to-wit:

Robert Eckels	County Judge
El Franco Lee	Commissioner, Precinct No. 1
<del>James Fonteno</del>	<del>Commissioner, Precinct No. 2</del>
Steve Radack	Commissioner, Precinct No. 3
Jerry Eversole	Commissioner, Precinct No. 4

and the following members absent, to-wit: Comm. Fonteno, constituting a quorum, when among other business, the following was transacted:

ORDER AUTHORIZING THE EXECUTION OF FIRST AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN HARRIS COUNTY, CITY OF HOUSTON AND REINVESTMENT ZONE NUMBER EIGHT, CITY OF HOUSTON, TEXAS

Commissioner Radack introduced an order and made a motion that the same be adopted. Commissioner Eversole seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

	Vote of the Court:		
	Yes	No	Abstain
AYES:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NAYS:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ABSTENTIONS:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

RECITALS:

On or about December 10, 1997, the City Council of the City of Houston, Texas, pursuant to chapter 311 of the Texas Tax Code, adopted Ordinance No. 97-1524 designating a certain area as Reinvestment Zone Number Eight, City of Houston, Texas and describing the boundaries of said Zone; and

On June 29, 1999, the Commissioners Court of Harris County approved Harris County's tax increment participation in Reinvestment Zone Number Eight and Harris County's entering into an Interlocal Agreement by and among Harris County, the City of Houston and Reinvestment Zone Number Eight, City of Houston, Texas; and

Presented to Commissioner's Court  
 DEC 19 2000  
 APPROVE \_\_\_\_\_  
 Recorded Vol \_\_\_\_\_ Page \_\_\_\_\_

On or about July 7, 1999, the City Council of the City of Houston, Texas adopted Ordinance No. 1999-706 enlarging the Gulfgate Zone; and

Harris County, the City of Houston, and Reinvestment Zone Number Eight, City of Houston, Texas, desire to amend the original agreement among the parties and enter into a First Amendment to the Interlocal Agreement to modify the participation of Harris County in the enlarged Gulfgate Zone; and

The Commissioners Court of Harris County desires to approve Harris County's entering into a First Amendment of the Interlocal Agreement based on the aforesaid representations. **NOW, THEREFORE,**

**BE IT ORDERED BY THE COMMISSIONERS COURT OF HARRIS COUNTY, TEXAS THAT:**

**Section 1:** The recitals set forth in this order are true and correct.

**Section 2:** The Agreement is approved and the County Judge of Harris County or his designee is authorized to execute a First Amendment to the Interlocal Agreement with the City of Houston and Reinvestment Zone Number Eight, City of Houston, Texas to modify the participation of Harris County in the enlarged Gulfgate Zone. The Agreement is attached hereto and made a part hereof for all purposes.