

City of Houston, Texas, Ordinance No. 98-1112

**AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN CITY OF HOUSTON (CITY PARK AREA) AS REINVESTMENT ZONE NUMBER TWELVE, CITY OF HOUSTON, 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; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.**

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**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 Houston 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 November 18, 1998, public hearing on the creation of the proposed zone was published on November 11, 1998, in the Houston Chronicle, a newspaper of general circulation in the City; and

**WHEREAS**, Harris County, pursuant to Section 311.003, Texas Tax Code, has waived the Tax Code requirement that it receive sixty (60) days notice of the public hearing on the creation of the proposed zone; and

**WHEREAS**, the Houston Independent School District, pursuant to Section 311.003, Texas Tax Code, has waived the requirement that it receive sixty (60) days notice of the public hearing on the creation of the proposed zone; and

**WHEREAS**, at the public hearing on November 18, 1998, 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 several persons appeared and presented evidence in opposition to the creation of the proposed zone; 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 precedent to the creation of the proposed zone; and

**WHEREAS**, the total appraised value of taxable real property in the proposed zone and all other reinvestment zones previously created by the City is approximately \$1,300,544,312; and

**WHEREAS**, the total appraised value of taxable real property in the City and in the industrial districts created by the City exceeds \$58,844,024,880; and

**WHEREAS**, the total appraised value of taxable real property taxable by Harris County, in which the proposed zone is located, is approximately \$101,131,883,000; and

**WHEREAS**, the total appraised value of real property taxable by the Houston Independent School District, in which the proposed zone is located, is \$36,613,356,000; and

**WHEREAS**, the total area within the proposed zone is approximately 108 acres, excluding property that is publicly owned; **NOW, THEREFORE,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, 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 Council 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 Council further finds and declares that the proposed zone meets the criteria and requirements of Section 311.005 of the Texas Tax Code because (i) the proposed zone substantially arrests and impairs the sound growth of the City and is a menace to the public health, safety, morals and welfare in its present condition and use because of the presence of the predominance of a defective and inadequate street layout, and (ii) the proposed zone is predominantly open and underdeveloped, and because of the absence of adequate storm drainage

facilities and street systems, both of which conditions substantially impair and arrest the sound growth of the City.

(d) That the City Council, 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 Houston;
- (2) That the total appraised value of taxable real property in the proposed zone, and in the City's existing reinvestment zones, 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 Harris County or the Houston Independent School District; and
- (4) That the development or redevelopment of the area in the proposed zone will not occur solely through private investment in the reasonably foreseeable future.

**Section 2. Exception to Guidelines**

That the City hereby excepts the proposed zone from compliance with any City tax increment reinvestment zone guidelines established by the City pursuant to Resolution No. 90-203 that are applicable to the proposed zone and that the zone does not satisfy. Section 1 of Resolution No. 90-203 specifically authorizes the City Council to grant exceptions on a zone-by-zone basis.

**Section 3. 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 Twelve, City of Houston, Texas, (the "Zone").

**Section 4. 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 appointment is received by the City. Failure of a taxing unit to appoint a director by January 1, 2000, 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 the directors to Positions One through Five of the Board of Directors, any position unfilled on January 1, 2000, 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 Council.

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 Three 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 Council 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 Council 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 Council 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 Council 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 Council, 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 Director of the Finance and Administration Department, 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 5.     Duration of the Zone**

That the Zone shall take effect on January 1, 1999, and termination of the operation of the Zone shall occur on December 31, 2028, 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 6.     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, 1998, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

**Section 7.     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 8. Severability**

If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of 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 Council 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 9. 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 Council 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 Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

**Section 10. Notices**

The contents of the notice of the public hearing, which hearing was held before the City Council on November 18, 1998, and the publication of said notice, are hereby ratified, approved and confirmed.

**Section 11. Emergency**

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 of its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 2<sup>ND</sup> day of December, 1998.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 1998.

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

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is DEC 08 1998

*[Handwritten Signature]*

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

(Prepared by Legal Dep't

(MAM/mam 11/19/98

(Requested by Robert Litke, Director, Planning and Development Department)

L.D. No. 34-98387-01

*[Handwritten Signature: Michael Anthony Moss]*  
Assistant City Attorney

AYE	NO	
✓		MAYOR BROWN
••••	••••	COUNCIL MEMBERS
✓		TATRO
ABSENT OUT OF CITY CITY BUSINESS		YARBROUGH
ABSENT OUT OF CITY CITY BUSINESS		WONG
✓		BONEY
✓		TODD
✓		DRISCOLL
	✓	KELLEY
	✓	FRAGA
ABSENT OUT OF CITY CITY BUSINESS		CASTILLO
	✓	PARKER
ABSENT		ROACH
✓		SANCHEZ
✓		BELL
ABSENT OUT OF CITY CITY BUSINESS		ROBINSON
CAPTION	ADOPTED	

**CITY PARK TAX INCREMENT REINVESTMENT ZONE  
BOUNDARY DESCRIPTION**

BEGINNING at the northeast corner of Bevis Street and West 17<sup>th</sup> Street

Thence south along the east right-of-way line of Bevis Street a distance of 1,090 to the termination point of Bevis Street and the beginning of property owned by Harris County Flood Control District

Thence east a distance of approximately 290 feet

Thence southeast a distance of approximately 367 feet

Thence southwest a distance of 500 feet

Thence northwest a distance of 200 feet

Thence south a distance of approximately 3,000 feet to the northeast corner of the intersection of the right-of-way lines of T.C. Jester Boulevard and West 11<sup>th</sup> Street

Thence west across the right-of-way line of T.C. Jester Boulevard a distance of approximately 120 feet

Thence northwest along the west right-of-way line of T.C. Jester Boulevard a distance of approximately 1,130 feet and across T.C. Jester Boulevard

Thence northwest along the east right-of-way line of T.C. Jester Boulevard distance of approximately 2,700 feet

Thence east a distance of approximately 110 feet

Thence northwest along the White Oak Bayou and crossing West 18<sup>th</sup> Street a distance of approximately 2,050 feet

Thence east along the north right of way line of West 18<sup>th</sup> Street a distance of approximately 400 feet

Thence northwest along the west right-of-way line of East T.C. Jester Boulevard to the east right-of-way line of Ella Boulevard a distance of approximately 1,325 feet

Thence north along the east right-of-way line of Ella Boulevard a distance of approximately 120 feet

Thence south east along the east right-of-way line of East T.C. Jester Boulevard to the south right-of-way line of West 20<sup>th</sup> Street a distance of approximately 1,650 feet

Thence northeast along the south right-of-way line of West 20<sup>th</sup> Street a distance of approximately 320 feet

Thence south a distance of approximately 230 feet

Thence east along the north right-of-way line of West 18<sup>th</sup> Street a distance of approximately 1.027 feet

Thence south across West 18<sup>th</sup> Street a distance of approximately 370 feet to the north right-of-way line of West 17<sup>th</sup> Street

Thence west along the north right-of-way line of West 17<sup>th</sup> Street a distance of approximately 362 feet to the POINT OF BEGINNING

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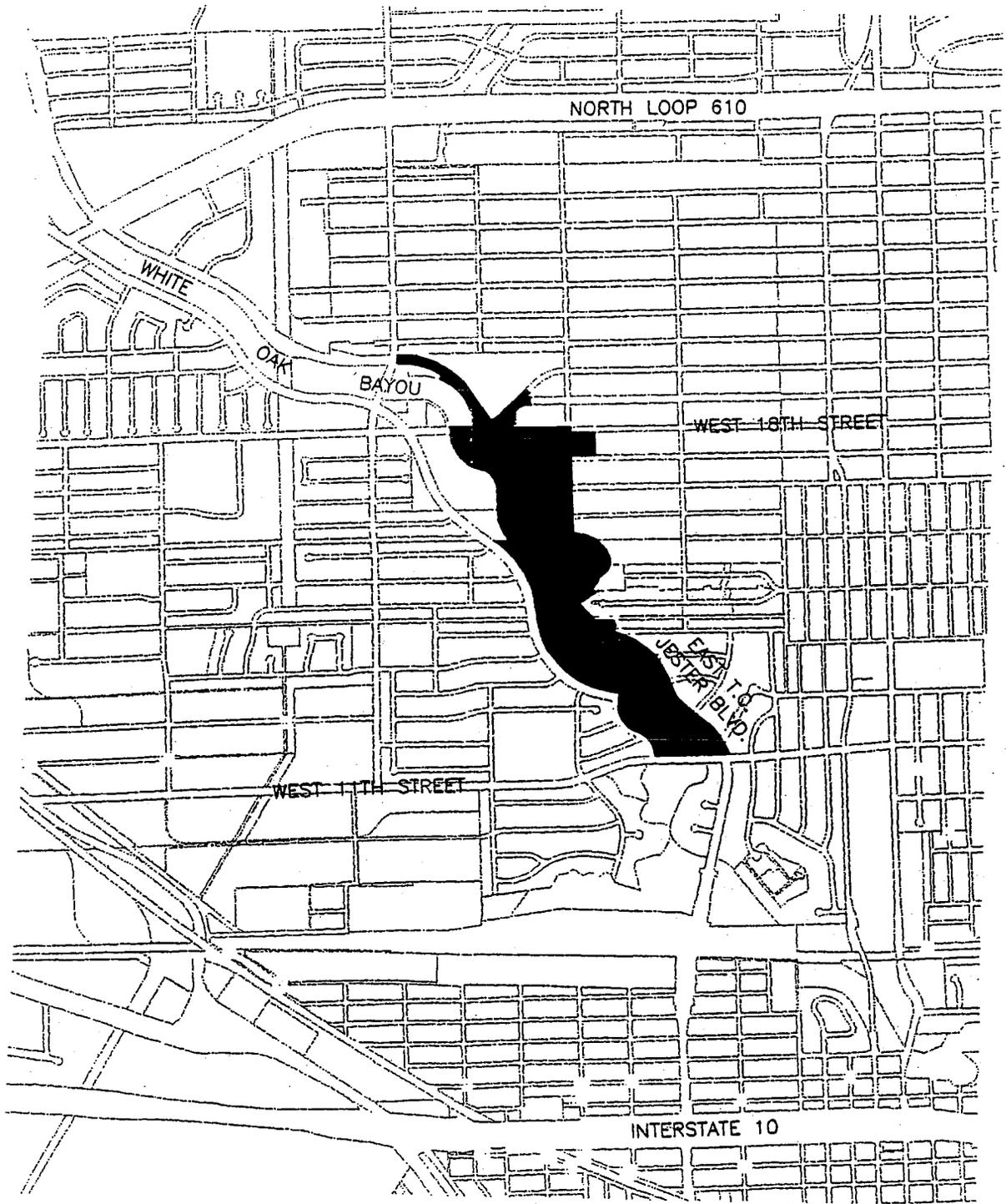
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# BOUNDARY MAP



# CITY PARK T.I.R.Z.

EXHIBIT \_\_\_\_\_  
Page \_\_\_\_\_ Of \_\_\_\_\_