

City of Houston, Texas, Ordinance No. 98-1256

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY OF HOUSTON (OLD SIXTH WARD AREA) AS A REINVESTMENT ZONE 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.

* * * * *

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 received a petition, (the "Petition"), requesting that a contiguous geographic area in Houston, Texas, (the "Old Sixth Ward Area") be designated as a reinvestment zone under the provisions of Chapter 311 of the Texas Tax Code; and

WHEREAS, the Petition was submitted by the owners of property constituting at least fifty percent of the appraised value of the property in the proposed reinvestment zone according to the most recent certified appraisal roll for Harris County, Texas, the county in which the proposed zone is located; and

WHEREAS, the City 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 held on December 16, 1998, 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 December 16, 1998, public hearing on the creation of the proposed zone was published on December 9, 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 December 16, 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

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, the City has provided all information, 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; 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 \$1,338,000,000; 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;

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 reinvestment zone meets the criteria and requirements of Section 311.005 of the Texas Tax Code because:

- (1) The proposed zone substantially impairs and arrests the sound growth of the City, retards the provision of housing accommodations constitutes an economic and social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:
 - a. a substantial number of substandard, slum, deteriorated, or deteriorating structures ;
 - b. the predominance of defective or inadequate sidewalk or street layout;
 - c. faulty lot layout in relation to size, adequacy, accessibility or usefulness;
 - d. unsanitary or unsafe conditions;
 - e. the deterioration of site or other improvements;
 - f. defective of unusual conditions of title; and
 - g. conditions that endanger life or property by fire or other cause.
- (2) The proposed zone is an area described in a petition requesting that the area be designated as a reinvestment zone submitted by the owners of the property constituting at least 50 percent of the appraised value of the

property in the area according to the most recent certified appraisal roll for Harris County.

(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 property 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 (the "Act"), 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 Thirteen (13) City of Houston, Texas, (the "Zone"). The City Council specifically declares that the Zone is designated pursuant to Section 311.005(a)(5) of the Texas Tax Code.

Section 4. Board of Directors

That there is hereby created a Board of Directors for the Zone, which shall consist of nine (9) members. Position One on the Board of Directors shall be filled by the State Senator representing the area included within the Zone or his designee. Position Two on the Board of Directors shall be filled by the State Representative representing the area included within the Zone or his designee. The Mayor is hereby authorized to nominate and appoint the remaining seven (7) members of the Board of Directors to Positions Three through Nine, subject to the consent and approval of the City Council; provided, however, that Harris County shall be entitled to appoint a director to Position Nine if Harris County approves the payment of all or part of the tax increment attributable to Harris County; and that the Houston Independent School District ("HISD") shall be entitled to appoint a

Sequential number of Reinvestment Zone to be inserted by City Secretary upon effective date of ordinance in accordance with Chapter 311, Texas Tax Code.

director to Position Eight if HISD approves payment of all or part of the tax increment attributable to HISD.

The directors or their designees in Position One and Position Two shall be members of the Board by operation of law pursuant to Section 311.009(b), Texas Tax Code. The directors appointed to Positions Three, Four, and Five shall be appointed for two year terms, beginning January 1, 1999, while the directors appointed to Positions Six, Seven, Eight and Nine shall be appointed to a one year term beginning January 1, 1999. All subsequent appointments shall be appointed for two-year terms. The member of the Board of Directors appointed to Position Three is hereby designated to serve as chair of the Board of Directors for the term beginning January 1, 1999, and ending December 31, 1999. 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 January 1 of the following year. 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 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 time 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 the Act, 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 the Act. 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 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 Council in adopting this Ordinance that no portion hereof or regulations connected herein shall become operative 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

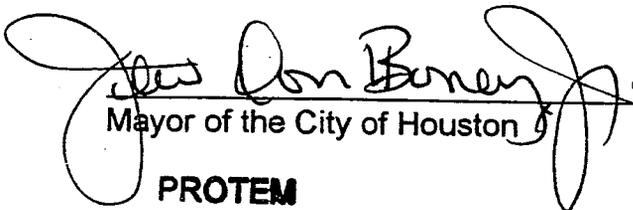
The contents of the notice of the public hearing, which hearing was held before the City Council on December 16, 1998, and the publication of said notice, are hereby ratified, approved and confirmed.

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 at 12:01 a.m. on December 29, 1998.

PASSED AND APPROVED this 22nd day of December, 1998.


 Mayor of the City of Houston
PROTEM

(Prepared by Legal Dep't DEBORAH T. LAY) *SL*
 (DFM/dfm 12/15/98 Senior Assistant City Attorney)
 (Requested by Robert Litke, Director, Planning and Development Department)
 L.D. No. 61-98038-01

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

BOUNDARIES OF OLD SIXTH WARD REINVESTMENT ZONE

BEGINNING at the intersection of the west right-of-way line of Houston Avenue and the north right-of-way line of Memorial Drive and proceeding in a northerly direction along the west right-of-way line of Houston Avenue to the northeast corner of Lot 8, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a westerly direction along the north property line of Lot 8, Block 470 of the W.R. Baker Addition N.S.B.B. Subdivision to the northwest corner of said Lot 8;

THENCE proceeding in a southerly direction along the west property line of Lot 8, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the west property line of Lot 8A, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision and a southerly projection thereof to its intersection with the south right-of-way line of Center Street;

THENCE proceeding in a westerly direction along the south right-of-way line of Center Street to the northwest corner of Lot 7, Block 469½ of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a southerly direction along the west property line of Lot 7, Block 469½ of the W.R. Baker Addition N.S.B.B., continuing along the west property line of Lot 8, Block 469½ of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the west property line of Lot 2, Block 469½ of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the north right-of-way line of Washington Avenue;

THENCE proceeding in a westerly direction along the north right-of-way line of Washington Avenue to its intersection with the west right-of-way line of Dewey Street;

THENCE proceeding in a northerly direction along the west right-of-way line of Dewey Street and a northerly projection thereof to its intersection with the north right-of-way line of Center Street;

THENCE proceeding in an easterly direction along the north right-of-way line of Center Street to its intersection with the west property line of Lot 4A, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision;

EXHIBIT "A"
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THENCE proceeding in a northerly direction along the west property line of Lot 4A, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision, continuing along the west property line of Lot 4, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the west property line of Lot 15, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision to the northwest corner of said Lot 15;

THENCE proceeding in an easterly direction along the north property line of Lot 15, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the north property line of Lot 14, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the west property line of Lot 13, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision, said intersection also being the northeast corner of Lot 14, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a northwesterly direction along the west property line of Lot 13, Block 470 of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the south right-of-way line of of the Southern Pacific railroad right-of-way (also known as the Union Pacific railroad right-of-way);

THENCE proceeding in a westerly direction along the south right-of-way line of the Southern Pacific railroad right-of-way to its intersection with the west right-of-way line of Sawyer Street;

THENCE proceeding in a southerly direction along the west right-of-way line of Sawyer Street to its intersection with the north right-of-way line of Center Street;

THENCE proceeding in a westerly direction along the north right-of-way line of Center Street to its intersection with the west right-of-way line of Oliver Street;

THENCE proceeding in a southerly direction along the west right-of-way line of Oliver Street and a projection thereof to the northeast corner of the Glenwood Cemetery;

THENCE proceeding in a southerly and easterly direction along the east property line of the Glenwood Cemetery to its intersection with the south right-of-way line of Lubbock Street;

THENCE proceeding in an easterly direction along the south right-of-way line of Lubbock Street to its intersection with the most eastern west right-of-way line of Sawyer Street;

THENCE proceeding in a southerly direction along the west right-of-way line of Sawyer Street to its intersection with the north right-of-way line of Memorial Drive;

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THENCE proceeding in an easterly direction along the north right-of-way line of Memorial Drive to its intersection with the east property line of Lot 3A, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a northerly direction along the east property line of Lot 3A, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision to the northeast corner of said Lot 3A;

THENCE proceeding in a westerly direction along the north property line of Lot 3A, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the north property line of Lot 2, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision to the southeast corner of Lot 17, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a northerly direction along the east property line of Lot 17, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the south right-of-way line of State Street;

THENCE proceeding in an easterly direction along the south right-of-way line of State Street to its intersection with the northwest corner of Lot 15A, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a southerly direction along the west property line of Lot 15A, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the west property line of Lot 4, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the north right-of-way line of Memorial Drive;

THENCE proceeding in an easterly direction along the north right-of-way line of Memorial Drive to the southeast corner of Lot 7, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a northerly direction along the east property line of Lot 7, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the east property line of Lot 12, Block 455 of the W.R. Baker Addition N.S.B.B. subdivision and a projection thereof to its intersection with the north right-of-way line of State Street;

THENCE proceeding in a westerly direction along the north right-of-way line of State Street to the southeast corner of Lot 4, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision;

THENCE proceeding in a northerly direction along the east property line of Lot 4, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision to the northeast corner of said Lot 4;

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THENCE proceeding in an easterly direction along the south property line of Lot 14, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision, continuing long the south property line of Lot 13, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision and continuing along the south property line of Lot 12, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision to the southeast corner of said Lot 12;

THENCE proceeding in a northerly direction along the east property line of Lot 12, Block 454 of the W.R. Baker Addition N.S.B.B. subdivision to its intersection with the south right-of-way line of Lubbock Street;

THENCE proceeding in an easterly direction along the south right-of-way line of Lubbock Street to its intersection with the west right-of-way line of Trinity Street;

THENCE proceeding in a southerly direction along the west right-of-way line of Trinity Street to its intersection with the north right-of-way line of Memorial Drive;

THENCE proceeding in an easterly direction along the north right-of-way line of Memorial Drive to its intersection with the west right-of-way line of Houston Avenue, THE POINT OF BEGINNING.

EXHIBIT "A"
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SIXTH WARD TIRZ

