

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.
- () 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.
- (X) Other – Contingent upon receipt of tax increment.

Date: March 10, 2009. *William D. Paden*
William D. Paden
City Controller of the City of Houston

HBS *MRB* *R* FUND REF: N/A AMOUNT: --- ENCUMB. NO.: RF65049-09

City of Houston, Texas, Ordinance No. 2009- 212

AN ORDINANCE APPROVING AND AUTHORIZING AN AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF HOUSTON, TEXAS, THE FOURTH WARD REDEVELOPMENT AUTHORITY, AND REINVESTMENT ZONE NUMBER FOURTEEN, CITY OF HOUSTON, TEXAS (FOURTH WARD ZONE) IN CONNECTION WITH THE CITY'S REINVESTMENT ZONE NUMBER FOURTEEN OVER THE

**FOURTH WARD AREA APPROVED BY ORDINANCE NO. 2000-1110; AND
DECLARING AN EMERGENCY.**

* * * * *

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

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 contract, agreement, 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 such contract, agreement, or other undertaking described in the title of this Ordinance 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 11th day of March, 2009.

APPROVED this _____ day of _____, 2009.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is MAR 17 2009.



City Secretary

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: MAR 17 2009

(Prepared by Legal Dep't Donna Capps DCA)
 (DRC:drc March 5, 2008) Assistant City Attorney
 (Requested by Michelle Mitchell, Director, Finance Department)
 (L.D. File No. 0619700057028)
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AYE	NO	
✓		MAYOR WHITE
••••	••••	COUNCIL MEMBERS
		ABSENT-CITY BUSINESS
		LAWRENCE
✓		JOHNSON
✓		CLUTTERBUCK
✓		ADAMS
✓		SULLIVAN
✓		KHAN
✓		HOLM
		<i>Vacant</i>
✓		RODRIGUEZ
✓		BROWN
✓		LOVELL
✓		NORIEGA
✓		GREEN
✓		JONES
CAPTION	ADOPTED	

FIRST AMENDMENT TO
TRI-PARTY AGREEMENT

Between

THE CITY OF HOUSTON, TEXAS,

REINVESTMENT ZONE NUMBER FOURTEEN,
CITY OF HOUSTON, TEXAS

and

FOURTH WARD REDEVELOPMENT AUTHORITY

_____, 2009

FIRST AMENDMENT TO TRI-PARTY
AGREEMENT

This First Amendment to Tri-Party Agreement ("Amendment") dated effective as of the countersignature date of the City Controller, amends and supplements the Tri-Party Agreement dated December 19, 2000 by and between the CITY OF HOUSTON, TEXAS ("City"), REINVESTMENT ZONE NUMBER FOURTEEN, CITY OF HOUSTON, TEXAS ("Zone"), a tax increment reinvestment zone created by the City pursuant to Chapter 311 of the Texas Tax Code, as amended, acting by and through its governing body, the Board of Directors (the "Zone Board"), and FOURTH WARD REDEVELOPMENT AUTHORITY, a public non-profit local government corporation created pursuant to Chapter 431, Texas Transportation Code ("Authority") acting by and through its governing body, the Board of Directors (the "Authority Board") ("Tri-Party Agreement").

RECITALS

The Zone, the Authority and the City previously entered into the Tri-Party Agreement.

The Zone, the Authority and the City desire to amend the Tri-Party Agreement.

ARTICLE I
AMENDMENTS

1.1 Amendment to Article III. A new Section H of Article III of the Tri-Party Agreement is added to read as follows:

"H. Affordable Housing. Pursuant to Section 311.001(f) of the TIRZ Act, one-third of the Tax Increments must be dedicated to the provision of affordable housing within the City during the term of the Zone as provided in the Project Plan and Financing Plan. The Authority covenants and agrees that it shall spend the Affordable Housing Component not retained by the City pursuant to Article V in accordance with an affordable housing policy approved by the Director and the Zone, and as provided in the Budget."

1.2. Amendment to Article V. Article V of the Tri-Party Agreement is amended to read as follows:

"V.

CITY PAYMENT TO AUTHORITY

The City, on behalf of itself and the Zone, will pay the Authority, not later than the first business day of each July in which a current, approved Budget is in effect for the Authority, all monies then available in the Tax Increment Fund subject to the retention by the City of (i) the Affordable Housing Component not provided for in the Budget, (ii) a reserve up to five percent of the monies then available in the Tax Increment Fund, and (iii) the School District Educational

Facilities Costs; provided, however, that the City and the Zone shall never be obligated to pay to the Authority an amount that exceeds the amount of the approved Budget for the then-current fiscal year. The Authority shall deposit the payments received pursuant to this Section into the Revenue Fund and use the monies in the Revenue Fund for payment of its budget-approved expenditures, its obligations to the holders of its Bonds and Notes, its obligations to Developers/Builders pursuant to a Development Agreement, or its other contractual obligations, all in accordance with an approved Budget. Notwithstanding the foregoing, however, in the event that the budget has not been approved in accordance with Article VI of this Agreement by the thirtieth (30th) day before the date of a principal or interest payment on the Authority's Bonds or Notes, and upon request by the Authority, the City shall pay to the Authority the amount of available monies in the Tax Increment Fund otherwise payable to the Authority under this Agreement in at least the amount necessary for the payment of principal and interest due to the holders of the Authority's outstanding Bonds or Notes next due, and the obligation to make these payments shall survive a termination of this Agreement as provided by Article XXIV hereof.

A quarterly accounting of expenditures and revenues of the Authority, including its operating statements and balance sheets, shall be submitted to the Planning Director by the thirtieth (30th) day of the quarter following such expenditure or receipt of revenue (the "Accounting"). The City's review of the Accounting shall be limited to determining whether the expenditures are (i) authorized by the Budget and (ii) consistent with the terms of the contract pursuant to which they were incurred, and not a review to determine whether the Authority Board properly exercised its discretion in making the expenditure."

1.3 Addition of Article V-1. A new Article V-1 is added to the Tri-Party Agreement to read as follows:

"V-1.

FEDERAL RESERVE BANK PREPAYMENT

A. The City, the Zone, the Authority, and the Federal Reserve Bank of Dallas ("Bank") entered into a development agreement dated April 9, 2008 ("Development Agreement") providing for prepayment to the City of certain taxes from certain of the Bank's property (solely with respect to the portion of such property within the Zone, the "Bank Tract") (as defined in the Development Agreement, the "Prepayment"). The Prepayment shall constitute other revenues to be used in the Zone, which the City shall deposit into the Tax Increment Fund pursuant to Section 311.014 (a) of the TIRZ Act and pay to the Authority in accordance with Article V of this Agreement, without any retention as provided in the first sentence under Article V (the "Bank Payment").

B. The City shall annually credit to the Tax Increment Fund the amount of funds that would otherwise constitute City Tax Increment attributable to the Bank Tract, and the City shall debit such amount annually until such debits equal the amount of the Prepayment. Any payments otherwise due to the Authority under Article V shall be reduced by each such annual debit.

C. Upon receipt of the Bank Payment from the City, the Zone and the Authority agree that the obligation of the City under Section 1 of the Development Agreement to repay all or a portion of the Prepayment to the Bank shall become the obligation of the Zone and the Authority.

D. Notwithstanding any other provision of this Agreement, the Parties agree that the Affordable Housing Component attributable to the Bank Tract shall be satisfied annually from Tax Increment not attributable to the Bank Tract.”

Article 2 General

2.1 Entire Agreement. This written Amendment to the Tri-Party Agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

2.2 Additional Actions. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Amendment to the Tri-Party Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

2.3 Ratification and Reaffirmation. The Parties hereby ratify and reaffirm all the terms and conditions of the Tri-Party Agreement, as specifically amended and supplemented by this Amendment, and each Party hereby acknowledges that the Tri-Party Agreement remains in full force and effect, as so amended and supplemented.

2.4 Counterparts. This Amendment to the Tri-Party Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

[signatures on separate page]

IN WITNESS WHEREOF, the Zone, the Authority and the City have made and executed this Amendment in multiple copies, each of which is an original as of the date first hereinabove written.

CITY OF HOUSTON

Mayor Date

ATTEST/SEAL:

City Secretary Date

COUNTERSIGNED:

City Controller Date

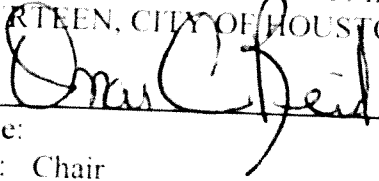
APPROVED:

Director Date
Finance Department


APPROVED AS TO FORM:

Senior Assistant City Attorney
L. D. File No. 0349400360042

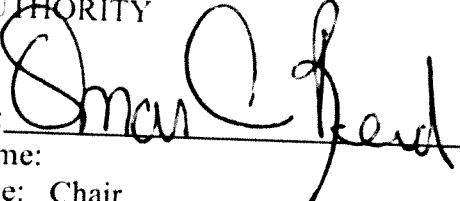
REINVESTMENT ZONE NUMBER
FOURTEEN, CITY OF HOUSTON, TEXAS

By: 
Name: _____
Title: Chair


ATTEST:

By: 
Name: Felix Cisneros
Title: _____

FOURTH WARD REDEVELOPMENT
AUTHORITY

By: 
Name: _____
Title: Chair

ATTEST:

By: 
Name: Felix Cisneros
Title: _____