

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 on receipt of tax increment

First Amendment to An Interlocal Agreement

Ronald C. Grew

Date: 4-25, 2011

City Controller of the City of Houston

NA-6500-NA

- 0 -

FUND REF:

AMOUNT:

ENCUMB. NO.: RF65066-11

CB. Km

HRS

City of Houston, Texas, Ordinance No. 2011-296

AN ORDINANCE APPROVING AND AUTHORIZING A FIRST AMENDMENT TO THE INTERLOCAL AGREEMENT AMONG THE CITY OF HOUSTON, TEXAS, HARRIS COUNTY, REINVESTMENT ZONE NUMBER FIFTEEN, CITY OF HOUSTON, TEXAS (EAST DOWNTOWN ZONE), AND THE EAST DOWNTOWN REDEVELOPMENT AUTHORITY RELATING TO THE PARTICIPATION OF HARRIS COUNTY IN REINVESTMENT ZONE NUMBER FIFTEEN; AND DECLARING AN EMERGENCY.

* * * *

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

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 the 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 the contract, agreement, or other undertaking described in the title of this Ordinance, without further authorization from City 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 27th day of April, 2011.

APPROVED this _____ day of _____, 2011.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is MAY 03 2011.

Wendell Russell
City Secretary

(Prepared by Legal Department Donna Capps ^{DFM})
(DRC:drc April 21, 2011 Assistant City Attorney)

(Requested by Andy Icken, Chief Development Officer, Economic Development Department)
(L.D. File No. 0619900058050)

ORD Amendment to Harris County Participation Agmt East Downtown Zone Final 4-21-11

AYE	NO	
✓		MAYOR PARKER
••••	••••	COUNCIL MEMBERS
✓		STARDIG
	ABSENT	JOHNSTON
	ABSENT	CLUTTERBUCK
✓		ADAMS
✓		SULLIVAN
✓		HOANG
✓		PENNINGTON
✓		GONZALEZ
✓		RODRIGUEZ
✓		COSTELLO
✓	ABSENT	LOVELL
	ABSENT	NORIEGA
✓	ABSENT	BRADFORD
	ABSENT	JONES
CAPTION	ADOPTED	

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

FIRST AMENDED INTERLOCAL AGREEMENT

THIS FIRST AMENDED INTERLOCAL AGREEMENT (Agreement) is made by and between the **CITY OF HOUSTON, TEXAS** (City), a municipal corporation and home-rule city of the State of Texas principally situated in Harris County, acting by and through its governing body, the City Council; **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 (County), the **EAST DOWNTOWN REDEVELOPMENT AUTHORITY** (Authority), a local government corporation created and organized under the provisions of Chapter 431, Texas Transportation Code, as amended, and **REINVESTMENT ZONE NUMBER FIFTEEN, CITY OF HOUSTON, TEXAS** (TIRZ), a reinvestment zone created by the City of Houston pursuant to Chapter 311 of the Texas Tax Code, acting by and through its Board of Directors (Board). This Amended Agreement is made pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code.

DEFINITIONS

As used in this Amended Agreement, the following terms shall have the meanings set out below:

“Agreement” means the Interlocal Agreement between the City, the County, the Authority, and the TIRZ effective February 17, 2011.

“Amended Agreement” means this amended agreement between the City, the County, the Authority and the TIRZ, amending the terms of the Agreement.

“City” is defined in Section I of this Agreement and includes its successors and assigns.

“County” is defined in Section I of this Agreement and includes its successors and assigns.

“County Tax Increment Participation” means the County’s annual ad valorem tax increment payments to the TIRZ pursuant to Section IV of this Agreement.

“Dynamo Stadium Project” means the construction of a soccer stadium on the Project Site.

“HCAD” means Harris County Appraisal District.

“Interlocal Agreement” means the Interlocal Agreement between the City, the County, and the Harris County-Houston Sports Authority approved by the Harris County Commissioners Court on April 13, 2010, concerning terms of participation in the Dynamo Stadium Project, a copy of which is attached hereto as Exhibit 2 and incorporated by reference for all purposes.

“Zone” means the area within the boundaries of the East Downtown Zone, also known as the Tax Increment Reinvestment Zone Number Fifteen, City of Houston, Texas, as created by the City by Ordinance No. 1999-708, and as subsequently amended. Attached hereto as Exhibit 1 is a map outlining the present boundaries of the Zone.

“Tax Increment Fund” means the fund or account created by the City in the City Treasury for accumulating tax increment revenues associated with value increases in the Zone.

Otherwise, the terms used herein have the meanings ascribed to them in Chapter 311, Texas Tax Code.

BACKGROUND

On July 7, 1999, the City created the Zone pursuant to City Ordinance No. 1999-708 for the purposes of development and redevelopment in the East Downtown Area. The Board of Directors of the Zone adopted the Plan, which was then approved by the City by City Ordinance 1999-757. The Zone and the City have subsequently amended the project plan and reinvestment zone financing plan. The City authorized the creation of the Authority to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to the common good and general welfare of the Zone and neighboring areas. The City, the Zone and the Authority subsequently entered into the East Downtown Zone Agreement to administer the Zone on August 3, 2000, by City Ordinance No. 2000-663. The City and the County agreed to participate in the Zone by contributing City tax increments collected in the Zone to the Tax Increment Fund by the Agreement. Now the parties wish to enter into this Amended Agreement to amend the terms of the Agreement on the terms and for the consideration set forth below.

The parties wish to amend the first full paragraph of Paragraph IV.A of the Agreement to read as follows:

“IV. OBLIGATIONS OF THE COUNTY

A. County Tax Increment Participation

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 the County’s participation in the TIRZ is a payment, to the extent authorized by law, to the Tax Increment Fund during the term of this Amended Agreement equal to one hundred per cent (100%) of the tax increment attributed to the Captured Appraised Value in the Zone attributable to the County. The County shall participate so that eighty five percent (85%) of its contribution to the Tax Increment fund will be used only for the project costs incurred by the Zone for the proposed Dynamo Stadium Project. Of this eighty five percent, fifty seven percent (57%) will be used to pay the project costs for the construction of infrastructure for or in support of the proposed stadium on the Project Site. The remaining forty three per cent (43%) of the eighty five per cent will be used to pay the City pursuant to the terms of the Interlocal Agreement for the County’s share of the price of the land in the Project Site acquired for the Dynamo Stadium Project. However, the amounts which the County and the City shall contribute as their respective participations in the form of contributions to the Tax Increment Fund shall be reduced in an amount equal to the amount of ad valorem taxes paid by Dynamo Stadium, LLC, or its successors or assigns, to the County or the City, in the event the leasehold estate held by the Dynamo Stadium, LLC, its successors or assigns, is determined to have any taxable value by

HCAD and any amount is assessed as ad valorem taxes by the County or the City during the term of the Amended Agreement.”

All other terms and conditions of the Agreement shall remain in full force and effect as if set forth herein, except as amended above.

This Amended Agreement becomes effective as of the date of the final signature hereto.

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

IN WITNESS WHEREOF, the City, County, the Authority and the TIRZ have made and executed this Amended Agreement in multiple copies, each of which is an original.

ATTEST/SEAL:

CITY OF HOUSTON

By: _____
Name: ANNA RUSSELL
City Secretary

By: _____
ANNISE PARKER
Mayor, City of Houston

Date Signed: _____

Date Signed: _____

APPROVED AS TO FORM:

**EAST DOWNTOWN
REDEVELOPMENT AUTHORITY**

By: _____
Name: DAVID M. FELDMAN
City Attorney

By: _____
Name:
Title:

APPROVED AS TO FORM:

HARRIS COUNTY

VINCE RYAN
County Attorney

By: _____
DOUGLAS P. RAY
Assistant County Attorney

By: _____
DAVID TURKEL
Director, Harris County Community
Services Department

Date Signed: _____

**TAX INCREMENT REINVESTMENT
ZONE NUMBER FIFTEEN, CITY OF
HOUSTON, TEXAS**

ATTEST/SEAL:

By _____
GORDON QUAN
Chairperson, Board of Directors

By: _____
Name: _____
Secretary, Board of Directors

Date Signed: _____

Date Signed: _____

COUNTERSIGNED:

CONTROLLER, CITY OF HOUSTON

By: _____ Date: _____
RONALD GREEN