

City of Houston, Texas, Ordinance No. 1999 - 709

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE GALLERIA/POST OAK AREA OF THE CITY OF HOUSTON (UPTOWN 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 "Uptown Area"), also known as the Galleria/Post Oak 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, prior to May 31, 1999, provided written notice of the City's intention to create the proposed zone, complying with the requirements of Section 311.003, 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 June 22, 1999, public hearing on the creation of the proposed zone was published on June 15, 1999, 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 requirement that it receive notice of the City's intention to create the zone sixty (60) days notice before 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 notice of the City's intention to create the proposed zone sixty (60) days before public hearing on the creation of the proposed zone; and

WHEREAS, at the public hearing on June 22, 1999, 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 no person appeared or presented evidence against the creation of the proposed zone, its boundaries or the concept of tax increment financing; 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 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 \$3,019,261,199; and

WHEREAS, the total appraised value of taxable real property in the City and in the industrial districts created by the City is approximately \$59,653,340,000; and

WHEREAS, the total appraised value of taxable real property taxable by Harris County, in which the proposed zone is located, is approximately \$102,486,793,000; and

WHEREAS, the total appraised value of real property taxable by the Houston Independent School District, in which the proposed zone is located, is approximately \$37,033,231,000; **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. the predominance of defective or inadequate sidewalk or street layout;
 - b. faulty lot layout in relation to size, adequacy, accessibility or usefulness;
 - c. unsanitary or unsafe conditions; and
 - d. conditions that endanger life or property by fire or other cause; and
- (2) The proposed zone is an area described in a petition submitted by the owners of the property constituting at least 50 percent of the appraised value of the property in the area requesting that the area be designated as a

reinvestment zone 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, 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 ¹ Sixteen, 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 largest area included within the Zone or his designee. Position Two on the Board of Directors shall be filled by the State Representative representing the largest 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;

¹ Sequential number of Reinvestment Zone to be inserted by City Secretary upon effective date of ordinance in accordance with Chapter 311, Texas Tax Code.

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 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 on the effective date of the Zone, while the directors appointed to Positions Six, Seven, Eight and Nine shall be appointed to one year terms beginning on the effective date of the Zone. 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 on the effective date of the Zone, 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 following persons are hereby appointed as initial directors to the Board of Directors of the Zone in the position specified below:

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 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 on the effective date of the Zone, while the directors appointed to Positions Six, Seven, Eight and Nine shall be appointed to one year terms beginning on the effective date of the Zone. 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 on the effective date of the Zone, 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 following persons are hereby appointed as initial directors to the Board of Directors of the Zone in the position specified below:

<u>Position</u>	<u>Name</u>
3	Martin Debrovner
4	Judson Robinson, III
5	Monique McGilbra
6	Deborah Brochstein
7	Wai Cheng McKenzie

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, pursuant to Section 311.010(a) of the Texas Tax Code hereby authorizes the Board of Directors to exercise all of the City's powers necessary to administer, manage or operate the Zone and to prepare the project plan and reinvestment zone financing plan, including the power to employ consultants, legal counsel and financial advisors, or enter into any reimbursement agreements with consultants, legal counsel and financial advisors payable solely from the Tax Increment Fund established pursuant to Section 7 of this Ordinance, subject to the approval of the Director of the Planning and Development Department, that may be reasonably necessary or convenient to assist the Board of Directors in the administration, management or operation of the Zone and the preparation of the project plan and reinvestment zone financing plan. Notwithstanding the foregoing, the Board of Directors shall not be authorized to issue bonds, impose taxes or

fees, exercise the power of eminent domain or give final approval to the project plan and reinvestment zone financing plan. The Board of Directors of the Zone may not exercise any power granted to the City by Section 311.008 of the Texas Tax Code without additional authorization from the City.

Section 5. Duration of the Zone

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, and termination of the operation of the Zone shall occur on December 31, 2029, 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, 1999, 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 and collected 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 the 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 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. 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 APPROVED this 1st day of July, 1999.

Jon Boney
 Mayor of the City of Houston
 Pro Tem

(Prepared by Legal Dep't *DEBORAH F. K. ABE*)
 DFM:dfm 6/29/99 Senior Assistant City Attorney
 (Requested by Robert Litke, Director, Planning and Development Department)
 L.D. No. 61-99060-02

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

Uptown Houston Tax Increment Reinvestment Zone Boundary Description

Being 1,010 acres, more or less, out of the W. White Survey, Abstract No. 836, the C. Sage Survey, Abstract No. 697, the M.B. Gray Survey, Abstract No. 284, the H. Sanderson Survey, Abstract No. 725, and the J. Wharton Survey Abstract No. 871, all located in Harris County, Texas, being more particularly described by metes and bounds as follows:

BEGINNING AT A POINT in the East line of the right of way of Yorktown Drive, being also the northwest corner of the Del Monte Section 1 a subdivision, as described by plat filed of record in Volume 40, Page 40 of the Map Records of Harris County, Texas,

Thence in a northerly direction with the East right of way line of Yorktown Drive to a point in the South right of way line of San Felipe Road, and thence continuing in a northerly direction across San Felipe Road to a point in the North right of way line of San Felipe Road,

Thence in an easterly direction with the North right of way line of San Felipe Road to the point of intersection with the West right of way line of Sage Road,

Thence in a northerly direction with the West right of way line of Sage Road to the point of intersection with the North right of way line of Woodway Drive,

Thence in an easterly direction with the North right of way line of Woodway Drive, across Sage Road, to a point in the East right of way line of Sage Road,

Thence in a southerly direction with the East right of way line of Sage Road to a point in the North right of way line of San Felipe Road,

Thence in an easterly direction with the North right of way line of San Felipe Road to a point in the West right of way line of South Post Oak Lane,

Thence in a northerly direction with the West right of way line of South Post Oak Lane to the point of intersection with the North right of way line of Woodway Drive,

Thence in an easterly direction with the North right of way line of Woodway Drive, across South Post Oak Lane, to a point in the East right of way line of South Post Oak Lane,

Thence in a southerly direction with the East right of way line of South Post Oak Lane to a point, being also the northwest corner of Four Oaks Place Subdivision as described by the plat recorded in Volume 340, Page 127 of the Map Records of Harris County,

Thence in an easterly direction with the North line of Four Oaks Place to a point for the northeast corner of that subdivision, being also the northwest corner of a 3.295 acre parcel of land described in the deed filed of record under County Clerk's File Number D374672 in the Official Public Records of Real Property of Harris County, Texas (The 1200 Post Oak Parcel),

Thence continuing in an easterly direction with the North line of The 1200 Post Oak Parcel to the northeast corner of that tract, being also a point in the West line of the Inverness Townhomes Parcel, a condominium community described by declaration filed in Volume 42, Page 7 of the Condominium Records of Harris County, Texas,

Thence in a northerly direction with the West line of the Inverness Townhomes parcel to the point of intersection with the most westerly, southwest corner of Plat Number 3 – West Oaks, a subdivision described by plat filed in Volume 17, Page 11 of the Map Records of Harris County, Texas,

Thence continuing in a northerly direction with the West line of Plat Number 3 – West Oaks to the point of intersection with the southwesterly bank of Buffalo Bayou,

Thence continuing in a northerly direction to the point of intersection with the centerline of the channel of Buffalo Bayou,

Thence in a northerly direction following the centerline of the channel of Buffalo Bayou upstream to the point of intersection with the projection of the North right of way line of Woodway Drive,

Thence in a northeasterly direction with the projection of the North Line of Woodway Drive and then continuing in a northeasterly direction with the North Line of Woodway Drive to the point of intersection with the West line of the right of way of the West Loop 610,

Thence in a northerly direction with the West right of way line of the West Loop 610 a distance of 700 feet,

Thence in an easterly direction, crossing the West Loop 610 to a point in the East right of way line of the West Loop 610,

Thence in a southerly direction with the East right of way line of West Loop 610 to the point of intersection with the North Line of the M.B. Gray Survey, Abstract No. 284,

Thence in a southerly direction, crossing U.S. Highway 59, to the northwest corner point of that certain 5.135 acre, more or less, parcel of land designated by Harris County Appraisal District Account Number 042-154-000-0107 as described in the deed filed of record under County Clerk's File Number S796307 in the Official Public Records of Real Property of Harris County, Texas (The Hearst Tract) being also a point in the East right of way line of West Loop 610,

Thence continuing in a southerly direction with the East right of way line of West Loop 610 to the point of intersection with the South line of that certain parcel of land which is a portion of a transit corridor aligned from East to West, more or less, and having been historically utilized as a railroad right of way, and being part of the lands and property interests conveyed from the Southern Pacific Transportation Company to the Metropolitan Transit Authority by deed filed of record on December 31, 1992 under File Number P023668 in the Official Public Records of Real Property of Harris County, Texas (The METRO Strip),

Thence in a westerly direction, crossing the South Loop 610 right of way and continuing in a westerly direction with the South line of the METRO Strip to the point of intersection with the East right of way line of South Rice Avenue,

Thence in a southerly direction with the East right of way line of South Rice Avenue a distance of 200 feet,

Thence in a westerly direction, crossing South Rice Avenue to a point in the West right of way line of South Rice Avenue,

Thence in a northerly direction with the West right of way line of South Rice Avenue to the point of intersection with the South line of the METRO Strip,

Thence in a westerly direction with the South line of the METRO Strip to the point of intersection with the East right of way line of Royalton Street,

Thence in a southerly direction with the East right of way line of Royalton Street a distance of 200 feet,

Thence in a westerly direction, crossing Royalton Street to a point in the West right of way line of Royalton Street,

Thence in a northerly direction with the West right of way line of Royalton Street to the point of intersection with the South line of the METRO Strip,

Thence in a westerly direction with the South line of the METRO Strip to the point of intersection with the East right of way line of Chimney Rock Road,

Thence in a southerly direction with the East right of way line of Chimney Rock Road a distance of 200 feet,

Thence in a westerly direction, crossing Chimney Rock Road to a point in the West right of way line of Chimney Rock Road,

Thence in a northerly direction with the West right of way line of Chimney Rock Road to the point of intersection with the South line of the METRO Strip,

Thence in a westerly direction with the South line of the METRO Strip 500 feet to a point,

Thence in a northerly direction, crossing the METRO Strip and continuing across Westpark Drive to point in the North right of way line of Westpark Drive,

Thence in an easterly direction with the North line of Westpark Drive to the point of intersection with the West right of way line of Chimney Rock Road,

Thence in a northerly direction with the West right of way line of Chimney Rock Road to a point in the South right of way line of U.S. Highway 59,

Thence in a westerly direction 500 feet to a point in the South right of way line of U.S. Highway 59,

Thence in a northerly direction, crossing U.S. Highway 59, to a point in the North right of way line of U.S. Highway 59,

Thence in an easterly direction to the point of intersection with the West right of way line of Chimney Rock Road,

Thence in a northerly direction with the West line of Chimney Rock Road to a point in the South right of way line of Richmond Avenue,

Thence in a westerly direction with the South right of way line of Richmond Avenue a distance of 500 feet,

Thence in a northerly direction, crossing Richmond Avenue, to a point in the North right of way line of Richmond Avenue,

Thence in an easterly direction with the North right of way line of Richmond Avenue to the point of intersection with the West right of way line of Chimney Rock Road,

Thence in a northerly direction with the West right of way line of Chimney Rock Road to the point of intersection with the South right of way line of Westheimer Road,

Thence in a westerly direction with the South right of way line of Westheimer Road a distance of 500 feet to a point,

Thence in a northerly direction, crossing Westheimer Road, to a point in the North right of way line of Westheimer Road,

Thence in an easterly direction with the North right of way line of Westheimer Road to the point of intersection with the West right of way line of Chimney Rock Road,

Thence in a northerly direction with the West right of way line of Chimney Rock Road a distance of 150 feet to a point,

Thence in an easterly direction, crossing Chimney Rock Road, to a point in the East right of way line of Chimney Rock Road,

Thence in a southerly direction with the East line of Chimney Rock Road to the point of intersection with the North right of way line of Westheimer Road,

Thence in an easterly direction with the North right of way line of Westheimer Road to the point of intersection with the West right of way line of Westheimer Way,

Thence in a northerly direction with the West right of way line of Westheimer Way to the point of intersection with the South right of way line of Westheimer Court,

Thence continuing in a northerly direction, crossing Westheimer Court, to a point in the North right of way line of Westheimer Court,

Thence in an easterly direction with the North right of way line of Westheimer Court to the point of intersection with the West right of way line of Yorktown Drive,

Thence in a northerly direction with the West right of way line of Yorktown Drive to the point of intersection with a westerly projection of the North right of way line of Brownway Street,

Thence in an easterly direction with the westerly projection of the North right of way line of Brownway Street, crossing Yorktown Drive, to the point of intersection of the East right of way line of Yorktown Drive with the North right of way line of Brownway Street,

Thence continuing in an easterly direction with the North right of way line of Brownway Street to a point that is the southwest corner of a 3.044 acre parcel, more or less, said parcel also being a portion of the Reserve B of the Brownway Market, a commercial subdivision described by plat filed of record in Volume 376, Page 80 of the Map Records of Harris County, Texas (The HMC Tract),

Thence in a northerly direction with the West line of the HMC Tract to the northwest corner of that parcel of land,

Thence in an easterly direction with the North line of The HMC Tract to the northeast corner of that parcel of land, said corner being also a point in the West right of way line of Sage Road,

Thence in a northerly direction with the West line of Sage Road to a point that is the northeast corner of the Del Monte Section 1 subdivision, as described by plat filed of record in Volume 40, Page 40 Map Records of Harris County, Texas,

Thence in a westerly direction with the North Line of the Del Monte Section 1 subdivision to THE POINT OF BEGINNING, -

Exception One

SAVE AND EXCEPT that certain parcel of land being more particularly described by metes and bounds as follows:

BEGINNING AT A POINT, being the point of intersection of the East right of way line of Chimney Rock Road (formerly known as Avenue "D") and the South right of way line of Westheimer Road,

Thence in an easterly direction with the South right of way line of Westheimer Road to the point of intersection with the most northerly northwest corner the Lamar Terrace Subdivision, as described by plat filed of record in Volume 32, Page 68 Map Records of Harris County, Texas,

Thence continuing with the North line of Lamar Terrace to the point of intersection with the East right of way line of Yorktown Drive,

Thence in a southerly direction with the East right of way line of Yorktown Drive to the point of intersection with the northwest corner of Lot 1, Block 1 of Lamar Terrace,

Thence in an easterly direction with the North line of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13, all of Block 1 of Lamar Terrace to a point in the West right of way line of South Rice Avenue,

Thence in a southerly direction with the West right of way line of South Rice Avenue to the point of intersection with the North right of way Line of Richmond Avenue, as it exists in its current width and location,

Thence in a westerly direction with the North right of way line of said Richmond Avenue to the point of intersection with the East right of way line of Chimney Rock Road,

Thence in a northerly direction with the East right of way line of Chimney Rock Road to THE POINT OF BEGINNING,

Exception Two

SAVE AND EXCEPT that certain parcel of land being more particularly described by metes and bounds as follows:

BEGINNING AT A POINT, being the point of intersection of the East right of way line of Chimney Rock Road with the South right of way line of Richmond Avenue, as it exists in its current width and location,

Thence in an easterly direction with the South right of way line of said Richmond Avenue to the point of intersection with the East line of Barrington Road,

Thence in a southerly direction with the East right of way line of Barrington Road to the point of intersection with the northwest corner of Lot 25 of Larchmont Section 2, a subdivision, as described by plat filed of record in Volume 52, Page 16 Map Records of Harris County, Texas;

Thence in an easterly direction with the North line of Larchmont Section 2 to the northeast corner of that subdivision,

Thence in a southerly direction with the East line of Larchmont Section 2 to the point of intersection with the Northeast corner of Lot 5, being also the northwest corner of Lot 4, of Block 4 of Larchmont Section 1, a subdivision, as described by plat filed of record in Volume 47, Page 31 Map Records of Harris County, Texas;

Thence in an easterly direction with the North line of Block 4 of Larchmont Section 1 and continuing in an easterly direction with the North line of Block 5 of Larchmont Section 1 to a point in the West right of way line of South Rice Avenue,

Thence in a southerly direction in the West right of way line of South Rice Avenue to the point of intersection with the North right of way line of U.S. Highway 59,

Thence in a westerly direction with the North right of way line of U.S. Highway 59 to the point of intersection with the East right of way line of Chimney Rock Road,

Thence in a northerly direction with the East right of way line of Chimney Rock Road to THE POINT OF BEGINNING,

