

AN ORDINANCE DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY OF HOUSTON GENERALLY BOUNDED BY SAM HOUSTON TOLLWAY ON THE WEST, WESTVIEW AND PINE LAKE ON THE NORTH, BUNKER HILL DRIVE ON THE EAST AND BARRYKNOLL DRIVE, PERTHSHIRE ROAD AND MEMORIAL DRIVE ON THE SOUTH (MEMORIAL CITY 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.

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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 for the creation of a proposed reinvestment zone within a contiguous area of the City known as the Memorial City area (the "proposed zone"), 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 Chapter 311, Texas Tax Code, to the governing bodies of all other taxing units levying taxes on property within 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 a notice of the continuation of the June 22, 1999, public hearing, held on July 8, 1999, was published on June 30, 1999, in the Houston Chronicle; and

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

WHEREAS, the Spring Branch 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 and its continuation on July 8, 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 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 and opposed to the creation of the proposed zone and its proposed boundaries under the provisions of Chapter 311, Texas Tax Code; and

WHEREAS, no owner of real property in the proposed zone protested the inclusion of his 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 to the creation of the proposed zone; and

WHEREAS, the total appraised value of property in the proposed zone and all other reinvestment zones previously created by the City is approximately \$3,578,291,987; 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 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 Spring Branch Independent School District, within whose boundaries the proposed zone is located, is approximately \$8,938,504,000; and

WHEREAS, the total area within the proposed zone is approximately 656.70 acres, excluding property that is publicly owned; and

WHEREAS, approximately 6.567 acres of the property in the proposed zone is currently used for residential purposes, as that term is defined in Section 311.006(d) of the Texas Tax Code; **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 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 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; and
- d. the deterioration of site or other improvements.

(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 less than ten percent of the property in the proposed zone is used for residential purposes within the meaning of Section 311.006(d), Texas Tax Code.
- (3) That the total appraised value of taxable real property in the proposed zone, and in existing reinvestment zones of the City, does not exceed fifteen percent of the total appraised value of taxable real property in the City and in industrial districts created by the City;
- (4) 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 Spring Branch Independent School District;
- (5) That development or redevelopment of the property within the boundaries of 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 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 depicted on the map attached hereto as Exhibit "A" and described in Exhibit "B" attached hereto and incorporated herein to promote the development of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number 1 SEVENTEEN, 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.

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.

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 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>
1	Charles S. Turet, Jr.
2	Ron Height
3	Diane M. Daleo
4	James R. Jard
5	Terry S. Cheng

The directors appointed to odd-numbered positions shall be appointed for a two year term, 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 One is hereby designated to serve as the chair of the Board of Directors for a term beginning on the effective date of this Ordinance, and ending December 31, 1999. Thereafter, the Mayor shall annually nominate and appoint, subject to City Council approval, the 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, 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 issuance of tax increment bonds, if any, that all project costs, tax increment bonds, and the interest on the bonds, 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 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 is 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 or 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 by the City for the benefit of the Zone, 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 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 purposes 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.

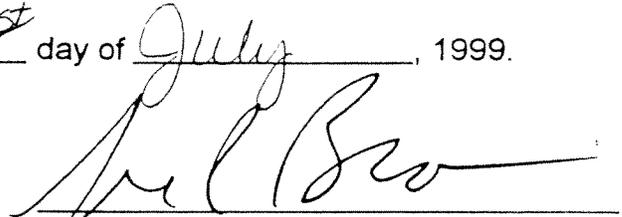
Section 9. Open Meetings

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 this 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 have been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

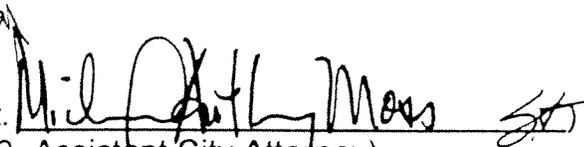
Section 10. Emergency

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 21st day of July, 1999.



Mayor of the City of Houston

DA

(Prepared by Legal Dept. Michael Anthony Moss)
(MAM/mam July 13, 1999 Assistant City Attorney)
(Requested by Robert Litke, Director, Planning and Development Department)
L.D. No. 61-99059-02

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Memorial City TIRZ
Legal Description

BEGINNING AT A POINT located at the intersection of the east right-of-way line of Bunker Hill Road and the north right-of-way line of Old Katy Road, in the City of Houston, Harris County, Texas;

THENCE, in a southerly direction crossing Old Katy Road and Interstate Highway 10 along the east right-of-way line of Bunker Hill Road to the extension of the south right-of-way line of Barryknoll Drive;

THENCE, in a westerly direction following the south right-of-way line of Barryknoll Drive approximately 2,600 feet to a point at the east side of the H.C.F.C.D. easement;

THENCE in an southerly direction approximately 250 feet following the east line of the H.C.F.C.D. easement to a point;

THENCE, in a west northwesterly direction approximately 625 feet following the north line of Memorial Hollow Section 8, to a point on the south right-of-way line of Barryknoll Drive;

THENCE, in a westerly direction to the intersection of the south right-of-way line of Barryknoll Lane and the east right-of-way line of Plantation Road;

THENCE, in a southerly direction approximately 620 feet following the east right-of-way line of Plantation Road to a point;

THENCE, in a west northwesterly direction approximately 820 feet, along the north property line of Memorial Hollow Section 7, to a point on the west right-of-way line of Gessner Road;

THENCE, in a northerly direction approximately 600 feet following the west right-of-way line of Gessner Road, to the northeast corner of Memorial Hollow Section 6 Replat;

THENCE, in a westerly direction along the north property line of Memorial Hollow Section 6 Replat to the east right-of-way line Frostwood Drive;

THENCE, in a southerly direction approximately 60 feet along a curve to the left, being the east right-of-way line of Frostwood Drive;

THENCE, in a westerly direction approximately 450 feet along the north subdivision line to the northwest corner of Memorial Hollow Section 5 Replat;

THENCE, in a northerly direction approximately 1,395 feet to a point at the southeast corner of Benignus Acres;

THENCE in a westerly direction 800 feet to a point at the southwest corner of Benignus Acres;

THENCE in a southerly direction 2,795 feet to a point on the south right-of-way line of Perthshire Road;

THENCE in a west southwesterly direction 580 feet along a curve to the left, being the south and east right-of-way line of Perthshire Road;

THENCE in a westerly direction 220 feet along the north line of the Tallowood Town House Condos;

THENCE in a northerly direction approximately 750 feet along the east line of Fonn Villa Section 4 to a point on the south right-of-way line of Vindon Drive;

THENCE in a northerly direction approximately 1,650 feet along the west right-of-way line of Attingham Drive;

THENCE in a west southwesterly direction 1,340 feet along the north right-of-way line of Fonn Villas Section 6 to a point on the east right-of-way line of Town and Country Boulevard;

THENCE in a southerly direction 950 feet to a point on the north right-of-way line of Barryknoll Lane;

THENCE in an east northeasterly direction 870 feet along the north right-of-way line of Barryknoll Lane to a point on the east right-of-way line of Hallie Drive;

THENCE in a southerly direction 960 feet to a point on the south right-of-way line of Kimberly Lane;

THENCE in a westerly direction 770 feet to a point at the northeast corner of Fonn Villas Section 3;

THENCE in a southerly direction 1,885 feet to a point on the east right-of-way line of Memorial Drive;

THENCE in a westerly direction 100 feet to a point on the west right-of-way line of Memorial Drive;

THENCE in a north northwesterly direction 1,680 feet along a curve to the left, being the west and south side of Memorial Drive, to a point on the east right-of-way line of Sam Houston Tollway/Beltway 8;

THENCE in a northerly direction 6,660 feet along the east right-of-way line of Sam Houston Tollway/Beltway 8 to a point on the north side of the right-of-way line of Westview Drive;

THENCE in an easterly direction 2,890 feet along the north right-of-way line of Westview Drive to a point on the east right-of-way line of Shadowdale Drive;

THENCE in a southerly direction 610 feet along the east right-of-way line of Shadowdale Drive;

THENCE in an easterly direction 300 feet to a point on the west right-of-way line of Wisterwood Drive;

THENCE in a southerly direction 280 feet to a point on the west right-of-way line of Wisterwood Drive;

THENCE in an easterly direction 990 feet to a point on the west right-of-way line of Conrad Sauer Road;

THENCE in an northerly direction 100 feet to a point on the west right-of-way line of Conrad Sauer Road;

THENCE in an easterly direction 2,285 feet along the north side of the H.C.F.C.D. easement to a point on the east right-of-way line of Witte Road;

THENCE in a southerly direction 150 feet along the east right-of-way line of Witte Road;

THENCE in an easterly direction 1,605 feet along the south line of Spring Branch Woods Section 1;

THENCE in a northerly direction 20 feet;

THENCE in an easterly direction 300 feet to a point on the north side of the H.C.F.C.D. easement;

THENCE in a northerly direction 300 feet to a point on the north right-of-way line of Pine Lake Drive;

THENCE in a northeasterly direction 844 feet to a point on the east right-of-way line of Bunker Hill Road;

THENCE in a southerly direction 1,930' along the east right-of-way line of Bunker Hill Road to a point on the north right-of-way line of Old Katy Road;

THENCE in a westerly direction 165' to the POINT OF BEGINNING.

SAVE AND EXCEPT the subdivision known as Memorial Village Townhouses Section 1 and Memorial Village Townhouses Section 2, more particularly described by metes and bounds as follows;

BEGINNING at a point approximately 190 feet west along the north right-of-way of Barryknoll Lane from the intersection of Barryknoll Lane and the west right-of-way line of Bunker Hill Road;

THENCE, in a westerly direction approximately 570 feet along the north right-of-way of Barryknoll Lane to the southwest corner of Memorial Village Townhouses Section 2;

THENCE, in a northerly direction approximately 435 feet to a point for corner;

THENCE, in an easterly direction approximately 180 feet to a point for corner;

THENCE, in a northerly direction approximately 136 feet to a point for corner;

THENCE, in a westerly direction approximately 183 feet to a point for corner;

THENCE, in a northerly direction approximately 405 feet to the northeast corner of Memorial City Terrace Replat to a point for corner;

THENCE, in an easterly direction approximately 770 feet to a point in the west right-of-way line of Bunker Hill Road;

THENCE, in a southerly direction approximately 60 feet along the west right-of-way of Bunker Hill Road to a point for corner;

THENCE, in a westerly direction approximately 200 feet to a point for corner;

THENCE, in a southerly direction approximately 920 feet to the north right-of-way line on Barryknoll Lane and being the POINT OF BEGINNING.

AND SAVE AND EXCEPT a parcel of land abutting the Memorial Village Townhouses Section 1 and Memorial Village Townhouses Section 2 on the west, more particularly described by metes and bounds as follows;

BEGINNING at a point approximately 760 feet west of the northwest corner of the intersection of Barryknoll Drive and the west right-of-way line of Bunker Hill Drive,

THENCE in a southerly direction 20 feet to a point on the north right-of-way line of Barryknoll Drive;

THENCE in a westerly direction 528.47 feet;

THENCE in a northerly direction 996.56 feet;

THENCE in an easterly direction 528.47 feet;

THENCE in a southerly direction 976.29 feet TO THE POINT OF BEGINNING.

ROLL CALL VOTE

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

