

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

Date: May 21, 2009. *Maddene D. Appel*
City Controller of the City of Houston

FUND REF: N/A AMOUNT: + ENCUMB. NO.: BE64011-09

City of Houston, Texas, Ordinance No. 2009- 432

AN ORDINANCE APPROVING AND AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF HOUSTON, TEXAS AND REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (HARDY/NEAR NORTHSIDE ZONE) RELATING TO THE PROVISION OF AFFORDABLE HOUSING FROM TAX

**INCREMENT REVENUES OF THE ZONE; CONTAINING OTHER PROVISIONS
RELATING TO THE FOREGOING SUBJECT; 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 27th day of May, 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 JUN 0 2 2009


City Secretary

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: JUN 0 2 2009

(Prepared by Legal Department Donna Capps ^{DEA})
 (DRC:drc May 6, 2009) Assistant City Attorney
 (Requested by Michelle Mitchell, Director, Finance Department)
 (L.D. File No. 0619200177010)
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AYE	NO	
✓		MAYOR WHITE
••••	••••	COUNCIL MEMBERS
✓		LAWRENCE
✓		JOHNSON
	ABSENT	CLUTTERBUCK
✓		ADAMS
✓		SULLIVAN
✓		KHAN
✓		HOLM
✓		RODRIGUEZ
	ABSENT	BROWN
✓		LOVELL
✓		NORIEGA
✓		GREEN
✓		JONES
CAPTION	ADOPTED	

AFFORDABLE HOUSING AGREEMENT

between

THE CITY OF HOUSTON, TEXAS,

and

**REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS
(HARDY/NEAR NORTHSIDE ZONE)**

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**AFFORDABLE HOUSING AGREEMENT
BETWEEN THE CITY OF HOUSTON AND
REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS
(HARDY/NEAR NORTHSIDE ZONE)**

STATE OF TEXAS

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§
§

COUNTY OF HARRIS

KNOW ALL MEN BY THESE PRESENTS

This agreement for the provision of affordable housing (the "Agreement") is made between the City of Houston, Texas ("the City"), a municipal corporation and home-rule city of the State of Texas, located in Harris County, Texas, acting by and through its governing body, the City Council, and Reinvestment Zone Number Twenty-One, City of Houston, Texas, a tax increment reinvestment zone acting by and through its Board of Directors (the "Zone" or "Hardy/Near Northside Zone"). For the purposes of this Agreement, the City and the Zone are referred to singularly as "Party" and collectively as "the Parties." It is the intention of the Parties to this Agreement to set forth, in writing, the terms and conditions of their understanding and agreement regarding the payment of costs of providing affordable housing in or out of the Zone.

I. RECITALS

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, as amended, the City created the Zone, approved by Ordinance No. 2003-1258 on December 17, 2003; and

WHEREAS, on December 18, 2008, the Board of Directors for the Zone adopted a Project Plan and Reinvestment Zone Financing Plan providing for affordable housing both inside and outside the Zone's boundaries. The City approved the Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 2008-1212 on December 30, 2008 (the "Plans").

WHEREAS, Section 311.010(b) of the Texas Tax Code, as amended, allows a municipality to enter into an agreement to dedicate revenue from the tax increment fund to pay the costs of providing affordable housing in or out of the Zone; and

WHEREAS, the City, the Zone and the Authority desire to enter into this Agreement to dedicate revenues from the Zone for the provision of affordable housing by the City pursuant to its affordable housing programs; **NOW, THEREFORE**, in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the Parties contract and agree as follows:

II. OBLIGATIONS OF THE PARTIES

(1) Obligations of the Zone

Beginning with the Fiscal Year 2009, the Parties agree that the estimated annual amounts shown on Exhibit 9 of the Plans will be designated for affordable housing. For Fiscal Year 2009 and each subsequent Fiscal Year until the termination of the Zone, the City shall appropriate to Fund 2409 (or successor fund into which TIRZ affordable housing revenues are deposited) the amount shown for affordable housing costs in the City Council approved Operating Budget for the Zone for the Fiscal Year. Any amounts designated under this Agreement that are not appropriated in the Fiscal Year when due shall accrue to the subsequent Fiscal Year(s) until paid.

(2) Obligations of the City

The City shall dedicate all revenues received from the Zone to the provision of affordable housing pursuant to the Plans and Ordinance No. 1999-0488, adopted on May 19, 1999, which approved the designation of funds in Fund 2409 to be used by the Housing & Community Development Department for the Affordable Housing Program.

III. NOTICES

All notices and communications required or permitted by this Agreement shall be in writing and mailed by Certified Mail, Return Receipt Requested, to:

The City: Director, Finance Department
 City of Houston
 P. O. Box 1562
 Houston, TX 77251

The Zone: Administrator
 Reinvestment Zone Number Twenty-One, City of Houston,
 Texas (Hardy/Near Northside Zone)
 P. O. Box 1562
 Houston, TX 77251

IV. GENERAL PROVISIONS

(1) Entire Agreement

This Agreement comprises the entire agreement between the Parties relating to funding affordable housing costs. Accordingly, this Agreement merges all prior negotiations and understandings of the Parties hereto and supersedes and nullifies all prior agreements, negotiations, assurances, conditions, covenants (expressed or implied), or other understandings of the Parties, whether written, verbal, antecedent, or contemporaneous with the execution of this Agreement.

(2) Effective Date

This Agreement becomes effective when all parts are signed by the last Party whose signature renders the Agreement fully executed.

(3) Term of Agreement

This Agreement shall terminate on December 31, 2033, provided, however, that the right of the City to appropriate tax increment revenues under this Agreement that

have not been appropriated by December 31, 2016 shall survive the termination of this Agreement.

(4) Severability

If one or more of the provisions of this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalidity, illegality, or unenforceable provision had never been included, provided that such invalidity, illegality, or unenforceability does not materially prejudice the City or the Zone in their respective rights and obligations contained in the Agreement.

(5) Headings

The headings throughout this Agreement are merely guides and shall not be interpreted to construe or restrict any part of this Agreement.

(6) Interpretation

Each Party to this Agreement acknowledges that such Party has reviewed this Agreement and participated in its drafting and agrees that no provision of this Agreement shall be construed against or interpreted to the disadvantage of a Party by reason of such Party having or being deemed to have drafted, structured, or dictated such provision(s).

(7) Assignment

This Agreement may not be assigned by either Party without the prior written consent of the other Party. Consent shall be given by the Zone acting through its Board of Directors or governing body. Consent shall be given by the City by the Director of Housing and Community Development.

(8) Counterparts

This Agreement may be executed in counterparts, in a single original, or in duplicate originals. As applicable, each counterpart or duplicate shall be deemed an original copy of this Agreement signed by each Party, for all purposes.

IN WITNESS HEREOF, the City and the Zone have made and executed this Agreement.

CITY OF HOUSTON:

_____ Date: _____, 2009
Mayor

ATTEST/SEAL:

_____ Date: _____, 2009
City Secretary

COUNTERSIGNED:

_____ Date: _____, 2009
City Controller

APPROVED:

_____ Date: _____, 2009
Director, Finance Department

APPROVED AS TO FORM:

_____ Date: _____, 2009
Assistant City Attorney
L.D. File No. 0610200177010

**REINVESTMENT ZONE TWENTY-ONE
(HARDY/NEAR NORTHSIDE ZONE):**

By: _____ Date: _____, 2009

Printed Name: _____

Printed Title: _____

ATTEST/SEAL:

By: _____ Date: _____, 2009

Printed Name: _____

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