

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.
- (X) 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 on receipt of tax increment

Date: November 7, 2008 *James D. Parker*
Madeline P. Appel
City Controller of the City of Houston

FUND REF: N/A AMOUNT: -0- ENCUMB. NO.: RF64009-09

City of Houston, Ordinance No. 2008- 999

AN ORDINANCE APPROVING AND AUTHORIZING AN INTERLOCAL AGREEMENT AMONG THE CITY OF HOUSTON, TEXAS, REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS (MIDTOWN ZONE), THE MIDTOWN REDEVELOPMENT AUTHORITY, AND THE HOUSTON COMMUNITY COLLEGE SYSTEM FOR THE PARTICIPATION OF THE HOUSTON COMMUNITY COLLEGE SYSTEM IN REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; 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 shown in the document attached hereto and incorporated herein by this reference. The Mayor is hereby authorized to sign such contract, agreement, or other undertaking described in the title of this Ordinance and any 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 this 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 approval, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 12th day of November, 2008.

APPROVED this _____ day of _____, 2008.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is NOV 18 2008.



City Secretary

(Prepared by Legal Department Donna R. Capos DRA)
(DRC:drc November 3, 2008) Assistant City Attorney
(Requested by Michelle Mitchell, Director, Finance Department)
(L. D. File No. 0610800104001)

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AYE	NO	
	ABSENT	MAYOR WHITE
••••	••••	COUNCIL MEMBERS
	ABSENT	LAWRENCE
	ABSENT	JOHNSON
✓		CLUTTERBUCK
✓		ADAMS
✓		SULLIVAN
✓		KHAN
	ABSENT	HOLM
	ABSENT	GARCIA
✓		RODRIGUEZ
	ABSENT	BROWN
✓	VICE MAYOR PRO TEM	PRESIDING LOVELL
✓		NORIEGA
✓		GREEN
✓		JONES
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: NOV 18 2008

THE STATE OF TEXAS

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COUNTY OF HARRIS

§

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INTERLOCAL AGREEMENT

I. PARTIES

A. Address

THIS 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; the **HOUSTON COMMUNITY COLLEGE SYSTEM** (“H.C.C.S.”), a junior college district duly established and operating under the laws of the State of Texas, acting by and through its governing body, the H.C.C.S. Board of Trustees (“Board of Trustees”), **MIDTOWN REDEVELOPMENT AUTHORITY** (“Authority”), a local government corporation created pursuant to Chapter 431, Texas Transportation Code, acting by and through its Board of Directors, and **REINVESTMENT ZONE NUMBER TWO, CITY OF HOUSTON, TEXAS** (“Midtown Zone”), 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. This Agreement is made pursuant to Chapter 791 of the Texas Government Code and Chapter 311 of the Texas Tax Code.

The initial addresses of the parties, which any party may change by giving written notice of its changed address to the other parties, are as follows:

City

Finance Department
City of Houston
P. O. Box 1562
Houston, Texas 77251

Houston Community College System

Houston Community College System
P.O. Box 667517
3100 Main
Houston, Texas 77266-7517

Attn: TIRZ Administrator

Attn: Vice Chancellor

Midtown Zone

Reinvestment Zone Number Two, City of Houston, Texas
410 Pierce Street
Suite 355
Houston, TX 77002
Attention: Executive Director

Midtown Authority

Midtown Redevelopment Authority
410 Pierce Street
Suite 355
Houston, TX 77002
Attention: Executive Director

B. Index

The City, H.C.C.S., the Authority, and the Midtown Zone hereby agree to the terms and conditions of this Agreement. This Agreement consists of the following sections:

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C. Parts Incorporated

All of the above described sections and documents are hereby incorporated into this Agreement by this reference for all purposes.

IN WITNESS HEREOF, the City, H.C.C.S., the Authority, and the Midtown Zone have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF HOUSTON

Mayor Date

ATTEST/SEAL:

City Secretary Date

COUNTERSIGNED:

City Controller Date

APPROVED AS TO FORM:

Donna B. Capps
Assistant City Attorney
L. D. File No. 0610800104001

APPROVED:

Michelle Mitchell 11/4/08
Director, Finance Department Date

HOUSTON COMMUNITY COLLEGE SYSTEM

By: 
Title: Vice Chancellor

Date 4/24/08

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**REINVESTMENT ZONE NUMBER TWO,
CITY OF HOUSTON, TEXAS (Midtown Zone)**

By:  Date: 7/24/08
Title: Chairman, Board of Directors

ATTEST/SEAL:

By:  Date: 7/24/08
Title: Secretary, Board of Directors

**MIDTOWN REDEVELOPMENT AUTHORITY
(Authority)**

By:  Date: 7/24/08
Title: Chairman, Board of Directors

ATTEST/SEAL:

By:  Date: 7/24/08
Title: Secretary, Board of Directors

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

II. DEFINITIONS

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

“Agreement” means this agreement between the City, H.C.C.S., the Authority and the Midtown Zone.

“Agreement Term” is defined in Section VI.

“Captured Appraised Value” means the captured appraised value of the Midtown Zone, as defined by Chapter 311, Texas Tax Code.

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

“Countersignature Date” means that date shown as the date countersigned by the City Controller on the signature page of this Agreement.

“H.C.C.S.” is defined in Section I of this Agreement and includes the Houston Community College System and its successors and assigns.

“H.C.C.S. Tax Increment Participation” means the amount of the H.C.C.S. tax levy on the Captured Appraised Value which the H.C.C.S. agrees to contribute to the Midtown Zone pursuant to Section IV of this Agreement.

“Midtown Area” shall mean the Midtown area of the City and neighboring areas, as more particularly described in City of Houston Ordinance No. 94-1345, City of Houston Ordinance No. 95-1322, and City of Houston Ordinance No. 1999-849.

“Midtown Zone” means Reinvestment Zone Number Two, City of Houston, Texas, created by the City on December 14, 1994 by City of Houston Ordinance No. 94-1345, enlarged by City of Houston Ordinance No. 95-1322 and City of Houston Ordinance No. 1999-849, on December 13, 1995 and August 11, 1999, respectively, and includes its successors and assigns.

“Project Plan” means the project plan and reinvestment zone financing plan for the Midtown Zone adopted by the board of directors of the Midtown Zone and approved by the City Council of the City on May 28, 1997 by City of Houston Ordinance No. 97-600 and the amendments to the project plan and reinvestment zone financing plan adopted by the Board of Directors and approved by the City Council of the City on October 22, 1997 by City of Houston Ordinance No. 97-1338 and on August 11, 1999 by City of Houston Ordinance No. 1999-850.

“Tax Increment Fund” means the tax increment fund created by the City in the City Treasury for the Midtown Zone.

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

III. BACKGROUND

On December 14, 1994, the City created the Midtown Zone, by adoption of City of Houston Ordinance No. 94-1345, for the purposes of development and redevelopment in the Midtown Area. The City enlarged the boundaries of the Midtown Zone on December 13, 1995, by City of Houston Ordinance No. 95-1322. The City further enlarged the boundaries of the Midtown Zone on August 11, 1999, by City of Houston Ordinance No. 1999-849. The Board of Directors of the Midtown Zone initially adopted a project plan and reinvestment zone financing plan, which was approved by the City on May 28, 1997 by City of Houston Ordinance No. 97-600. The Board of Directors of the Midtown Zone has adopted amendments the project plan and reinvestment zone financing plan, which were approved on October 22, 1997 by City of Houston Ordinance No. 97-1338 and on August 11, 1999 by City of Houston Ordinance No. 1999-850. The City, the Houston Independent School District, and Harris County have agreed to participate in the Midtown Zone by contributing

tax increments produced in the Midtown Zone to the Tax Increment Fund. H.C.C.S. desires to participate in the Midtown Zone in consideration for the agreements set forth below.

IV. OBLIGATIONS OF H.C.C.S.

A. Tax Increment Participation by H.C.C.S.

For and in consideration of the agreements of the parties set forth herein, and subject to the remaining subsections of this section, H.C.C.S. agrees to participate in the Midtown Zone to the extent described in this Agreement, by contributing, to the extent authorized by law, to the Tax Increment Fund during the term of this Agreement one hundred percent (100%) of the tax increment attributed to the Captured Appraised Value in the Midtown Zone attributable to H.C.C.S..

B. Tax Increment Limitation

H.C.C.S. is not obligated to pay its H.C.C.S. Tax Increment Participation from any source other than taxes collected on the Captured Appraised Value from the portion of taxes levied by H.C.C.S. for maintenance and operations. Furthermore, H.C.C.S. has no duty or obligation to pay the H.C.C.S. Tax Increment Participation from any other H.C.C.S. taxes or revenues or until the H.C.C.S. Tax Increment Participation in the Midtown Zone is actually collected. Any portion of the taxes representing the H.C.C.S. Tax Increment Participation that are paid to H.C.C.S. and subsequently refunded pursuant to the provisions of the Texas Tax Code shall be offset against future payments to the Tax Increment Fund. The obligation to pay the H.C.C.S. Tax Increment Participation accrues as taxes representing the H.C.C.S. Tax Increment Participation are collected by H.C.C.S. and payment shall be due as provided in section 311.013(c) of the Texas Tax Code. No interest or penalty will be charged to H.C.C.S. for any late payment received from H.C.C.S.; provided, however, that penalty and interest on any delinquent taxes from the H.C.C.S. Tax

Increment Participation shall be paid to the Tax Increment Fund in the amounts required by section 311.013(c) of the Texas Tax Code.

C. Expansion of Midtown Zone

The obligation of H.C.C.S. to participate in the Midtown Zone is limited to the Midtown Area. H.C.C.S.'s participation does not extend to the tax increment on any additional property added to the Midtown Zone by the City or any additional amendment to the Project Plan by the Midtown Zone and the City that would increase the total amount of project costs unless H.C.C.S. specifically agrees to participate in the additional area or amendment to the Project Plan. In addition, H.C.C.S.'s participation does not extend to any dedication of revenue from the Tax Increment Fund by the Midtown Zone for projects outside the Midtown Zone, unless H.C.C.S. agrees to participate in the dedication.

D. Board of Directors

H.C.C.S. may appoint and maintain as many non-voting ex officio members on the Midtown Zone Board of Directors as H.C.C.S. may desire.

V. OBLIGATIONS OF CITY AND MIDTOWN ZONE

A. Project Plan

Any member of the H.C.C.S. Board of Trustees may review and comment upon any further amendment to the Project Plan before any further amendments thereto are submitted to the City Council for City approval.

B. Use of Tax Increment Funds

Initially, two-thirds (2/3) of the H.C.C.S. Tax Increment Participation ("HCCS Project Increment") shall be applied to Project Costs, up to \$5,000,000, associated with streetscape improvements to the blockfaces that are contiguous to the H.C.C.S. central campus, as such area is

depicted in the map attached hereto as Exhibit "A" (the "Midtown-HCCS Sidewalk Improvement Program"). The timing, financing, detailed project scope, plans and specifications, and implementation of the Midtown-HCCS Sidewalk Improvement Program will be further agreed to by written letter agreement between the Authority's Executive Director and H.C.C.S.'s Vice Chancellor, or other designee of H.C.C.S. To the extent permitted by law, the Midtown-HCCS Sidewalk Improvement Program shall be designed by H.C.C.S., in consultation with the Authority, in conjunction with proposed improvements to the H.C.C.S. central campus. Thereafter, one-third (1/3) of the H.C.C.S. Tax Increment Participation shall be applied to Project Costs in the general vicinity of the H.C.C.S. main campus in the Midtown Zone, and one-third (1/3) of the H.C.C.S. Tax Increment Participation shall be applied to any other eligible Project Costs.

The remaining one-third (1/3) of the H.C.C.S. Tax Increment Participation, and interest earned thereon, shall be applied to the provision of affordable housing in or out of the Midtown Zone pursuant to Chapter 311, Texas Tax Code.

It is agreed by all parties hereto that no more than \$25,000 per year shall be paid to the City of Houston for administrative fees from the H.C.C.S. Tax Increment Participation.

Disposition of Tax Increments

Upon termination of the Midtown Zone, and if all bonded indebtedness of the Midtown Zone has been paid, the City and the Midtown Zone shall pay to H.C.C.S., within sixty (60) days of said termination, all monies remaining in the Tax Increment Fund that are attributable to the H.C.C.S. Tax Increment Participation paid by H.C.C.S. into the Tax Increment Fund.

C. Audits

The Authority shall provide to H.C.C.S., upon request by H.C.C.S., a copy of any of its annual audits.

VI. TERM AND TERMINATION

A. Agreement Term

This Agreement becomes effective as of the date of the final signature hereto. The base year for calculating the tax increment shall be i) the base year in which the Midtown Zone was created, for the territory within the original boundaries of the Midtown Zone; and ii) the base year in which territory was annexed into the Midtown Zone, for any territory that was annexed into the Midtown Zone. The term of this Agreement shall commence with the tax year beginning on January 1, 2008, and the first payment by H.C.C.S. under the Agreement is for those taxes levied by H.C.C.S. in the year 2008. This Agreement shall terminate on December 31, 2026, unless earlier terminated by the parties hereto, and the last payment by H.C.C.S. under the Agreement is for those taxes levied by H.C.C.S. in the year 2025.

B. Early Termination

The Midtown Zone may terminate pursuant to the provisions of Texas Tax Code Section 311.017.

VII. MISCELLANEOUS

A. Severability

In the event any term, covenant or condition herein contained is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained.

In the event any term, covenant or condition shall be held invalid and affects in any manner the limitations on H.C.C.S.'s, or any other party's, contributions or participation, then neither H.C.C.S., nor any other party, shall have any liability for any incremental or other payments as may otherwise be provided for in this Agreement.

B. Entire Agreement

This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied) or other terms with respect to the covenants, whether written or verbal, antecedent or contemporaneous, with the execution hereof.

C. Written Amendment

Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.

D. Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third (3rd) day following deposit in the United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address prescribed in Section I of this Agreement or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

E. Non-Waiver

Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any other right or remedy occurring as a result of any future default or failure of performance.

F. Assignment

No party shall assign this Agreement at law or otherwise without the prior written consent of the other parties. No party shall delegate any portion of its performance under this Agreement without the written consent of the other parties.

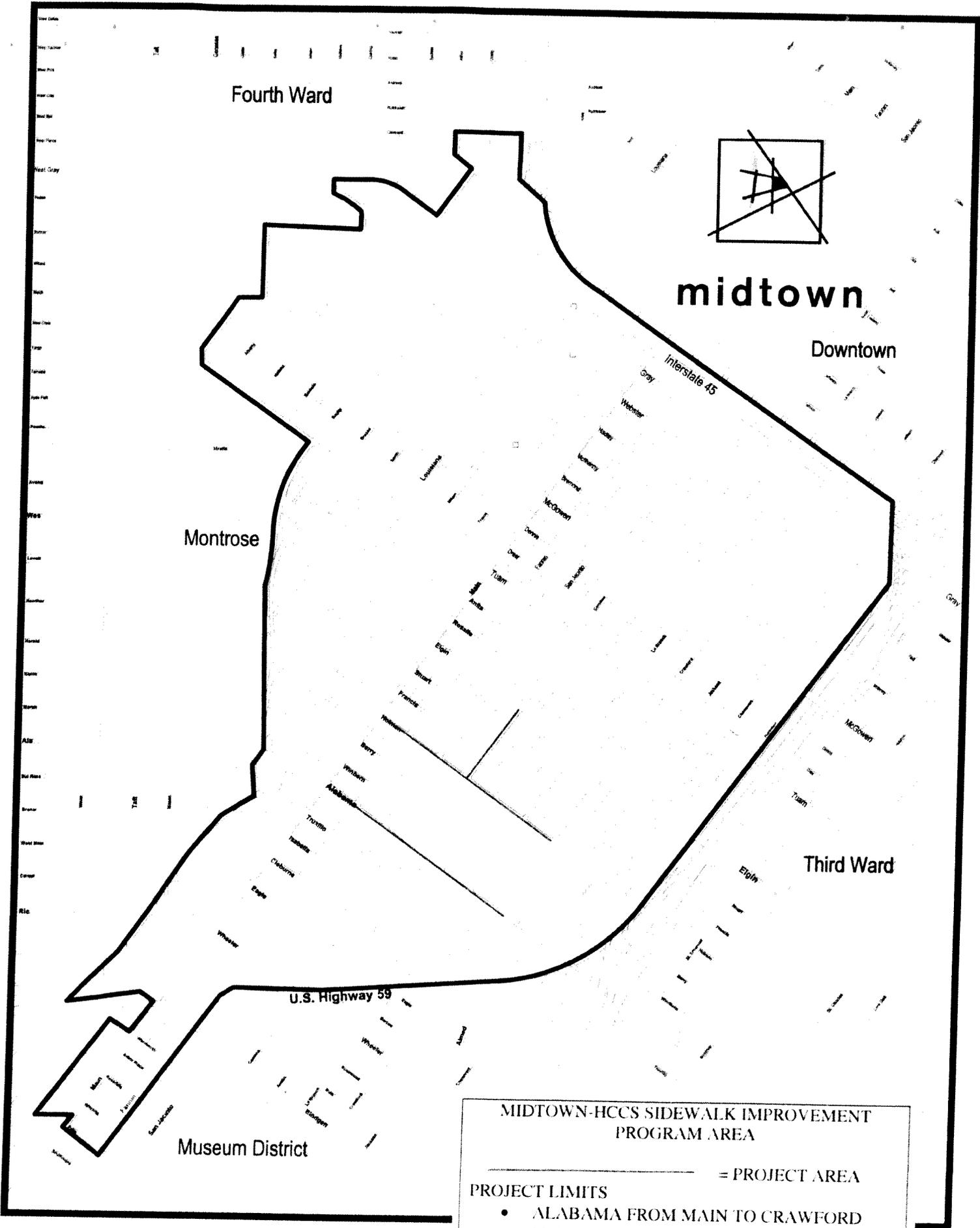
G. Successors

This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any officer, agent or employee of the City, the Authority, the Midtown Zone or H.C.C.S.

H. No Waiver of Immunity

No party hereto waives or relinquishes any immunity or defense on behalf of itself, officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

Exhibit A
Project Area Map



MIDTOWN-HCC'S SIDEWALK IMPROVEMENT PROGRAM AREA

————— = PROJECT AREA

PROJECT LIMITS

- ALABAMA FROM MAIN TO CRAWFORD
- HOLMAN FROM MAIN TO CRAWFORD
- CAROLINE FROM HOLMAN TO ELGIN

clark condon associates
LANDSCAPE ARCHITECTS

Midtown Management District

Midtown
Houston, Texas
May 2015