

Exhibit "A"

ORDINANCE NO. 2550

AN ORDINANCE DESIGNATING THE HIGHWAY 30/60 CORRIDOR IN COLLEGE STATION, TEXAS, AS REINVESTMENT ZONE NO. 15, CITY OF COLLEGE STATION, TEXAS, ENUMERATING THE QUALIFYING CRITERIA, ADOPTING A PRELIMINARY DEVELOPMENT AND FINANCING PLAN, ESTABLISHING A BOARD OF DIRECTORS FOR SUCH ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FOR A SEVERABILITY CLAUSE AND AN OPEN MEETINGS CLAUSE.

WHEREAS, on November 4, 1997, the voters of the City of College Station passed a referendum authorizing the City of College Station to proceed with the construction of a conference center;

WHEREAS, on January 24, 2002, the College Station City Council directed staff to meet with designated representatives from Brazos County and the Bryan Independent School District and this meeting took place to discuss the implementation of Reinvestment Zone No. 15;

WHEREAS, on January 25, 2002 the City of College Station sent notice to the governing bodies of the Brazos County taxing unit and of the Bryan Independent School District of its intent to consider the implementation of a tax increment financing district and a reinvestment zone in the area of the Highway 30/60 Corridor; and requested that the sixty (60) days notice requirement be waived;

WHEREAS, on February 19, 2002 the County Commissioners approved the request to waive the sixty (60) days notice requirement;

WHEREAS, on February 11, 2002 the Bryan Independent School District Board of Trustees approved the request to waive the sixty (60) days notice requirement;

WHEREAS, on March 1, 2002, representatives of the City of College Station met with designated representatives from Brazos County and the Bryan Independent School District and this meeting took place to discuss the implementation of Reinvestment Zone No. 15;

WHEREAS, on February 19, 2002, City staff made a formal presentation to the Brazos County Commissioners Court and on February 11, 2002 City staff made a formal presentation to the Bryan Independent School District concerning the reinvestment zone. The presentation included a description of the proposed boundaries of the zone, the tentative plans for the development or redevelopment of the zone, and an estimate of the general impact of the proposed zone on property values and tax revenues;

WHEREAS, on March 5, 2002, notice of a public hearing to be held on March 14, 2002 was published in the Bryan-College Station Eagle, a copy of the notice is attached hereto as **Exhibit "A"**;

WHEREAS, a public hearing was held before the College Station City Council on the 14th day of March, 2002, at 7:00 p.m. at the regular meeting of the Council;

WHEREAS, upon such public hearing being convened, there was presented proof and evidence that notice of such hearing had been published and had been mailed as described above;

WHEREAS, the City Council at such hearing invited any interested person to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory, which is described by boundary survey attached hereto as **Exhibit**

"B" and depicted in the diagram attached hereto as **Exhibit "C"**, should be included in such proposed reinvestment zone, the concept of tax increment financing;

WHEREAS, all owners of property located within the proposed reinvestment zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the creation of the proposed reinvestment zone or the inclusion of their property in such reinvestment zone;

WHEREAS, the City staff presented the preliminary financing and development plans for the proposed reinvestment zone attached hereto as **Exhibit "D"**; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the foregoing matters relating to the creation of the reinvestment zone;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of College Station, Texas, that:

The facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

II.

The City, after conducting such hearing and having heard such evidence and testimony and considering the preliminary project and financing plan, has made the following findings and determination based upon the evidence and testimony presented to it:

- A. That the public hearing on adoption of the reinvestment zone has been properly called, held and conducted, and that notice of such hearing has been published as required by law and mailed to all taxing units overlapping the territory inside the proposed reinvestment zone.
- B. That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed reinvestment zone pursuant to the TAX INCREMENT FINANCING ACT.
- C. That creation of the proposed zone with boundaries as described in **Exhibits "B"** and **"C"** will result in benefits to the City, its residents and property owners, and to the property, residents and property owners in the reinvestment zone.
- D. That the reinvestment zone as described in **Exhibit "B"** and **"C"** meets the criteria for the creation of a reinvestment zone as set forth in the TAX INCREMENT FINANCING ACT (SECTION 311.005 TEXAS TAX CODE [VERNON 1992 AND VERNON SUPP. 2002]) in that:
 - (1) It is a contiguous geographic area located wholly within the corporate limits of the City.
 - (2) That the area is predominantly open, underproductive and underdeveloped and substantially impairs or arrests the sound growth of the municipality.
 - (3) That development of the area would not occur in the foreseeable future solely through private investment.
 - (4) The total appraised value of all taxable real property in the zone according to the most recent appraisal rolls of the City, together with the total appraised value of the taxable

real property and all other taxing existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed fifteen percent (15%) of the current total appraised value of the taxable real property in the City.

- (5) Improvements in the reinvestment zone will enhance significantly the value of all taxable real property in the reinvestment zone.
- (6) That a preliminary project plan and a financing plan have been developed and are attached hereto as **Exhibit "D"**. Such preliminary project and financing plans will be the basis for the master plan for the final financing and development plans for the reinvestment zone and shall assist the staff and board of directors in implementing a successful reinvestment zone.
- (7) On January 14, 2002 TAC Realty Inc. and College Main Apartments Ltd. petitioned the City Council of College Station that the area described in **Exhibits "B"** and **"C"** be designated as a reinvestment zone. A copy of the petition is attached hereto as **Exhibit "E"** and incorporated herein for all purposes. TAC Realty Inc. and College Main Apartments Ltd. are the property owners of more than fifty percent (50%) of the appraised value of the property in the proposed reinvestment zone. Therefore, Reinvestment Zone No. 15 is hereby established by owner petition pursuant to SECTION 311.005 (A) (5) OF THE TAX INCREMENT FINANCING ACT.
- (8) That the following Council Members were present and considered the ordinance on March 14, 2002.

Lynn Mellhaney
Ron Silvia
Larry Mariott
Dennis Maloney
Anne Hazen
Winnie Garner (abstaining)

That the City hereby creates a reinvestment zone over the area described by the boundary survey in **Exhibit "B"** attached hereto and such reinvestment zone shall be based on the preliminary project and financing plans. This zone shall hereafter be identified as Reinvestment Zone No. 15, City of College Station, Texas (the "Zone").

IV.

The Board of Directors for the Zone shall consist of nine (9) member directors. The City Council of the City of College Station shall appoint six (6) members who shall meet the eligibility requirements as set forth in the Act to serve on the Board of Directors. The Brazos County Commissioners Court shall appoint one (1) member who shall meet the eligibility requirements as set forth in the Act to serve as a member of the Board of Directors. The member of the state Senate in whose district the zone is located or his designee is also a member of the board. The member of the state House of representatives in whose district the zone is located or his designee is also a member of the board. The Brazos County Commissioners Court member, the member of the state senate or his designee, the member of the state house of representatives or his designee, and three (3) members appointed by the City of College Station, shall serve an initial two (2) year term while the other three (3) appointed by the City of College

Station shall serve initial one (1) year terms. All subsequent appointments will be made for two (2) staggered terms or until a successor director may be appointed thereafter. The City Council shall designate one (1) member to serve as Chairman of the Board of Directors for the year ending December 31, 2003, and each year thereafter, and authorizes the Board to elect from its members a Vice-Chairman and other officers as it sees fit. The Board shall retain all powers provided it in the Act.

The Board of Directors shall make recommendations to the City Council concerning the administration of the Zone and shall prepare and cause to be prepared and adopt a Project Plan based upon the preliminary Financing and Development Plans for the Zone and must submit such plans to the City Council for its approval. The City hereby delegates to the Board of Directors all powers necessary to prepare and implement such Project Plan, subject to approval by the City Council, including the power to direct the staff and employ consultants to assist in the preparation of the Project Plan and in the issuance of tax increment obligations.

V.

That operation of the Zone shall commence immediately following the passage of this ordinance, and that termination of the operation of the Zone shall occur on December 31, 2022, or at a time designated by subsequent ordinance or at such time subsequent to the issuance of tax increment bonds as all project costs and tax increment bonds, and the interest thereon, have been paid in full.

VI.

That the tax increment base for the Zone is the total appraised value of all taxable real property in the reinvestment zone as of January 1, 2002.

VII.

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into such sub-accounts as may be authorized by subsequent ordinances into which all tax increments are to be deposited. The Tax Increment Fund and any sub-accounts are to be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for Texas cities. The tax increments shall equal the amount of property taxes levied for a year on the captured and appraised value, that is, the amount by which the current appraised value of all taxable real property located in the Zone exceeds its tax increment base less any other funds which are to be allocated from the tax increments pursuant to the Act. All revenues from the sale of any tax increment finance bonds and notes hereafter issued by the City may be deposited into such fund or sub-account from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

VIII.

That if any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

IX.

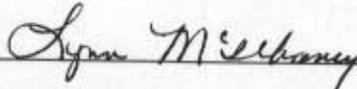
That it is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council of the City of College Station at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City of College Station for the time required by law preceding this meeting, as required by the Open Meetings Act, 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 hereon has been presented, discussed, considered and finally acted upon. The City Council of the City of College Station further ratifies, approves and confirms such written notice and the contents and posting thereof.

X.

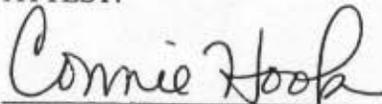
That the contents of the notice of public hearing, which hearing was held before the City Council of the City of College Station on March 14, 2002, and the publication of said notice, is hereby ratified, approved and confirmed.

PASSED, ADOPTED and APPROVED on this the 14th day of March, 2002.

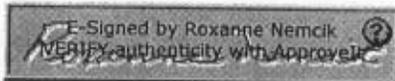
APPROVED:


LYNN McILHANEY, Mayor

ATTEST:


Connie Hooks, City Secretary

APPROVED:



City Attorney