

ORDINANCE NO. O-2011-46

AN ORDINANCE DESIGNATING AN AREA KNOWN AS THE CITY OF PHARR – TIF REINVESTMENT ZONE #1; DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; PROVIDING FOR AN EFFECTIVE DATE AND TERMINATION DATE FOR THE ZONE; NAMING OF THE ZONE CITY OF PHARR – TIF REINVESTMENT ZONE #1 AND ESTABLISHING A TAX INCREMENT FUND

WHEREAS, the City Commission (the "Commission") of the City of Pharr, Texas (the "City") desires to support development and redevelopment in the City to be funded in whole or in part, through the creation of a Tax Increment Reinvestment Zone (the "Zone"), as hereinafter more specifically defined and named and with boundaries as hereinafter provided, pursuant to the provisions of the Tax Increment Financing Act 9 the "Act"), Texas Tax Code, Chapter 311; and

WHEREAS, the City indicated its intent to create the Zone through Resolution 2011-40 passed by the City Commission on July 19, 2011

WHEREAS, The Project will support financing of costs associated with the construction of public improvements related to several possible development and redevelopment projects, which may include but not limited to: Street Construction and Reconstruction, Right of Way Acquisition, Municipal Facilities Acquisition/Construction, Parks, Storm Water Pollution Prevention Drainage & Drainage Detention, Wastewater Treatment Plant Expansion, Waste Water Collection System Improvements, Water Rights Acquisition, Utility Relocation and Open Space Improvements

WHEREAS, pursuant to the Act, the City may designate a geographical area within the City; and

WHEREAS, Pursuant to the Act, the City has directed that a Preliminary Reinvestment Zone Financing Plan (the "Preliminary Plan") be prepared for the proposed Zone; and

WHEREAS, A Public Hearing was held on September 8, 2011 at 12:00 p.m. in the City Commission Chambers, City Hall to consider the creation of a Tax Increment Reinvestment Zone for the Project and its respective benefits to the City and to property in the proposed Zone; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, THAT:

SECTION 1. DESIGNATING THE AREA AS A REINVESTMENT ZONE. The area described in Section 2 below and more commonly referred to as the "Pharr Redevelopment Project" and officially assigned the name as designated in Section 5 below (which reinvestment zone so described, named and designated is hereinafter referred to as the "Zone", is hereby designated as a Tax Increment Reinvestment Zone.

SECTION 2. DESCRIPTION OF THE BOUNDARIES OF THE REINVESTMENT ZONE. Attached hereto as Exhibit "A", which is incorporated herein by reference for all purposes is a Hidalgo County Appraisal District Map with the parcels, area and boundaries of the Zone outlined in purple incorporated in the Zone.

SECTION 3. CREATION AND COMPOSITION OF A BOARD OF DIRECTORS FOR THE ZONE. There is hereby created a Board of Directors (the "Board") for the Zone, with all the rights powers and duties as provided by the Act to such Boards or by action of the City Commission. Pursuant to Section 311.009(a) of the Texas Tax Code the Board shall consist of not less than five (5) and not more than fifteen (15) members.

Each taxing unit other than the City that levies taxes on real property in the Zone may appoint one member to the Board. A unit may waive its right to appoint a member. The City shall appoint the remaining directors of which, one shall be nominated by the Commissioners Court of Hidalgo County.

Appointees shall be for a two (2) year term. Upon expiration of their respective terms of office, replacements to the Board shall be appointed. Vacancies on the Board shall be filled by the respective taxing unit making such appointments for the remainder of the unexpired term.

SECTION 4. EFFECTIVE DATE AND TERMINATION DATE OF THE ZONE. The Zone shall take effect on September 8, 2011 and continue till its termination date of December 31, 2051 unless otherwise terminated earlier as a result of payment in full of all project costs, tax increment bonds, if any, including interest on said bonds as authorized or permitted by law.

SECTION 5 ASSIGNING A NAME TO THE ZONE. The Tax Increment Reinvestment Zone created hereby is assigned the name of "REINVESTMENT ZONE NUMBER ONE, CITY OF PHARR, TEXAS."

SECTION 6. TAX INCREMENT BASE. The tax increment base for the Zone is the total assessed value of all real property taxable by the City and located in the Zone, determined as of January 1, 2011, the year in which the Zone was designated as a Reinvestment Zone (the "Tax Increment Base").

SECTION 7. ESTABLISHMENT OF A TAX INCREMENT FUND. There is hereby created and established in the depository bank of the City, a fund to be called the "CITY OF PHARR – TIF REINVESTMENT ZONE #1, TEXAS TAX INCREMENT FUND" (HEREIN CALLED THE "Tax Increment Fund"). Money in the Tax Increment Fund, from whatever source, may be disbursed from the Tax Increment Fund, invested, and paid as permitted by the Act or by any agreements entered into pursuant to the Act, or as otherwise authorized by law.

SECTION 8. FINDINGS. The City hereby finds and declares that (a) improvements in the Zone will significantly enhance the value of all the taxable real property in the Zone and will be of general benefit to the City; and (b) the Zone meets the requirements of 311.005 of the Act, being that the Zone area:

"is predominantly open, and because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City" and

The City of Pharr, pursuant to the Act, further finds and declares that:

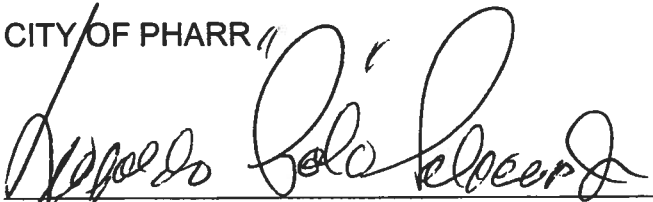
1. the proposed zone is a geographical area located wholly within the City limits or extraterritorial jurisdiction of Pharr;
2. less than fifty percent (50%) of the property in the proposed Zone is used for residential purposes, as the term "residential" is defined in Section 311.006(d) of the Act;
3. the total appraised value of the taxable real property in the proposed Zone or in existing reinvestment zones, if any, does not exceed fifty per cent (50%) of the total appraised value of taxable real property in the City and in industrial districts, if any, created by the City;
4. the proposed Zone does not contain more than fifty percent (50%) of the total appraised value of real property taxable by Hidalgo County, the PSJA ISD, the Hidalgo ISD and the Valley View ISD, and
5. development or redevelopment within the boundaries of the proposed Zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 9. DESIGNATION OF A SECTION 311.005(a) ZONE. The Zone is designated pursuant to Section 311.005(a) of the Act.

SECTION 10. SEVERABILITY. If any of the provisions of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstance shall nevertheless be valid, as if such invalid provisions had never appeared herein, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision

SECTION 11. The Zone shall take effect immediately upon passage of this Ordinance, pursuant to Section 311.004(3) of the Act. The requirement that this Ordinance is to be read on three (3) separate meetings is hereby waived and dispensed with and this Ordinance shall take effect and be in full force from and after its passage and approval. Publication may also be in caption form as allowed under Section 9 of the Pharr City Charter.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 8th day of September, 2011.

CITY OF PHARR

LEOPOLDO "POLO" PALACIOS, JR. MAYOR

ATTEST:

for 
HILDA PEDRAZA, CITY CLERK

