

CITY OF EL PASO, TEXAS
DEPARTMENT HEAD'S SUMMARY REQUEST FOR COUNCIL ACTION (RCA)

CITY CLERK DEPT.

DEPARTMENT: Development Services

06 OCT 12 AM 10: 26

AGENDA DATE: October 17, 2006

CONTACT PERSON/PHONE: Sylvia Borunda Firth/541-4656

DISTRICT(S) AFFECTED: 8

SUBJECT:

Resolution expressing the City of El Paso's intent to Create Tax Increment Reinvestment Zone No. 5 to finance public improvements in support of the Downtown Redevelopment Plan; authorizing and directing distribution of a written notice of the city's intention to create the proposed reinvestment zone to each taxing unit that levies a tax in the proposed zone; authorizing the city manager to schedule a public hearing for the creation of the reinvestment zone; authorizing a request to make presentations before certain taxing units; delegation of authority to make presentations and give notice to taxing units of formal presentations to the county and school district; authorizing a request to each taxing unit for the appointment of a representative to meet with the city to discuss the project; authorizing a request to the county and the school district to waive the requirement for 60 days notice prior to the adoption of the ordinance to Create Tax Increment Zone No. 5; authorizing a request to each taxing entity to waive participation in the TIRZ board of directors; and delegating authority to call and hold meetings with representatives of each taxing unit.

BACKGROUND / DISCUSSION:

This item is related to City staff's recommendation to create a Tax Increment Reinvestment Zone for the purpose of financing public improvements in support of development in the proposed Zone according to the Downtown Development Plan. This resolution authorizes giving notice to the taxing entities of the intent to create the zone, setting a date for the public hearing, and making presentations to the taxing entities.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one? If so, when?

N/A

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____
Sylvia Borunda Firth, Asst. City Attorney

OTHER: _____

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

A RESOLUTION

EXPRESSING THE CITY OF EL PASO'S INTENT TO CREATE TAX INCREMENT REINVESTMENT ZONE NO. 5 TO FINANCE PUBLIC IMPROVEMENTS IN SUPPORT OF THE DOWNTOWN REDEVELOPMENT PLAN; AUTHORIZING AND DIRECTING DISTRIBUTION OF A WRITTEN NOTICE OF THE CITY'S INTENTION TO CREATE THE PROPOSED REINVESTMENT ZONE TO EACH TAXING UNIT THAT LEVIES A TAX IN THE PROPOSED ZONE; AUTHORIZING THE CITY MANAGER TO SCHEDULE A PUBLIC HEARING FOR THE CREATION OF THE REINVESTMENT ZONE; AUTHORIZING A REQUEST TO MAKE PRESENTATIONS BEFORE CERTAIN TAXING UNITS; DELEGATION OF AUTHORITY TO MAKE PRESENTATIONS AND GIVE NOTICE TO TAXING UNITS OF FORMAL PRESENTATIONS TO THE COUNTY AND SCHOOL DISTRICT; AUTHORIZING A REQUEST TO EACH TAXING UNIT FOR THE APPOINTMENT OF A REPRESENTATIVE TO MEET WITH THE CITY TO DISCUSS THE PROJECT; AUTHORIZING A REQUEST TO THE COUNTY AND THE SCHOOL DISTRICT TO WAIVE THE REQUIREMENT FOR 60 DAYS NOTICE PRIOR TO THE ADOPTION OF THE ORDINANCE TO CREATE TAX INCREMENT ZONE NO. 5; AUTHORIZING A REQUEST TO EACH TAXING ENTITY TO WAIVE PARTICIPATION IN THE TIRZ BOARD OF DIRECTORS; AND DELEGATING AUTHORITY TO CALL AND HOLD MEETINGS WITH REPRESENTATIVES OF EACH TAXING UNIT.

WHEREAS, the City of El Paso (the "City") resolved to commission a "Downtown Redevelopment Plan" as an addendum to the City's comprehensive plan, *The Plan for El Paso*, to address the needs of the downtown area and to foster and support economic growth and opportunity; and

WHEREAS, Tax Increment Financing ("TIF") is an economic development tool that the City may use to finance needed public improvements and enhance infrastructure within the downtown area; and

WHEREAS, the City desires to use TIF to encourage community revitalization and infrastructure improvements within the downtown area by leveraging private investment for certain types of development activities; and

WHEREAS, pursuant to the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended (hereafter referred to as the "Act"), prior to considering TIF agreements with property owners, the property must first be in an area properly designated as a Tax Increment Reinvestment Zone ("TIRZ"); and

WHEREAS, the City is considering the creation of a TIRZ (the "Proposed TIRZ") for the Downtown Redevelopment Plan area depicted in Exhibit A attached hereto, which area consists of five distinct districts; and

WHEREAS, the public improvements necessary for development in the Proposed TIRZ under the Downtown Redevelopment Plan may include street excavation, street installation,

curbing, grading, drainage structures and channels, parking, sidewalks, sewer and water utilities, street lighting and other improvements; and

WHEREAS, prior to the creation of a TIRZ, the City Council must hold a public hearing on the creation of a proposed reinvestment zone and its benefits to the City and the property in the Proposed TIRZ; and

WHEREAS, pursuant to Section 311.003(b) of the Act, the governing body of the City must prepare a preliminary reinvestment zone financing plan and provide a copy of this plan to the governing body of each taxing unit that levies real property taxes in a proposed reinvestment zone (the "Taxing Units"); and

WHEREAS, pursuant to Section 311.003(e) of the Act, the governing body of the City must provide notice in writing to the governing body of each Taxing Unit, not later than the sixtieth (60th) day before the date of the public hearing to designate the TIRZ, that the City intends to establish the TIRZ, unless such notice is waived by the Taxing Units; and

WHEREAS, the City desires to notify the Taxing Units of the City's intent to create the Proposed TIRZ as provided in Section 311.003(e) of the Act; and

WHEREAS, pursuant to Section 311.003(f) of the Act, the City (i) requests the opportunity to make a formal presentation to the governing body of El Paso County (the "County") and the El Paso Independent School District (the "School District"), (ii) shall notify each Taxing Unit of the presentations to be made before the County and the School District, and (iii) shall make a formal presentation to the governing body of any other Taxing Unit requesting it to do so; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution 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 RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO THAT:

SECTION 1. The City hereby expresses its intent to create a TIRZ for the purpose of financing public improvements in support of development in the Proposed TIRZ according to the Downtown Redevelopment Plan. The boundaries of this TIRZ are described in Exhibit A attached hereto and incorporated herein for all purposes.

SECTION 2. NOTICE TO TAXING UNITS OF CITY'S INTENT TO CREATE ZONE. The City Attorney or his designee shall cause a "Notice of Intention to Create a Tax Increment Reinvestment Zone for the Development of Public Improvements for the Downtown Redevelopment Plan" (the "Notice") to be delivered by certified mail or hand delivered to the governing body of each Taxing Unit. The notice shall contain at a minimum the following:

1. a description of the proposed boundaries of the proposed reinvestment zone;

2. the tentative plans for the development or redevelopment of the proposed reinvestment zone; and
3. an estimate of the general impact of the proposed reinvestment zone on property values and tax revenues.

The City Attorney or his designee is authorized to draft the Notice as necessary for distribution to the Taxing Units.

SECTION 3. PUBLICATION OF NOTICE. The City Manager is hereby authorized to set a date for the public hearing pursuant to Section 311.003(c) of the Act, and to publish a notice of the public hearing in the El Paso Times, or another newspaper of general circulation, not later than the seventh day before the date of the public hearing.

SECTION 4. AUTHORIZING THE CITY MANAGER TO SCHEDULE A PUBLIC HEARING FOR THE CREATION OF THE REINVESTMENT ZONE. Not earlier than sixty (60) days after providing notice to the governing bodies of each Taxing Unit of the City's intent to create the Proposed TIRZ, the City Manager may schedule a public hearing to obtain community input concerning the City's intention to create the TIRZ.

SECTION 5. AUTHORIZING A REQUEST TO MAKE PRESENTATIONS BEFORE CERTAIN TAXING UNITS; DELEGATION OF AUTHORITY TO MAKE PRESENTATIONS AND GIVE NOTICE TO TAXING UNITS OF FORMAL PRESENTATIONS TO THE COUNTY AND SCHOOL DISTRICT. The City Manager or her designee is hereby authorized to make a formal request to the governing bodies of the County and the School District and to make a formal presentation to the governing body of each such taxing unit. The presentation shall include at a minimum the following:

1. a description of the proposed boundaries of the proposed reinvestment zone;
2. the tentative plans for the development or redevelopment of the proposed reinvestment zone; and
3. an estimate of the general impact of the proposed reinvestment zone on property values and tax revenues.

The City Manager or her designee is also hereby authorized to make a formal presentation to the governing bodies of any other Taxing Unit requesting her to do so. The City Manager or her designee is hereby authorized and directed to (i) make such formal presentations on its behalf to the respective governing bodies, and (ii) notify each Taxing Unit of each presentation to be made before the County and the School District.

SECTION 6. AUTHORIZING A REQUEST FOR THE APPOINTMENT OF A REPRESENTATIVE TO MEET WITH THE CITY TO DISCUSS THE PROJECT; DELEGATION OF AUTHORITY TO CALL MEETINGS. The City Manager or her designee is hereby authorized and directed to request each Taxing Unit to designate a representative from

such unit to meet with the City staff to discuss the project plan and reinvestment zone financing plan for the Proposed TIRZ. The City Manager or her designee is hereby authorized and directed to call one or more meetings as may be needed, of the representatives of the Taxing Units.

SECTION 7. AUTHORIZING A REQUEST TO EACH TAXING UNIT TO WAIVE THE REQUIREMENT FOR 60 DAYS PRIOR WRITTEN NOTICE BEFORE THE PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE ORDINANCE TO CREATE THE PROPOSED TIRZ. The City Manager or her designee is hereby authorized and directed to request the County and School District waive its right for 60 days prior written notice before the public hearing to consider the ordinance to create the Proposed TIRZ.

SECTION 8. AUTHORIZING A REQUEST TO EACH TAXING UNIT TO WAIVE ITS RIGHT TO APPOINT BOARD MEMBERS. The City Manager or her designee is hereby authorized and directed to as any Taxing Unit that is not participating by contributing its increment to waive their rights to appoint TIRZ Board Members.

SECTION 7. This Resolution shall take effect on the date of passage hereof.

PASSED AND APPROVED this 17th day of October 2006.

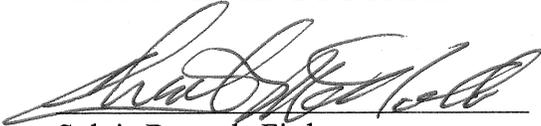
THE CITY OF EL PASO

John F. Cook, Mayor

ATTEST:

Richarda Duffy Momsen, City Clerk

APPROVED AS TO FORM:



Sylvia Borunda Firth
Senior Assistant City Attorney

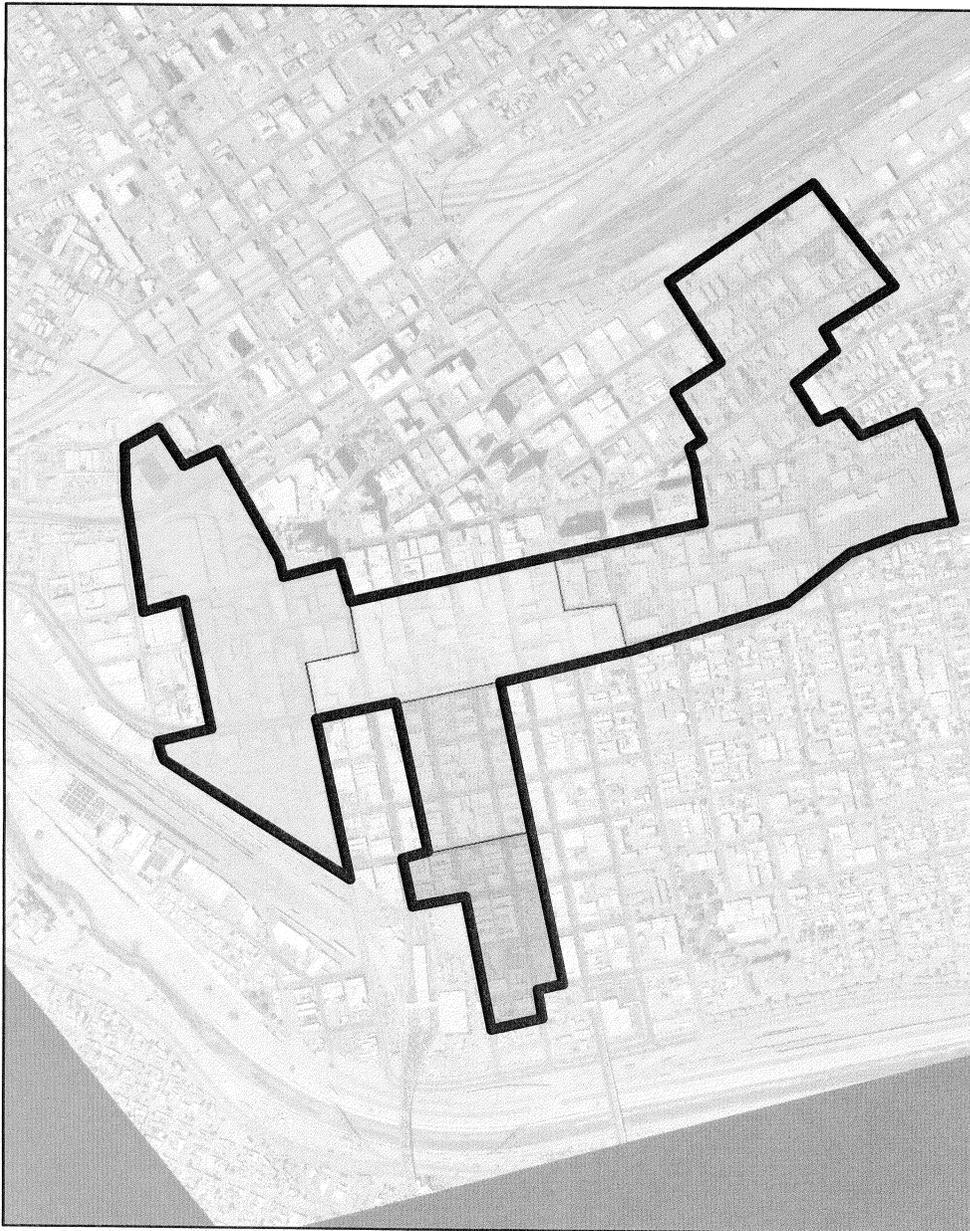
APPROVED AS TO CONTENT:



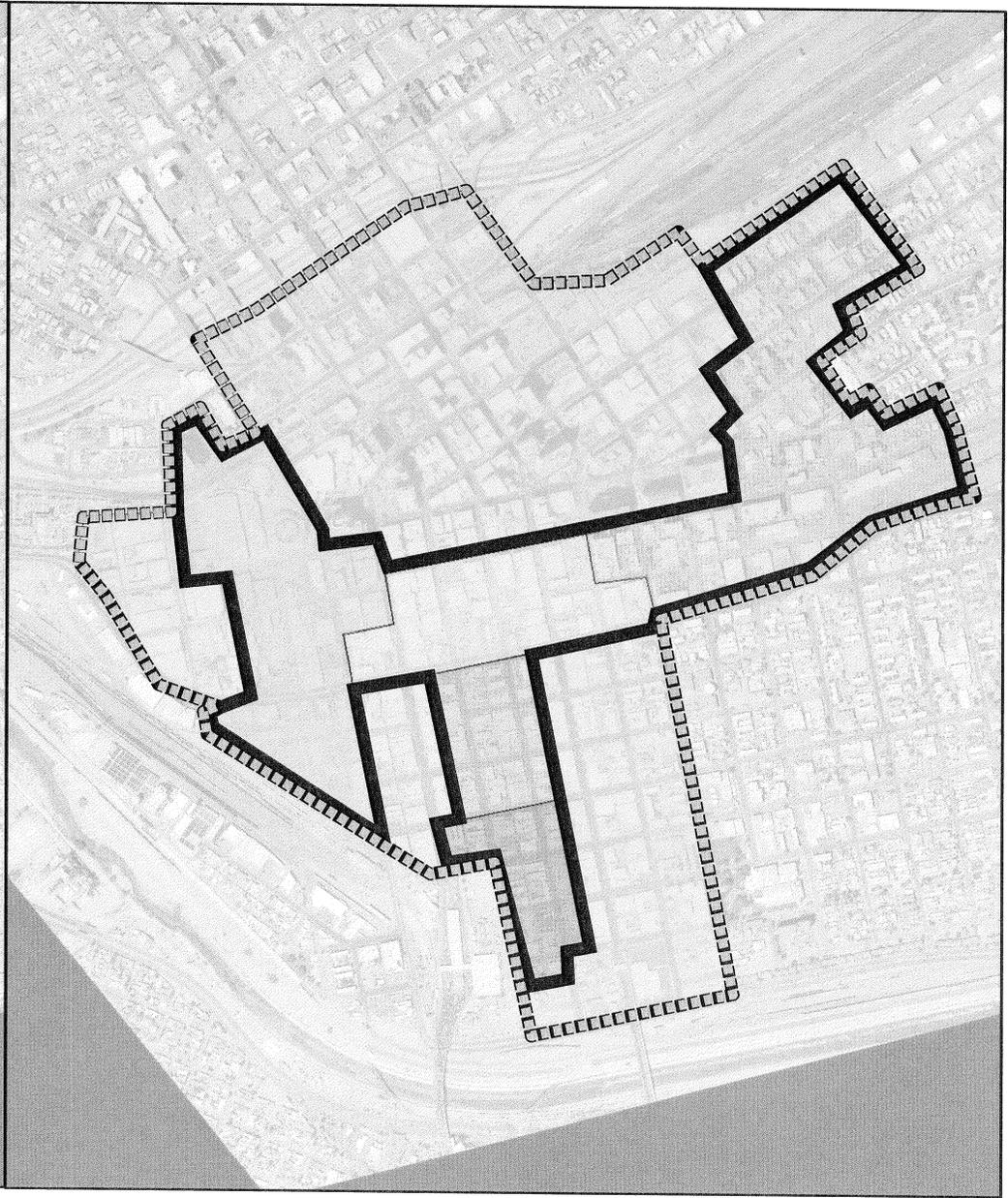
Patricia D. Adauto
Deputy City Manager, Development
and Infrastructure Services

EXHIBIT A

Depiction of Area for Proposed TIRZ



Recommended Staff Option
(Redevelopment District Only)



CPC Option
(Includes Redevelopment District, Historic
Incentive District and portions of Segundo Barrio)

Proposed TIRZ Boundary Options