

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Economic Development
AGENDA DATE: Introduction: December 15, 2009; Public Hearing: December 22, 2009 (Regular)
CONTACT PERSON NAME AND PHONE NUMBER: Kathy Dodson, (915) 541-4670
DISTRICT(S) AFFECTED: 8

SUBJECT:

Discussion and Action on an Ordinance amending the Final Project Plan and Final Reinvestment Zone Financing Plan for Tax increment Reinvestment Zone Number Five, City of El Paso; Adopting said amendments as required by section 311.011(E) Texas Tax Code; Also providing a severability clause. (District 8) [Economic Development, Kathy Dodson, (915) 541-4670]

BACKGROUND / DISCUSSION:

The Final Project Plan and Final Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone No. 5 was adopted by City Council Ordinance No. 017081 on March 10, 2009. The document is formatted to allow for incorporation of projects eligible for TIRZ funding via an amendment process and the Plans have previously been amended to include the Commercial Façade Improvement Grant Program as an eligible project. The Reinvestment Zone Board recommended increasing TIRZ funding for this program by \$25,000 and to additionally strengthen its design requirements. The program is a matching grant program that provides funding to existing business and/or property owners to make improvements to the exterior of buildings in the Reinvestment Zone. The program was funded by the Reinvestment Zone for one year and the funds have been allocated to 5 projects expected to be completed early in 2010 so that there are not additional funds in the TIRZ Commercial Façade Improvement Grant Program though interest in the program remains and applications continue to be submitted.

PRIOR COUNCIL ACTION:

Final Project Plan and Final Reinvestment Zone Financing Plan adopted by Ordinance No. 017081 on March 10, 2009 and later amended by Ordinance No. 017102 (April 7, 2009) and Ordinance No. 017239 (November 17, 2009).

AMOUNT AND SOURCE OF FUNDING:

Item will be funded from existing TIRZ Fund Account No. 502215 / 07412 / 72153041 / 72300 (TIRZ No. 5 Fund). Project No. 1 funding to be amended to add \$25,000 to previously funded \$32,000 to bring the total for this project to \$57,000.

BOARD / COMMISSION ACTION:

Tax Increment Reinvestment Zone No. 5 Board unanimously approved the amendment on November 12, 2009.

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

DEPARTMENT HEAD:



(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE FINAL PROJECT PLAN AND FINAL REINVESTMENT ZONE FINANCING PLAN FOR TAX INCREMENT REINVESTMENT ZONE NUMBER FIVE, CITY OF EL PASO, TEXAS; ADOPTING SAID AMENDMENTS AS REQUIRED BY SECTION 311.011(E) TEXAS TAX CODE; ALSO PROVIDING A SEVERABILITY CLAUSE

WHEREAS, by City of El Paso Ordinance No. 016528, adopted December 19, 2006, later amended by Ordinances Nos. 016803 and 016804 on December 18, 2007, the City created Tax Increment Reinvestment Zone Number Five, City of El Paso, Texas (the "Zone") in accordance with the Tax Increment Financing Act (the "Act") for the purposes of development within the Redevelopment Districts in the Downtown 2015 Plan through the use of tax increment financing; and

WHEREAS, on March 10, 2009, by Ordinance No. 017081, pursuant to Section 311.011(d) of the Act, the City Council approved the Final Project Plan and Final Reinvestment Zone Financing Plan after their adoption by the Board of Directors (the "Board") of the Zone; and

WHEREAS, on April 7, 2009, by Ordinance No. 017102, City Council adopted an amendment to the Final Project Plan and Final Reinvestment Zone Financing Plan to include approved projects eligible for tax increment finance funds under the plans, including Project No. 1: Commercial Façade Improvement Grant Program, following adoption of the amendment by the Board; and

WHEREAS, the Board continues to support the City in development activities for the Zone and actively participates in planning and identifying potential Zone projects; and

WHEREAS, on November 12, 2009, the Board adopted an amendment to the Final Project Plan and Final Reinvestment Zone Financing Plan to include additional funding in the amount of \$25,000 for additional eligible project costs for Project No. 1: Commercial Façade Improvement Grant Program and recommended revisions to the Program design requirements to enhance project aesthetics; and

WHEREAS, pursuant to Section 311.011(e) of the Act, the Board may adopt amendments to the plans consistent with the requirements and limitations of the Act, which become effective when approved by the governing body of the municipality by a duly authorized ordinance; and

WHEREAS, the City desires to amend the Final Project and Final Reinvestment Zone Financing Plans as approved by the Board, in support of community revitalization and economic development within the Zone; and

WHEREAS, it is 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 subject of said meeting was given all as required by Chapter 551, Texas Government Code; and

WHEREAS, the City Council, as the governing body of the City, approves the amendments to the Final Project Plan and Final Reinvestment Zone Financing Plan, as evidenced by this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. That the Final Project Plan and Final Reinvestment Zone Financing Plan are hereby amended in the manner set forth below:

- A. The Final Project Plan is amended to incorporate the following additional funding to the following project on the list of approved proposed projects eligible for tax increment finance funds of the Zone, which will be allocated to as described herein:

Project No. 1: Commercial Façade Improvement Grant Program.

Original Amount: \$32,000

Amended Amount: \$57,000 (increased by \$25,000)

The purpose of the Commercial Façade Improvement Grant Program is to provide grant funding to existing business property owners or lessees to encourage renovation and rehabilitation of the exterior of buildings in the Zone. This program aims to improve the aesthetics within the Zone as attractive building façades positively impact the marketability and perception of the area. The Program consists of a one-dollar to one-dollar match for approved improvements. Reimbursement grants will be awarded for façade improvements that restore, preserve, rehabilitate, enhance or beautify a structure. Eligible improvements include:

- Signs (new, repairs, replacement, removal)
- Grate and grate box removal or conversion of solid grates to an open mesh style
- Awnings
- Lighting
- Paint
- Removal/replacement of inappropriate or incompatible exterior finishes or materials
- Recessing/reconfiguring entrances
- Removal of extraneous elements
- Door/window replacement or repair
- Exterior cleaning
- Historical architectural elements

By separate formal action, City Council will adopt Commercial Façade Improvement Grant Program requirements and guidelines that will govern administration and implementation of the Program by City staff.

B. The Final Reinvestment Zone Financing Plan is hereby amended to reflect the additional funding allocated to the project identified in Section A.

2. That the amendments to the Final Project Plan and Final Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone Number Five, City of El Paso, Texas, are hereby determined to be feasible and in conformity with the City's master plan and said amendments are hereby approved.

3. That the statements set forth in the recitals of this Ordinance are declared to be true and correct and are incorporated as part of this Ordinance.

4. That the provisions of this Ordinance are severable. If any provision of this Ordinance or the application thereof to any circumstances shall be held to be invalid or unconstitutional, the remainder of this Ordinance shall nevertheless be valid.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2009.

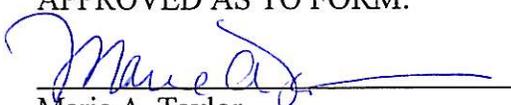
CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

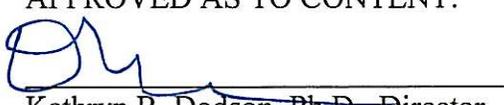
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Marie A. Taylor
Assistant City Attorney

APPROVED AS TO CONTENT:



Kathryn B. Dodson, Ph.D., Director
Economic Development Department