

**CITY OF CORINTH, TEXAS
ORDINANCE NO. 21-03-18-07**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS, CREATING TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER THREE OF THE CITY OF CORINTH, TEXAS PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, AS AMENDED; PROVIDING FOR THE INCORPORATION OF PREMISES; PROVIDING FOR EFFECTIVE AND EXPIRATION DATES OF TIRZ 3; PROVIDING BOUNDARIES FOR TIRZ 3; ESTABLISHING A BOARD OF DIRECTORS FOR TIRZ 3; ESTABLISHING A TAX INCREMENT FUND FOR TIRZ 3; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, (the "Act"), the City of Corinth, Texas ("City") may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, the Act provides that the governing body of a municipality by ordinance may designate a non-contiguous geographic area that is in the corporate limits of the municipality to be a reinvestment zone if the governing body determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, the City Council desires to promote the development of a certain noncontiguous geographic area in the City, which is more specifically described in **Exhibit "A"**, "Boundary Description" and **Exhibit "B"**, "Boundary Map" of this Ordinance (the "Zone") through the creation of a reinvestment zone as authorized by and in accordance with the Act; and

WHEREAS, the areas described in **Exhibits "A"** and **"B"** were originally included in the area designated as Tax Increment Financing Reinvestment Zone Number 2, City of Corinth, Texas ("TIRZ 2"); and

WHEREAS, the boundaries of TIRZ 2 were amended on March 18, 2021, to exclude the areas described in **Exhibits "A"** and **"B"**; and

WHEREAS, pursuant to and as required by the Act, the City has prepared a Preliminary Reinvestment Zone Project Plan and Financing Plan for the Zone, which is attached hereto as **Exhibit "C"** (hereinafter referred to as the "Preliminary Project and Finance Plan") for a proposed tax increment reinvestment zone containing the real property within the Zone; and

WHEREAS, notice of the public hearing on the creation of the proposed Zone was published in a newspaper having general circulation in the City on March 8, 2021, which

date is before the seventh (7th) day before the public hearing held on March 18, 2021; and

WHEREAS, at the public hearing on March 18, 2021, interested persons were allowed to speak for or against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone; the public hearing was held in full accordance with Section 311.003(c) of the Act; and

WHEREAS, evidence was received and presented at the public hearing on March 18, 2021, and in favor of the creation of the Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on March 18, 2021; and

WHEREAS, the City has taken all actions required to create the Zone including, but not limited to, all actions required by the home-rule Charter of the City, the Act, the Texas Open Meetings Act (defined herein), and all other laws applicable to the creation of the Zone; and

WHEREAS, the percentage of the property in the proposed zone, excluding property that is publicly owned, that is used for residential purposes is less than thirty (30) percent; and

WHEREAS, a Preliminary Project and Finance Plan has been prepared for the proposed Zone.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS:

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing recitals are found to be true and correct and are incorporated into the body of this Ordinance for all purposes.

SECTION 2
FINDINGS

The City Council, after conducting the above-described hearing and having heard the evidence and testimony presented at the hearing, has made the following findings and determined based on the evidence and testimony presented to it:

- (a) That the public hearing on the creation of the proposed Zone has been properly called, held, and conducted and that notice of such hearing has been published as required by law; and

(b) That the creation of the proposed Zone with boundaries as described and depicted in **Exhibits "A" and "B"** will significantly enhance the value of the real property within the Zone and result in benefits to the City, its residents and property owners, in general, and to the property, residents, and property owners in the Zone; and

(c) That the areas depicted in **Exhibits "A" and "B"** were included in the boundaries of TIRZ 2, but such boundaries have since been amended to exclude those areas; and

(d) That the areas depicted in **Exhibits "A" and "B"** are hereby accepted from TIRZ 2 to create the proposed Zone; and

(e) That the proposed Zone, as defined in **Exhibits "A" and "B"**, meets the criteria for the creation of a reinvestment zone set forth in the Act in that:

(1) It is a geographic area located wholly within the city limits of the City; and

(2) The City Council further finds and declares that the proposed Zone meets the criteria and requirements of Section 311.005(2) of the Act because the proposed Zone is predominantly open, and because obsolete platting, deterioration of structures or site improvements, or other factors substantially impair or arrest the sound growth of the City or County.

(f) Thirty (30) percent or less of the property in the proposed Zone, excluding property dedicated to public use, is currently used for residential purposes; and

(g) The total appraised value of all taxable real property in the proposed Zone, according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, does not exceed fifty (50) percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any; and

(h) The improvements in the proposed Zone will significantly enhance the value of all taxable real property in the proposed Zone and will be of general benefit to the City or county; and

(i) That the development or redevelopment of the property in the proposed Zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 3
DESIGNATION AND NAME OF THE ZONE

Pursuant to the authority of, and in accordance with the requirements of the Act, the City Council hereby designates the area described and depicted in **Exhibits "A" and "B"** hereto as a tax increment reinvestment zone. The name assigned to the zone for identification purposes is Reinvestment Zone Number Three, City of Corinth, Texas (herein referred to as the "Zone").

SECTION 4
BOARD OF DIRECTORS

A board of directors for the Zone ("Board") is hereby created. The Board shall consist of six (6) members comprised of the City Council members from Places 1 through 5 and the Mayor. Boards members' terms shall be concurrent with such Board members' Council term, and each shall meet the qualifications specified by Section 311.009 of the Act, as amended. The Mayor shall serve as chairman of the Board, and the Board may elect a vice chairman and such other officers as the Board sees fit.

The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare and adopt a project plan and a reinvestment zone financing plan for the Zone and submit such plans to the City Council for its approval. The Board shall perform all duties imposed upon it by Chapter 311 of the Act and all other applicable laws. Notwithstanding anything to the contrary herein, the Board shall not be authorized to (i) issues bonds; (ii) impose taxes or fees; (iii) exercise the power of eminent domain; or (iv) give final approval to the Zone's project plan and financing plan.

SECTION 5
DURATION OF THE ZONE

The Zone shall take effect immediately upon the passage and approval of this Ordinance, consistent with Section 311.004(a)(3) of the Act, and termination of the Zone shall occur upon any of the following: (i) on December 31, 2055; (ii) at an earlier time designated by subsequent ordinance; (iii) at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full, in accordance with Section 311.017 of the Act.

SECTION 6
TAX INCREMENT BASE AND TAX INCREMENT

The tax increment base for the Zone, as defined by Section 311.0 12(c) of the Act, shall be the total appraised value of all real property in the Zone taxable by a taxing unit,

determined as of January 1, 2021, which is the year in which the Zone was designated as a reinvestment zone.

The TIF Fund (as defined in Section 7 of this Ordinance) shall consist of: (i) the percentage of the tax increment, as defined by Section 311.012(a) of the Act, that each taxing unit which levies real property taxes in the Zone, other than the City, has elected to dedicate to the TIF Fund under an agreement with the City authorized by Section 311.013(f) of the Act; and (ii) fifty (50) percent of the City's tax increment, as defined by section 311.012(a) of the Act, subject to any binding agreement executed at any time by the City that pledges a portion of such tax increment or an amount of other legally available funds whose calculation is based on receipt of any portion of such tax increment.

SECTION 7 **TAX INCREMENT FUND**

There is hereby created and established a "Tax Increment Fund" (the "TIF Fund") for the Zone which may be divided into such subaccounts as may be authorized by subsequent ordinance, into which all tax increments of the City, as such increments are described in the final project plan and reinvestment zone financing plan and may include administration costs, less any of the amounts not required to be paid into the TIF Fund pursuant to the Act, are to be deposited. The TIF Fund and any subaccounts are to be maintained in an account at the affiliated depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues from (i) the sale of any obligations hereafter issued by the City and secured in whole or in part from the tax increments; (ii) the sale of any property acquired as part of a tax increment financing plan adopted by the Board; and (iii) other revenues dedicated to and used in the Zone shall be deposited into the TIF Fund.

Prior to the termination of the Zone, money shall be disbursed from the TIF Fund only to pay project costs for the Zone, as defined by the Texas Tax Code, to satisfy the claims of holders of tax increments bonds or notes issued for the Zone, or to pay obligations incurred pursuant to agreements entered into to implement the project plan and reinvestment zone financing plan and achieve their purpose pursuant to Section 311.010(b) of the Act.

SECTION 8 **SEVERABILITY CLAUSE**

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 9
OPEN MEETINGS

It is hereby found, determined, and declared that sufficient written notice of the date, hour, place and subject of the meeting of the City Council 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 for the time required by law preceding its meeting, as required by Chapter 551 of the Texas Government Code, 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 hereof has been discussed, considered and formally acted upon.

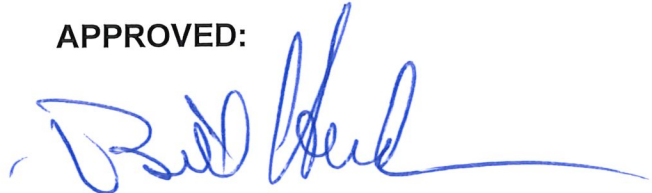
The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 10
EFFECTIVE DATE

This Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law and the City Charter.

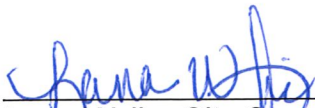
DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CORINTH, TEXAS on this the 18th day of March 2021.

APPROVED:



Bill Heidemann, Mayor
City of Corinth, Texas

ATTEST:



Lana Wylie, City Secretary
City of Corinth, Texas



APPROVED AS TO FORM AND LEGALITY:

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A handwritten signature in blue ink, appearing to read "Patricia Adams", written over a horizontal line.

Patricia A. Adams, City Attorney

EXHIBIT "A"
BOUNDARY DESCRIPTION
Reinvestment Zone Number Three, City of Corinth, Texas ("TIRZ 3")

Area #3

Beginning at the northwest corner of Property ID 199291 at the point it meets the southern right of way boundary of Church Drive, thence

East along the southern right of way boundary of Church Drive to the point it meets the boundary of Property ID 331065, thence

East along the northern boundary of Property ID 331065 to the point it meets Property ID 331074, thence

South along the eastern boundary of Property ID 331065 to the point it meets Property ID 313491, thence

South along the eastern boundary of Property ID 313491 to the point it meets the boundary of Property ID 175683, thence

East along the boundary of Property ID 175683, then continuing south along the boundary of Property ID 175683 to the point it meets Property ID 112056, thence

South along the eastern boundary of Property ID 112056 to the point it meets the northern right-of-way boundary of Lake Shannon Drive, thence

West along the northern right of way boundary of Lake Shannon Drive to the point it meets the southwest corner of Property ID 464280, thence

North along the western boundary of Property ID 464280 to the point it meets the southwest corner of Property ID 62503, thence

North along the western boundary of Property ID 62503 to the point it meets the southwest corner of Property ID 696612, thence

North along the western boundary of Property ID 696612 to the point it meets Property ID 696611, thence

North along the western boundary of Property ID 696611 to the point it meets the southwest corner of Property ID 175683, thence

North along the western boundary of Property ID 175683 to the point it meets the southwest corner of Property ID 313491, thence

North along the western boundary of Property ID 313491 to the point it meets the southwest corner of Property ID 37818, thence

North along the western boundary of Property ID 37818 to the point it meets the southwest corner of Property ID 199291, thence

North along the western boundary of Property ID 199291 to the point it meets the southern right-of-way boundary of Church Drive, which is the point of beginning.

Area #8

Beginning at the west corner of Property ID 338963 at the point it meets the southern right-of-way boundary of Teasley Drive, thence

East along the southern right of way boundary of Teasley Drive to the point it meets the western right-of-way boundary of Parkridge Drive, thence

South along the western right of way boundary of Parkridge Drive to the point it meets the southeast corner of Property ID 145853, thence

West along the boundary of the Property ID 145853, continuing along the boundary until the point the northwest corner of Property ID 145853 meets Property ID 62478, thence

Southwest along the southern boundary of Property ID 62478 to the point it meets the City of Corinth southern boundary, thence

Continuing west along the City of Corinth southern boundary to the point it meets the southeast corner of Property ID 683464, thence

West along the southern boundary of Property ID 683464 to the point it meets the southeast corner of Property ID 683465, thence

West along the southern boundary of Property ID 683465 to the point it meets the southeast corner of Property ID 683466, thence

West along the southern boundary of Property ID 683466 to the point it meets the southeast corner of Property ID 683467, thence

West along the southern boundary of Property ID 683467 then continuing north along the western boundary of Property ID 683467 to the point it meets Oak Bluff Drive, thence

North across Oak Bluff Drive to the southwest corner of Property ID 683476, thence

North along the western boundary of Property ID 673476 to the point it meets Property ID 62446, thence

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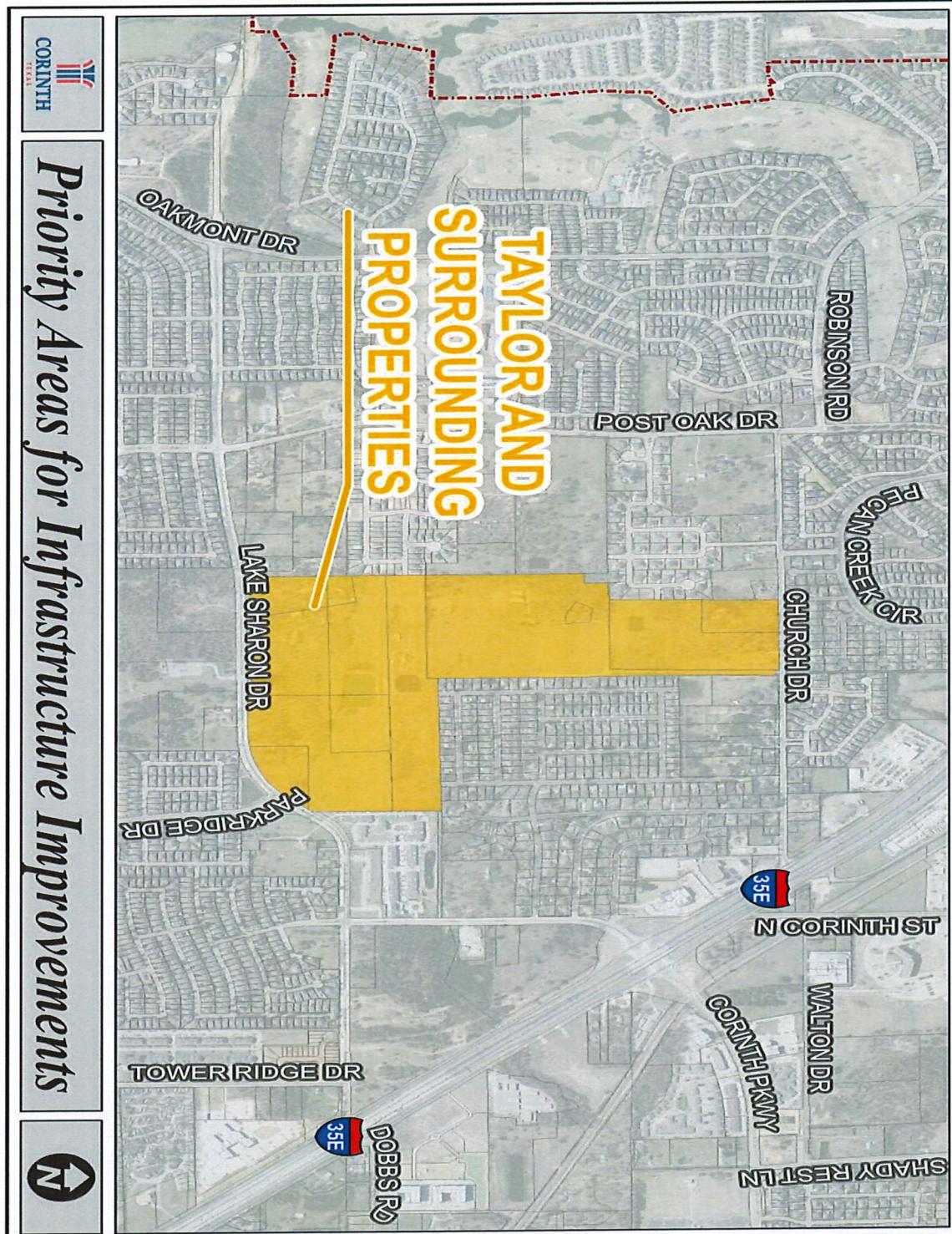
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North along the western boundary of Property ID 62446 to the point it meets Property ID 164436, thence

North along the western boundary of Property ID 164436 to the point it meets the west corner of Property ID 338963 at the point it meets the southern right of way boundary of Teasley Drive, which is the point of beginning.

EXHIBIT "B"
BOUNDARY MAPS

AREA #3



AREA #8

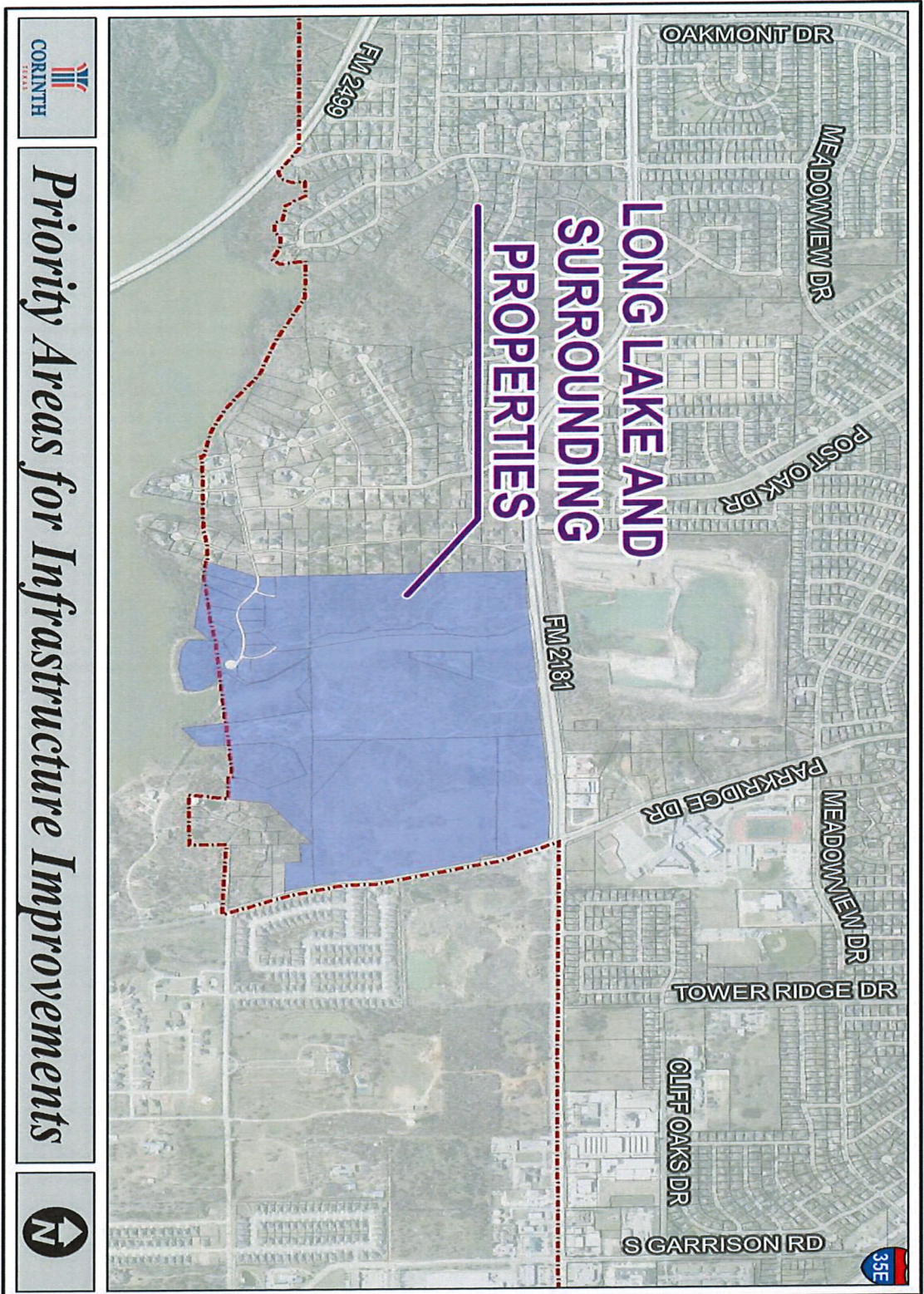


EXHIBIT "C"
PRELIMINARY PROJECT AND FINANCE PLAN