

Resolution No. _____

A RESOLUTION DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN FORT BEND COUNTY AS REINVESTMENT ZONE NUMBER ONE, FORT BEND COUNTY, TEXAS, FOR TAX INCREMENT FINANCING PURPOSES PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; CREATING A BOARD OF DIRECTORS FOR SUCH ZONE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING A SEVERABILITY CLAUSE.

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WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the County of Fort Bend, Texas (the "County") may designate a contiguous geographic area within the County as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the County determines that the creation of a tax increment reinvestment zone is necessary to promote the development or redevelopment of the area generally located in the western area of the County; and

WHEREAS, the County has prepared a Preliminary Reinvestment Zone Financing Plan (the "Preliminary Plan"), which provides that certain Fort Bend County ad valorem taxes are to be deposited into the tax increment fund, and that taxes of other taxing units may be utilized in the financing of the proposed zone; and

WHEREAS, the County provided written notice of the public hearing on the creation of the proposed zone, complying with the requirements of Chapter 311, Texas Tax Code, to the governing body of all taxing units levying taxes on property in the proposed zone; and

WHEREAS, a notice of the September 27, 2022, public hearing on the creation of the proposed zone was published on September 18, 2022, in the Fort Bend Herald, a newspaper of general circulation in the County; and

WHEREAS, at the public hearing on September 27, 2022, interested persons were allowed to speak for or against the creation of the proposed zone, its boundaries, or 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 proposed zone; and

WHEREAS, evidence was received and presented at the public hearing in favor of the creation of the proposed zone under the provisions of Chapter 311, Texas Tax Code; and

WHEREAS, no owner of real property in the proposed zone protested the inclusion of their property in the proposed zone; and

WHEREAS, the County has provided all information, and made all presentations, given all notices and done all other things required by Chapter 311, Texas Tax Code, or other law as a condition to the creation of the proposed zone; and

WHEREAS, the total appraised value of taxable real property in the proposed zone as of January 1, 2022 is approximately \$219,794,466; and

WHEREAS, as of the date of this Resolution, no other Fort Bend County tax increment reinvestment zone, solely designated by the County, is in operation within the County;

WHEREAS, the County hereby determines that the Preliminary Plan must be prepared as required by law for the proposed zone, with the Preliminary Plan being included as **Exhibit C** attached to and incorporated in this Resolution for all purposes; and

WHEREAS, the total area within the proposed zone is approximately 4,075 acres;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMISSIONERS COURT OF THE COUNTY OF FORT BEND, TEXAS:

Section 1. Findings.

(a) That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct and are adopted as part of this Resolution for all purposes.

(b) That the County Commissioners' Court further finds and declares that the proposed improvements in the proposed zone will significantly enhance the value of all the taxable real property in the proposed zone and will be of general benefit to the County.

(c) That the County Commissioners' Court further finds and declares that the proposed zone is unproductive, underdeveloped and blighted and meets the criteria and requirements of Section 311.005 of the Texas Tax Code because the proposed zone contains substantial areas that are predominantly open and underdeveloped, and lack public water distribution, wastewater collection and storm drainage facilities, which conditions substantially impair and arrest the sound growth of the County.

(d) That the County Commissioners' Court, pursuant to the requirements of Chapter 311, Texas Tax Code, further finds and declares:

- (1) That the proposed zone is a contiguous geographic area located wholly within Fort Bend County; and
- (2) 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 2. Designation of the Zone

That the County, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and create and designate a reinvestment zone over, the area described in **Exhibit A** and depicted in the map attached hereto as **Exhibit B** to promote the redevelopment of the area. The reinvestment zone shall hereafter be named for identification as Reinvestment Zone Number One, Fort Bend County, Texas, (the "Zone"). The County Commissioners' Court specifically declares that the Zone is designated pursuant to Section 311.005(a)(1) and (2) of the Texas Tax Code.

Section 3. Board of Directors

That there is hereby created a Board of Directors for the Zone, which shall consist of five (5) members. The County Commissioners, Precinct 4, is hereby authorized to nominate and appoint, subject to County Commissioners' Court approval, the directors to Positions One through Five of the Board of Directors.

The directors appointed to odd-numbered positions shall be appointed for two-year terms, beginning on the effective date of this Resolution, while the directors appointed to even-numbered positions shall be appointed to a one-year term, beginning on the effective date of this positions. All subsequent appointments shall be for two-year terms. The County Commissioners' Court authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

The Board of Directors shall make recommendations to the County Commissioners' Court concerning the administration of the Zone. The Board of Directors shall prepare or cause to be prepared and adopt a project plan and a reinvestment zone

financing plan for the Zone as described in Section 311.011, Texas Tax Code, and shall submit such plans to the County Commissioners' Court for its approval. The County hereby delegates to the Board of Directors all powers necessary to prepare and implement the project plan and reinvestment zone financing plan, subject to approval by the County Commissioners' Court, including the power to employ any consultants, to enter into any agreements with Fort Bend County Municipal Utility District No. 162 related to the allocated of Zone revenues, or enter into any reimbursement agreements payable solely from the Tax Increment Fund established pursuant to Section 6 of this Resolution, subject to the approval of the County Commissioner of Precinct 4, that may be reasonably necessary or convenient to assist the Board of Directors in the preparation of the project plan and reinvestment zone financing plan and in the issuance of tax increment obligations. Notwithstanding the foregoing, the County reserves the right to rescind, alter or amend such delegation of authority to the Board of Directors as it deems necessary or advisable from time to time by giving the Board written notice.

Section 4. Duration of the Zone

That the Zone shall take effect immediately upon passage of this Resolution, provided however, that the deposit of tax increments into the Tax Increment Fund established pursuant to Section 6 of this Resolution shall not commence until January 1, 2023, and termination of the operation of the Zone shall occur on January 1, 2053, or at an earlier time designated by subsequent resolution, or at such time that all project costs, notes, and other obligations of the Zone, and the interest thereon, have been paid in full. The County and the Zone shall use their best efforts to provide for the payment of all project costs, in order to minimize the life of the Zone. Upon termination of the Zone, any residual funds within the Tax Increment Fund will be returned to the participating jurisdictions on a pro rata basis according to their levels of participation.

Section 5. Tax Increment Base

That the Tax Increment Base of the County or any other taxing unit participating in the Zone for the Zone is the total appraised value of all real property taxable by the County or other taxing unit participating in the Zone and located in the Zone, determined as of January 1, 2022, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base").

Section 6. Tax Increment Fund

That there is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent resolutions. All Tax Increments, as defined below, shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the County and shall be secured in the manner prescribed by law for funds of Texas cities. The annual Tax Increment shall equal the property taxes levied by the County and any

other taxing unit participating in the Zone for that year on the captured appraised value, as defined by Chapter 311 of the Texas Tax Code, of real property located in Zone that is taxable by the County or any other taxing unit participating in the Zone and less any amounts that are to be allocated from the Tax Increment pursuant to Chapter 311 of the Texas Tax Code. All revenues from the sale of property acquired as part of the project plan and reinvestment zone financing plan, if any; and other revenues to be used in the Zone shall be deposited into the Tax Increment Fund. Prior to the termination of the Zone, money shall be disbursed from the Tax Increment Fund only to pay project costs, as defined by the Texas Tax Code, for the Zone 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 Texas Tax Code.

The Tax Increment Fund shall consist of seventy-five (75%) of the County's portion of the tax increment from the Zone, as defined by Section 311.012(a) of the Code.

Section 7. Severability

If any provision, section, subsection, sentence, clause or phrase of this Resolution, or the application of same to any person to set circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining provisions of this Resolution or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the County Commissioners' Court in adopting this Resolution that no portion hereof or regulations connected herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any portion hereof, and all provisions of this Resolution are declared severable for that purpose.

Should the County, by change in law or through a successful challenge of its legal authority to institute and implement the Zone, be prohibited from proceeding with the Zone, the Zone shall automatically terminate. With regards to the implementation and financing of the Projects as described in this Project Plan, the County shall utilize an agreement with Fort Bend County Municipal Utility District no. 162 via Chapter 381 of the Local Government Code to accomplish the same purpose.

Section 8. Open Meetings

It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the County Commissioners' Court at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the County Commissioners' Court of the County for the Time required by law preceding its meeting, as required by the Open Meetings Law, Texas Government Code, ch. 551, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter hereof has been discussed, considered and formally acted upon. The County Commissioners'

Court further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9. Notices

The contents of the notice of the public hearing, which hearing was held before the County Commissioners' Court on September 27, 2022, and the publication of said notice, are hereby ratified, and confirmed.

[EXECUTION PAGE FOLLOWS]

PASSED AND ADOPTED this 27 day of September, 2022.

APPROVED this 27 day of September, 2022.

FORT BEND COUNTY, TEXAS

KP George

KP George, County Judge

Date: 9.27.2022

ATTEST:

By: Laura Richard

Laura Richard, County Clerk

