



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		05/14/12		
Department:		Economic Development		
Department Head		Sally Bane		
Agenda Coordinator (include phone #): Linda Thomason x8301				
CAPTION				
Public Hearing and an Ordinance of the City of Plano, Texas, designating a certain area within the City of Plano, Texas, as Reinvestment Zone No. 127 for tax abatement consisting of a 6.715 acre tract of land located in the J. B. Roundtree Survey, Abstract No. 759, Collin County and described in Exhibit "A" attached hereto in the City of Plano, Texas, establishing the boundaries of such zone; ordaining other matters related thereto; and providing an effective date.				
FINANCIAL SUMMARY				
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	0	0
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	0	0
BALANCE	0	0	0	0
FUND(S):				
COMMENTS: Notice of public hearing published on May 3, 2012 to create Reinvestment Zone 127. The real property improvements amount is \$5,000,000 and the business personal property amount is \$1,750,000. Strategic Plan Goal: Providing economic development incentives relates to the City's goal of Strong Local Economy.				
SUMMARY OF ITEM				
This is related to Eltek, Inc., a Delaware Corporation, and Argent Plano Realty, L.P., request for tax abatement on Reinvestment Zone 127 and creation of the zone.				
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies	
Ordinance				
Metes and Bounds				

An Ordinance of the City of Plano, Texas, designating a certain area within the City of Plano, Texas, as Reinvestment Zone No. 127 for tax abatement consisting of a 6.715 acre tract of land located in the J. B. Roundtree Survey, Abstract No. 759, Collin County and described in Exhibit "A" attached hereto in the City of Plano, Texas, establishing the boundaries of such zone; ordaining other matters related thereto; and providing an effective date.

WHEREAS, the City Council of the City of Plano, Texas (the "City"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone for tax abatement, as authorized by V.T.C.A. Tax Code Chapter 312 (referred to as the "Property Redevelopment and Tax Abatement Act" or the "Act"); and

WHEREAS, a public hearing before the City Council was set for 7:00 p.m. on the 14th day of May, 2012, such date being at least seven (7) days after the date of publication of the notice of such public hearing; and

WHEREAS, the City held such public hearing after giving written notice of said hearing to all taxing units overlapping the territory inside the proposed reinvestment zone; and

WHEREAS, the City at such hearing invited any interested person or his representative to appear for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in the notice calling such public hearing should be included in such proposed reinvestment zone, and the concept of tax abatement; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all matters relating to the creation of the reinvestment zone.

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

Section I. The facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct.

Section II. Definitions. For the purposes of this Ordinance, the following terms and phrases shall have the following meanings ascribed to them:

- a) Improvements - Improvements shall include, for the purpose of establishing eligibility under the Act, any activity at the location, including, but not limited to, new construction.
- b) Taxable Real Property - Taxable real property shall be as defined in the Texas Property Tax Code and shall not include personal property as defined in said code, nor shall it include land.
- c) Taxable Tangible Personal Property - Shall be defined, for purposes of this Ordinance, as tangible personal property, such as office machines and office furnishings, but shall specifically exclude inventory or supplies.
- d) Base Year - The base year for determining increased value shall be the taxable real property value assessed the year in which the agreement is executed.

Section III. The City, after conducting the above-mentioned hearing and having heard such evidence and testimony, has made the following findings and determinations based on the testimony presented to it:

- a) That a public hearing on the adoption of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and mailed to all taxing units overlapping the territory inside the proposed reinvestment zone; and
- b) That the boundaries of the reinvestment zone should be the area as described in the metes and bounds description attached hereto as Exhibit "A"; and
- c) That creation of the reinvestment zone for commercial/industrial tax abatement with boundaries as described in Exhibit "A" will result in benefits to the City and to the land included in the zone and the improvements sought are feasible and practical; and
- d) That the reinvestment zone as defined in Exhibit "A" meets the criteria for the creation of a reinvestment zone as set forth in Section 312.202 of the Act in that it is "reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City"; and

- e) That the reinvestment zone as defined in Exhibit "A" meets the criteria for the creation of a reinvestment zone as set forth in the City of Plano Revised Policy Statement for Tax Abatement.

Section IV. Pursuant to Section 312.201 of the Act, the City hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by metes and bounds in Exhibit "A" attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as Reinvestment Zone No. 127, City of Plano, Texas.

Section V. The zone shall be effective as of January 1, 2013.

Section VI. To be eligible for tax abatement a project shall:

- a) Be located wholly within the zone as established herein.
- b) Not include property that is owned or leased by a member of the City Council of the City of Plano or by a member of the Planning and Zoning Commission.
- c) Conform to the requirements of the City's Zoning Ordinance and all other applicable laws and regulations.
- d) Have and maintain all land located within the designated zone, appraised at market value for tax purposes.

Section VII. Written tax abatement agreements with property owner(s) located within the zone shall provide the terms regarding duration of exemption and share of taxable Real Property Improvements and Tangible Personal Property value from taxation as approved hereunder as shown below:

- a) Ten (10) consecutive tax years beginning with and including the January 1, 2013 assessment date for the Real Property Improvements.
- b) Nine (9) consecutive tax years beginning with and including the January 1, 2014 assessment date for the Tangible Personal Property Improvements.
- c) Share of taxes abated – fifty percent (50%) of taxes on the total value of appraised Real Property Improvements for the years 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022.

- d) Share of taxes abated – fifty percent (50%) of taxes on the total appraised value of Business Personal Property for the years 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022.

Section VIII. Any written agreements authorized under this Ordinance must include provisions for:

- a) Listing the kind, number and location of all proposed improvements of the property; and
- b) Access to and inspection of property by municipal employees to ensure that the improvements or repairs are made according to the specification and conditions of the agreements; and
- c) Limiting the use of the property consistent with the general purpose of encouraging development or redevelopment of the zone during the period that property tax exemptions are in effect; and
- d) Recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement.

Section IX. If any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof.

Section X. This Ordinance shall become effective from and after its date of passage.

DULY PASSED AND APPROVED this 14th day of May, 2012.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY

EXHIBIT "A"
LEGAL DESCRIPTION

BEING a tract of land situated in the J. B. Roundtree Survey, Abstract No. 759, being all of Lot 1, Block 7, Central Plano Industrial Park, Phase III, an Addition to the City of Plano, Texas, according to the plat thereof recorded under Cabinet 2008, Page 239, Official Public Records, Collin County, Texas and being a portion of that certain tract of land conveyed to Argent Plano Realty, L.P. by Special Warranty Deed recorded in Volume 4850, Page 1586, Official Public Records, Collin County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod set (from which a 1/2 inch iron rod found bears North 63 degrees 13 minutes 31 seconds East, a distance of 0.57 feet) in the North ROW line of Plano Parkway (a 100' ROW), being at the Southeast corner of said Lot 1, Block 7 and the Southwest corner of Lot 1, Block 8, Central Plano Industrial Park, Phase 3, recorded in Cabinet K, Slide 258, Official Public Records, Collin County, Texas;

THENCE: North 89 degrees 47 minutes 30 seconds West, along the North ROW line of Plano Parkway and the South line of said Lot 1, Block 7, a distance of 696.08 feet to a 1/2 inch iron rod set (from which a 3-inch aluminum disk found bears North 55 degrees 21 minutes 45 seconds West, a distance of 0.29 feet) at the Southwest corner of said Lot 1, Block 7 and the Southeast corner of Lot 2, Block 10, Central Plano Industrial Park, Phase 3, recorded in Cabinet K, Slide 81, Official Public Records, Collin County, Texas;

THENCE: North 00 degrees 12 minutes 30 seconds East, departing the North ROW line of Plano Parkway, along at the common line of said Lot 1, Block 7 and said Lot 2, Block 10, passing at 311.00 feet the Northeast corner of said Lot 2, Block 10 and the Southeast corner of a tract of land conveyed to City of Plano by Deed recorded in Volume 2481, Page 556, Official Public Records, Collin County, Texas, continuing along the common line of said Lot 1, Block 7 and said City of Plano tract, a total distance of 420.23 feet to a 1/2 inch iron rod set (from which a 1/2 inch iron rod found bears North 67 degrees 24 minutes 09 seconds West, a distance of 0.26 feet) Northwest corner of said Lot 1, Block 7 and the Southwest corner of Lot 4, Block 10 of said Central Plano Industrial Park, Phase III;

THENCE: North 89 degrees 47 minutes 30 seconds West, along the common line of said Lot 1, Block 7 and said Lot 4, Block 10, at a distance of 376.08 feet passing a 1/2 inch iron rod found with yellow cap stamped AHalf and Assoc≅ at the Southeast corner of said Lot 4, Block 10 and the Southwest corner Lot 3, Block 10, Central Plano Industrial Park, Phase 3, recorded in Cabinet Q, Slide 522, Official Public Records, Collin County, Texas, continuing along the common line of said Lot 1, Block 7 and said Lot 3, Block 10, a total distance of 696.08 feet to a 1/2 inch iron rod set (from which a 1/2 inch iron rod found with yellow cap stamped AHalf and Assoc≅ bears South 14 degrees 32 minutes 37 seconds West, a distance of 0.38 feet) in the West line of Lot 1, Block 9, Central Plano Industrial Park, Phase 3, recorded in Cabinet K, Slide 258, Official Public

Records, Collin County, Texas, being at the Northeast corner of said Lot 1, Block 7 and the Southeast corner of said Lot 3, Block 10;

THENCE: South 00 degrees 12 minutes 30 seconds West, along the common line of said Lot 1, Block 7 and said Lot 1, Block 9, at 49.52 feet passing the Southwest corner of said Lot 1, Block 9 and the Northwest corner of said Lot 1, Block 8, continuing along the common line of said Lot 1, Block 7 and said Lot 1, Block 8, a total distance of 420.23 feet to the PLACE OF BEGINNING and containing 6.715 acres of 292,514 square feet of land.