



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:		05/26/15		
Department:		Economic Development		
Department Head		Sally Bane		
Agenda Coordinator (include phone #): Toshia Kimball X7479				
CAPTION				
Public Hearing and an Ordinance of the City of Plano, Texas, renewing the designation of a certain area within the City of Plano, Texas, known as Reinvestment Zone No. 120 for tax abatement consisting of a 20.54 acre tract of land located 500 feet north of Tennyson Parkway and east of Corporate Drive 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: 2016-17	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): N/A				
COMMENTS: This item has no fiscal impact. Notice of public hearing published on May 7, 2015 to renew Reinvestment Zone No. 120. The real property improvements amount is \$5,000,000 and the personal property amount is \$2,000,000. Strategic Plan Goal: Providing economic development incentives relates to the City's goal of Strong Local Economy.				
SUMMARY OF ITEM				
This relates to Pizza Hut of America, LLC, a Delaware limited liability company, request for tax abatement on Reinvestment Zone No. 120 and the renewal of the zone 500 feet north of Tennyson Parkway and east of Corporate Drive. http://goo.gl/maps/RzvpC				
List of Supporting Documents: Ordinance Metes and Bounds			Other Departments, Boards, Commissions or Agencies	

An Ordinance of the City of Plano, Texas, renewing the designation of a certain area within the City of Plano, Texas, known as Reinvestment Zone No. 120 for tax abatement consisting of a 20.54 acre tract of land located 500 feet north of Tennyson Parkway and east of Corporate Drive 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 and renewal 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, on November 23, 2009, the City Council designated a 20.54 acre tract of land located 500 feet north of Tennyson Parkway and east of Corporate Drive in the City of Plano, Texas, as specifically described in the attached Exhibit "A" of this Ordinance, by the enactment of Ordinance No. 2009-11-16 and found that it was "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

WHEREAS, on November 23, 2009, the City Council designated the 20.54 acre tract of land located 500 feet north of Tennyson Parkway and east of Corporate Drive in the City of Plano, Texas, as specifically described in the attached Exhibit "A" of this Ordinance, as Reinvestment Zone No. 120 by Ordinance No. 2009-11-16; and

WHEREAS, in accordance with Section 312.203 of the Act, the designation of a reinvestment zone for a commercial/industrial tax abatement expires five years after the date of the designation, such that the designation of Reinvestment Zone 120 expired on November 22, 2014; and

WHEREAS, Section 312.203 of the Act permits a reinvestment zone to be renewed for a period not to exceed five years; and

WHEREAS, a public hearing before the City Council was set for 7:00 p.m. on the 26th day of May, 2015, regarding the renewal of Reinvestment Zone No. 120, 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 not later than the seventh (7th) day before the date of the hearing; and

WHEREAS, the City at such hearing invited any interested person or his representative to appear for or against the renewal of Reinvestment Zone No. 120, the boundaries of the proposed renewed reinvestment zone, whether all or part of the territory described in the notice calling such public hearing should be included in such proposed renewed 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 and opponents, if any, to the reinvestment zone appeared to contest its creation.

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 future 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 a written tax abatement 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 renewal, designation and 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 renewed reinvestment zone should be the area as described in the metes and bounds description attached hereto as Exhibit "A"; and
- c) That renewal 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 reinvestment zone, and the improvements sought are feasible and practical; and
- d) That the renewed 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 renewed 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 Sections 312.201 and 312.203 of the Act, the City hereby renews and redesignates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by metes and bounds in Exhibit "A" attached hereto, and such renewed and redesignated reinvestment zone shall continue to be designated as Reinvestment Zone No. 120, City of Plano, Texas.

Section V. Reinvestment Zone No. 120 is renewed and redesignated upon the passage of this ordinance, and it shall remain designated as a commercial/industrial reinvestment zone for a period of five (5) years from May 26, 2015, the date of designation.

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

- a) Be located wholly within the reinvestment 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 reinvestment zone shall provide the terms regarding the duration of the exemption from taxation as well as the share of abated value for taxable Real Property Improvements and taxable Tangible Personal Property approved hereunder, as shown below:

- a) Duration of exemption – ten (10) consecutive tax years beginning with and including the January 1, 2017, assessment date.
- b) Share of taxes abated – fifty percent (50%) of taxes on the total value of appraised Real Property Improvements and Tangible Personal Property for the years 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025 and 2026.

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 the 26th day of May, 2015.

Harry LaRosiliere, MAYOR

ATTEST:

Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

Paige Mims, CITY ATTORNEY

EXHIBIT "A"
LEGAL DESCRIPTION

BEING a 20.54 acre tract of land in the Collin County School Survey, Abstract No. 150, situated in the City of Plano, Collin County, Texas, and being a portion of that tract of land described as Tract 13 in Special Warranty Deed to West Plano Land Company, L.P., as recorded in Document No. 20060920001358250, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described by metes and bounds as follows:

BEGINNING at a point for corner on the southeast right-of-way line of Corporate Drive (85 foot right-of-way), said point being the northernmost corner of said Tract 13 and the westernmost northwest corner of Lot 1, Block A, of Ericsson Village, as recorded in Document No. 20081202010004190, O.P.R.C.C.T., from which a 1-inch found iron rod bears North 77 degrees 58 minutes 52 seconds East, a distance of 4.94 feet;

THENCE South 38 degrees 02 minutes 02 seconds East, departing said south right-of-way line **AND ALONG THE COMMON LINE BETWEEN SAID** Tract 13 and said Lot 1, a distance of 384.27 feet to a 5/8-inch found iron for corner;

THENCE South 00 degrees 32 minutes 02 seconds East, continuing along said common line, a distance of 192.88 feet to a 5/8-inch found iron rod with "KHA" cap for corner;

THENCE South 37 degrees 01 minute 18 seconds East continuing along said common line, a distance of 298.16 feet to a point for corner in a pond;

THENCE South 53 degrees 00 minutes 07 seconds East, departing said common line over and across said Tract 13, a distance of 140.75 feet to a point for corner in a pond;

THENCE South 23 degrees 00 minutes 07 seconds East, continuing across said Tract 13, a distance of 616.59 feet to a point for corner in a pond;

THENCE South 41 degrees 51 minutes 32 seconds West, continuing across said Tract 13, a distance of 283.88 feet to a 1/2-inch set iron rod with yellow plastic cap stamped "HALF ASSOC." (hereinafter referred to as "with cap") for corner on the east right-of-way line of said Corporate Drive;

THENCE North 48 degrees 08 minutes 28 seconds West, along said east right-of-way line, a distance of 192.00 feet to 1" found iron rod for the point of curvature of a circular curve to the right having a radius of 807.50 feet and whose chord bears North 29 degrees 48 minutes 29 seconds West, a distance of 507.95 feet;

THENCE Northwesterly, continuing along said east right-of-way line and said curve, through a central angle of 36 degrees 39 minutes 49 seconds, an arc distance of 516.72 feet to a found City of Plano monument for the point of reverse curvature of a non-tangent circular curve to the left

having a radius of 69.50 feet and whose chord bears North 00 degrees 08 minutes 42 seconds West, a distance of 77.96 feet;

THENCE Northerly, continuing along said east right-of-way line and along said curve, through a central angle of 68 degrees 13 minutes 52 seconds, an arc distance of 82.76 feet to a ½-inch set iron rod with cap for the point of reverse curvature of a non-tangent circular curve to the right having a radius of 90.50 feet and whose chord bears North 17 degrees 22 minutes 32 seconds West, a distance of 54.70 feet; from which a 1-inch found iron rod bears South 53 degrees 43 minutes 03 seconds East, a distance of 2.82 feet;

THENCE Northerly, continuing along said east right-of-way line and along said curve, through a central angle of 33 degrees 46 minutes 08 seconds, an arc distance of 53.34 feet to a ½-inch set iron rod with cap for corner;

THENCE North 00 degrees 27 minutes 27 seconds West, departing said curve and along said east right-of-way line, a distance of 25.63 feet to a 1/2-inch set iron rod with cap for the point of curvature of a non-tangent circular curve to the right having a radius of 807.50 feet and whose chord bears North 22 degrees 24 minutes 10 seconds East, a distance of 628.27 feet;

THENCE Northeasterly, continuing along said east right-of-way line and along said curve through a central angle of 45 degrees 47 minutes 14 seconds, an arc distance of 645.30 feet to a 1-inch found iron rod for corner;

THENCE North 45 degrees 17 minutes 48 seconds East, departing said curve and along said southeast right-of-way line, a distance of 417.67 feet to the **POINT OF BEGINNING AND CONTAINING** 894.720 square feet or 20.54 acres of land, more or less.