

ORDINANCE _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROCKDALE, TEXAS, DESIGNATING A CERTAIN GEOGRAPHIC AREA AS A REINVESTMENT ZONE NUMBER ONE, FOR TAX INCREMENT FINANCING PURPOSES, PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE; ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE; CONTAINING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT; PROVIDING A SEVERABILITY CLAUSE; AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, the City of Rockdale (the “City”) may designate a geographic area within the City as a reinvestment zone if the area satisfies the requirements of certain sections of Chapter 311 of the Texas Tax Code; and

WHEREAS, the City has prepared a preliminary reinvestment zone financing plan, attached hereto as Attachment 1, and incorporated herein for all purposes, which provides that certain City ad valorem property 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 City 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 12, 2022, public hearing on the creation of the proposed zone was published on September 1, 2022, in the Rockdale Reporter, a newspaper of general circulation in the City; and

WHEREAS, at the public hearing on September 12, 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 or proposed owners of property in the proposed zone were given a reasonable opportunity to support or 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 provisions of Chapter 311 of the Texas Tax Code; and

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

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

WHEREAS, as of the date of this Ordinance, no other tax increment reinvestment zone is in operation within the City of Rockdale; and

WHEREAS, based on the latest certified values, the total appraised value of taxable real property in the proposed zone is approximately \$1,085,112; and

WHEREAS, based on the latest certified values, the total appraised value of taxable property in the City and in industrial districts created by the City is approximately \$289,068,815; and

WHEREAS, the total area within the proposed zone is approximately 166.9 acres, including property that is publicly owned;

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

SECTION 1. FINDINGS

- A. That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are adopted as part of this Ordinance for all purposes.
- B. That the City Council 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 City.
- C. That the City Council further finds and declares that the proposed zone meets the criteria and requirements of Section 311.005(a)(2) of the Texas Tax Code because the proposed zone contains substantial areas that are predominately open and underdeveloped, lack essential public infrastructure, including adequate street layout

and public water distribution, wastewater collection and storm drainage facilities, which conditions substantially impair and arrest the sound growth of the City.

- D. That the City Council, pursuant to Chapter 311 of the Texas Tax Code, further funds and declares:
1. That the proposed zone is a geographic area located within both the corporate limits and the extraterritorial jurisdiction of the City of Rockdale, Texas;
 2. That the total appraised value of taxable real property in the proposed zone does not exceed fifty percent of the total appraised value of taxable real property in the City and in the industrial districts created by the City;
 3. Less than thirty percent of the property in the proposed zone, excluding property that is publicly owned, is used for residential purposes as of the date of creation of the proposed zone; and
 4. That based on the latest certified values, 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

The City, acting under the provisions of Chapter 311, Texas Tax Code, including Section 311.005(a), does hereby designate as a reinvestment zone, and creates and designates 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, City of Rockdale, Texas (the "Zone"). The City Council of the City of Rockdale 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

- A. That there is hereby created a Board of Directors for the Zone, which shall consist of at least five (5) members, as described in **Exhibit C**. The City reserves the right to increase the number of Board members by Ordinance and to allow other participating taxing entities to nominate Board members consistent with Section 311.009(a) of the Texas Tax Code.
- B. Failure of a taxing unit to appoint a director by November 30, 2022, shall be deemed a waiver of the right to appoint a director, and the City shall be entitled to appoint persons to the position, which shall be filled as provided below.
- C. The City Council is hereby authorized to nominate for appointment the directors to Positions One through Five of the Board of Directors and the Mayor may nominate for

appointment any unfilled position on November 30, 2022, all subject to the consent and approval of the City Council.

- D. The appointments of directors by members of the City Council shall serve two-year terms, provided that the City Council may establish an initial term of one (1) year for those positions appointed by Councilmembers with one year left on their term so that the Board of Directors serve staggered terms. Vacancies shall be filled for the remainder of the unexpired term, by appointment made by the governing body that appointed the Director who served in the vacated position.
- E. Each member of the Board shall be a qualified voter of the City, or a person at least eighteen (18) years of age who must be a resident of Milam County or own real property in the reinvestment zone.
- F. The City Council shall annually nominate for appointment a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice chair and such other officers as the Board of Directors sees fit.
- G. The Board of Directors shall make recommendations to the City Council 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 of the Texas Tax Code and shall submit such plans to the City Council for its approval and shall submit such plans to the City Council for its approval.
- H. The City 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 City Council, including the power to employ any consultants or enter into any reimbursement agreements payable solely from the Tax Increment Fund established pursuant to Section 6 of this Ordinance, 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 City 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.
- I. The Board of Directors shall have the authority specifically given to the Board in Chapter 311, Texas Tax Code. Any powers and duties that may be delegated to the Board are not delegated at this time. The Board shall have such other authority, as may be lawfully delegated by the City Council, as is delegated by the City Council acting by a formal, written Resolution or Ordinance. Action by the Board that is expressly or impliedly provided in Chapter 311, or by other state law, to be subject to approval by the City Council, shall not be effective until approved in writing by the City Council.

- J. The Board shall perform each duty and obligation required to be performed by the Board, by Chapter 311, any project or plan approved by the City Council, and each such duty and obligation lawfully imposed on the Board by the City Council consistent with Chapter 311.
- K. The Board of Directors shall make recommendations to the City Council 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,

SECTION 4. DURATION OF THE ZONE

The Zone shall take effect immediately upon passage of this Ordinance, provided however, that the deposit of tax increments into the Tax Increment Fund established pursuant to Section 6 of this Ordinance shall not commence until January 1, 2023, and termination of the operation of the Zone shall occur on December 31, 2053, or at an earlier time designated by subsequent ordinance, or 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.

SECTION 5. TAX INCREMENT BASE

The Tax Increment Base of any taxing unit participating in the Zone through property tax increments is the total appraised value of all real property taxable by such taxing unit located in the Zone as of January 1, 2022, the year which the Zone was designated a reinvestment zone (the "Tax Increment Base").

SECTION 6. TAX INCREMENT FUND

There is hereby created and established a Tax Increment Fund for the Zone which may be divided into subaccounts as authorized by subsequent ordinances. All Tax Increments (as defined by Chapter 311 of the Texas Tax Code) received by the City or Zone plus other revenues identified in the project plan and the reinvestment zone financing plan to be approved by the Zone Board and the City shall be deposited in the Tax Increment Fund. The Tax Increment Fund and any subaccount shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. All revenues from the sale of any tax increment bonds, notes, or other obligations hereafter issued for the benefit of the Zone by the City, if any; 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 satisfy the claims of holders of tax increment 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 Texas Tax Code.

SECTION 7. SEVERABILITY

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, 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 Ordinance or their application to other persons or set of circumstances shall not be affected thereby, it being the intent of the City Council of the City of Rockdale in adopting this Ordinance 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 Ordinance are declared severable for that 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 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 of Rockdale for the Time required by law preceding its meeting, as required by the Open Meetings Law, Texas Government Code, Chapter 551, 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 9. NOTICES

The contents of the notice of the public hearing, which hearing was held before the City Council on September 12, 2022, and the publication of said notice, are hereby ratified, and confirmed.

PASSED AND ADOPTED this _____ day of (month), 2022.

CITY OF ROCKDALE, TEXAS

Brett Boren, Mayor

ATTEST

Shanna Johnson, City Secretary

EXHIBIT A

**PRELIMINARY REINVESTMENT ZONE PROJECT AND FINANCING
PLAN**

EXHIBIT B

**PROPERTY DESCRIPTION OF PROPOSED REINVESTMENT ZONE
ONE**

EXHIBIT C

**REINVESTMENT ZONE ONE
BOARD OF DIRECTORS**

Position	Appointed by	Name	Term Expires	Office
1	City of Rockdale		November 1, 2024	
2	City of Rockdale		November 1, 2023	
3	City of Rockdale		November 1, 2024	Chair
4	City of Rockdale		November 1, 2023	
5	City of Rockdale		November 1, 2024	

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EXHIBIT D

PROPERTY MAP OF PROPOSED REINVESTMENT ZONE ONE