

AN ORDINANCE OF THE CITY OF COMMERCE, COMMERCE, TEXAS NOMINATING AN AREA AS AN ENTERPRISE ZONE PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT (TEXAS CIVIL STATUTES, ARTICLE 5190.7); PROVIDING TAX INCENTIVES; DESIGNATING AN AUTHORIZED REPRESENTATIVE TO ACT IN ALL MATTERS PERTAINING TO THE NOMINATION AND DESIGNATION OF THE AREA DESCRIBED HEREIN AS AN ENTERPRISE ZONE AND REINVESTMENT ZONE (TEXAS TAX CODE, CHAPTER 312); AND FURTHER DESIGNATING A LIAISON TO ACT ON ALL MATTERS PERTAINING TO THE ENTERPRISE ZONE ACT ONCE DESIGNATED BY THE TEXAS DEPARTMENT OF COMMERCE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; CONTAINING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY OF COMMERCE, TEXAS

WHEREAS, the City of Commerce, Texas desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area;

WHEREAS, certain conditions exist in such area which represent a threat to the health, safety, and welfare of the people of such area; and

WHEREAS, it is necessary and in the best interest of the City to nominate such area as an enterprise zone pursuant to the Texas Enterprise Zone Act (Texas Civil Statutes, Article 5190.7, the "ACT");

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

SECTION 1. That the City hereby nominates the area set forth below as an enterprise zone in accordance with the Act:

For a 1,760 acre tract of land of which approximately 580 acres are within the City of Commerce, Texas, 1,180 within the City of Commerce extra-territorial, jurisdiction, Texas and more particularly described as follows:

BEGINNING at the intersection of Charity Road and the east right-of-way line of F.M. 3218;

THENCE, in a southerly direction along the east right-of-way line of F.M. 3218 approximately 3,645 feet to a point for corner;

THENCE, in a easterly direction approximately 4,500 feet to a point for corner;

THENCE, in a northerly direction approximately 3,645 feet to a point for corner, said point being the southwest right-of-way of S.H. 11;

THENCE, easterly approximately 3,675 feet to a point for corner, said point being the southern right-of-way of the St. Louis and Southwestern Railroad;

THENCE, northerly approximately 6,300 feet to a point for corner;

THENCE, westerly approximately 6,000 feet to a point for corner, said point being the eastern right-of-way of Pritchard Road;

THENCE, northerly approximately 4,950 feet to a point for corner, said point being the southern right-of-way of F.M. 71;

THENCE, westerly along the south right-of-way of F.M. 71 approximately 3,000 feet to the intersection of the east right-of-way of 4th Street.

THENCE, southerly along the east right-of-way of 4th Street approximately 1,200 feet to a point for corner, said point being the northern right-of-way of the Texas-New Orleans Railroad;

THENCE, westerly along the northern right-of-way of the Texas-New Orleans Railroad approximately 2,250 feet to a point for corner, said point being the northeastern right-of-way of the St. Louis and Southwestern Railroad;

THENCE, southeasterly along the northeastern right-of-way of the St. Louis and Southwestern Railroad approximately 5,850 feet to a point for corner, said point being the northern right-of-way of Knight Street;

THENCE, westerly along the northern right-of-way of Knight Street approximately 2,250 feet to a point for corner, said point being the northeast right-of-way of S.H. 11;

THENCE, southeasterly along the northeast right-of-way of S.H. 11 approximately 6,750 feet to a point for corner;

THENCE, southwesterly 300 feet to a point for corner;

THENCE, westerly approximately 4,260 feet, to a point for corner, said point being the east right-of-way of F.M. 3218 and the **BEGINNING**, and containing place of approximately 1,760 acres, more or less.

SECTION 2. That the City of Commerce finds the zone area meets the qualifications of the Act.

SECTION 3. That the City of Commerce will provide certain tax incentives applicable to business enterprises in the zone which are not applicable throughout the city as follows:

The City shall refund to any qualified business located in such enterprise zone the amount of tax paid under the Municipal Sales and Use Tax, TEX. TAX CODE Ch. 321, by the business and remitted to the Comptroller of Public Accounts to the extent authorized by Sections 12 and 13 of the Texas Enterprise Zone Act, Article 5190.7, for a period of five years from the date The Texas Department of Commerce certifies the entity as a qualified business under the act.

The City shall abate taxes on the increase in value of real property improvements for non-retail businesses that locate in a designated enterprise zone. The level of abatement shall be based upon the extent to which the business receiving the abatement creates jobs for qualified employees, in accordance with attached Exhibit A, and with qualified employee being defined by Section 3 (a)(11) of the Texas Enterprise Zone Act, Article 5190.7.

Other incentives that may be negotiated in the proposed enterprise zone on a case by case basis are as follows (first 3 being offered only in the proposed enterprise zone):

- * Waiver of development fee
- * Accelerated zoning and permit procedures
- * Transfer of city owned surplus land at below market prices for the public purpose of economic development
- * Capital improvement in water and sewer facilities and road repair.
- * The City will apply for training grants for new permanent jobs as available and appropriate to the industry.
- * One-stop permit
- * Improved fire and police protection

SECTION 4. That the area described in this ordinance is designated as an enterprise zone and a reinvestment zone, subject to the approval of the Texas Department of Commerce.

SECTION 5. That the City of Commerce directs and designates Roger McKinney, City Manager, as the City's authorized representative to act in all matters pertaining to the nomination and designation of the area described herein as an enterprise zone and a reinvestment zone.

SECTION 6. That the City of Commerce further directs and designates Susan Barnes, as liaison for further communication with the Department to oversee zone activities and communications with qualified businesses.

SECTION 7. That a public hearing to consider this ordinance was held by the City on May 16, 1995.

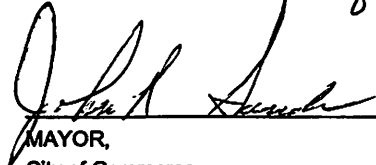
SECTION 8. That an emergency exists necessitating the suspension of any rule requiring multiple readings of this Ordinance and all multiple readings of this Ordinance are hereby waived; this Ordinance shall take effect immediately upon its passage.

SECTION 9. That this ordinance shall take effect from and after its passage as the law and charter in such case provides.

SECTION 10. If any section, subsection, word, sentence, or phrase of this ordinance is declared to be invalid it shall not effect the validity of this ordinance.

BE IT FURTHER ORDAINED, that all ordinances or parts of ordinances in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED BY THE CITY OF COMMERCE, COMMERCE, TX ON THIS 6th of June 1995.



MAYOR,
City of Commerce

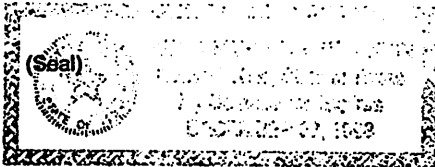
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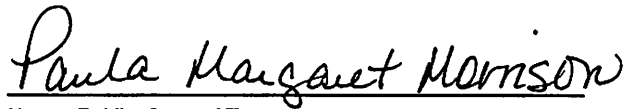
I, Carol Roberts, Secretary for the City of Commerce, Texas certify that the above is a true and correct copy of Ordinance No. 95-8 on file in the city offices of the City of Commerce, Texas and that I, as City Secretary of the City of Commerce, have legal custody of such writing.



City Secretary

Sworn to and subscribed before me, on this the ____ day of _____, 1995 to certify which witness my hand and seal of office.





Notary Public, State of Texas