

ORDINANCE NO. 3302

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DEER PARK AUTHORIZING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING THE LUBRIZOL COMPANY TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT); AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Deer Park, Texas (City) 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; and

WHEREAS, the project or activity is not located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, the Lubrizol Company has applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that the Lubrizol Company meets the criteria for tax relief and other incentives adopted by the City on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, a public hearing to consider this ordinance was held by the City Council on September 15, 2009;

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

Section 1: The City nominates the Lubrizol Company for enterprise project status.

Section 2: The following local incentives, at the election of the governing body, are or will be made available to the nominated project or activity of the qualified business:

- a) If located within the city limits of the City of Deer Park, the City may abate taxes on the increase in value of real property improvements and eligible personal property that locate in a designated enterprise zone. The level of abatement shall be based upon the extent to which the business receiving the abatement:
 - 1) creates jobs for qualified employees, in accordance with the City of Deer Park's Tax Abatement Policy, and with qualified employee being defined by the Act and,
 - 2) creates new additional value of eligible property improvements in an amount equal to or greater than the amount established by the City Council as a minimum.
- b) If located in the City's extraterritorial jurisdiction, the City may enter into an industrial district contract which provides for in-lieu-of tax payments to the City.
- c) If located in the City, the City may provide regulatory relief to businesses, including:
 - 1) exemptions from certain inspection fees; or
 - 2) streamlined permitting.
- d) If located within the City, the City may provide business and industrial development services, including creation of special one-stop permitting and problem resolution process or ombudsmen.

Section 3. The enterprise zone areas within the City are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.

Section 4. The City of Deer Park City Council directs and designates its Assistant City Manager as the City's liaison to communicate and negotiate with the EDT through the Bank and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

Section 5. The City finds that the Lubrizol Company meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- a) The Lubrizol Company is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction, located outside of an enterprise zone and at least thirty-five percent (35%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals; and
- b) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
- c) The designation of the Lubrizol Company as an enterprise project is expected to contribute to the achievement of the plans of the City for development and revitalization of the area.

Section 6. The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate on December 1, 2014.

Section 7. This ordinance shall take effect from and after its passage as the law and charter in such case provides.

Section 8. It is hereby officially found and determined that the meeting at which this Ordinance was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551 of the Government Code of the State of Texas.

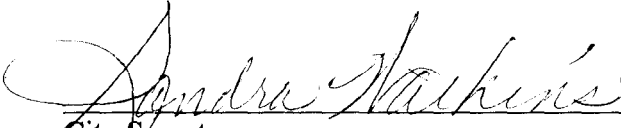
Section 9. The City Council finds that this Ordinance relates to the immediate preservation of the public peace, safety and welfare, in that it is necessary to provide economic support to businesses and provide additional income for the City and jobs for the City residents, thereby creating an emergency, for which the Charter requirements providing for the reading of Ordinances on three (3) several days should be dispensed with, and this Ordinance should be passed finally on its first reading; and, accordingly, such requirement is dispensed with, and this Ordinance shall take effect upon its passage and approval by the Mayor.

PASSED, APPROVED AND ADOPTED on the first and final reading, this 15 day of September, 2009, by a vote of 6 "ayes" and 0 "noes", this Ordinance having been read in full prior to such vote.



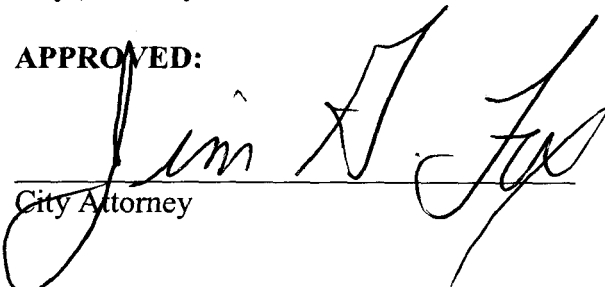
MAYOR, City of Deer Park, Texas

ATTEST:



City Secretary

APPROVED:



City Attorney