



ORDINANCE NO. 2775

AN ORDINANCE OF THE CITY COUNCIL OF FARMERS BRANCH, TEXAS, ORDAINING 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 SPORT SUPPLY GROUP, INC. TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE ZONE PROJECT (PROJECT).

- WHEREAS, the City Council of the City of Farmers Branch, 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 located in an area designated as an enterprise zone; and
- WHEREAS, the City has a previously designated enterprise zone, approved by EDT's predecessor agency, Enterprise Zone No. EZ 313-052901-FB, approved May 29, 2001, which will expire September 1, 2008, which the City requests remain in effect until the original expiration date; and
- WHEREAS pursuant to Chapter 2303, Subchapter F of the Act, Sport Supply Group, Inc. has applied to the City for designation as an enterprise project; and
- WHEREAS the City finds that Sport Supply Group, Inc. 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 June 14, 2004.

NOW THEREFORE, be it ordained by the City Council of the City of Farmers Branch, Texas that:

Section 1: The City nominates Sport Supply Group, Inc. as an Enterprise project.

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 businesses;

- a) 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 of which the business receiving the abatement creates jobs for qualified employees, in accordance with the City of Farmers Branch Tax Abatement Policy, and with qualified employees being defined by the Act.
- b) The City may defer compliance in the zone with the subdivision and development ordinances or rules, other than those relating to streets and roads or sewer or water services, of the municipality or county, as appropriate.
- c) The City may give priority to the zone for the receipt of:
 - 1) community development block grant money;
 - 2) industrial revenue bonds;
 - 3) funds received under the federal Job Training Partnership Act (29 U.S.C. Section 1501 et seq.)
- d) The City may adopt and implement a plan for police protection in the zone;
- e) The City may amend the zoning ordinances of the municipality or county, as appropriate, to promote economic development in the zone;
- f) The City may establish permitting preferences for businesses in the zone;
- g) The City may establish simplified, accelerated, or other special permit procedures for businesses in the zone;
- h) The City may waive or reduce by 30% the development fees for projects in the zone;
- i) The City may create a local enterprise zone fund for funding bonds or other programs or activities to develop or revitalize the zone;
- j) The City may, for qualified businesses in the zone, reduce rates charged by:
 - 1) A utility owned by the municipality or county, as appropriate; or
 - 2) A cooperative corporation or utility owned by private investors, (subject to the agreement of the affected utility and the approval of the appropriate regulatory authority. The rates may be reduced up to but not more than five percent below the lowest rate authorized for a person);

- k) The City may, in issuing housing finance bonds, give priority to persons or projects in the zone;
- l) The City may, in providing services, give priority to local economic development, educational, job training, or transportation programs that benefit the zone; or
- m) The City may sell real property owned by the municipality or county, as appropriate and located in the enterprise zone in accordance with Section 2303.513.

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 Farmers Branch City Council directs and designates its Director of Economic Development 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 Sport Supply Group, Inc. meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- a) Sport Supply Group, Inc., 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 located in an enterprise zone in the governing body's jurisdiction and at least twenty-five percent (25%) of the business' new employees will be residents of an Enterprise Zone or economically disadvantaged individuals;

-or-

- a) Sport Supply Group, Inc. 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, and at least twenty-five percent (25%) 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 Sport Supply Group, Inc. as an enterprise project will contribute significantly 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 five (5) years after the date of designation.

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

PASSED AND APPROVED this 14 day of June, 2004.



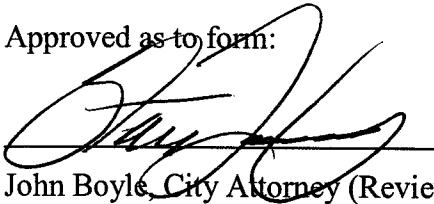
Mayor Bob Phelps

Attest:



Cindee Peters, City Secretary

Approved as to form:



John Boyle, City Attorney (Reviewed and approved 5-25-04)

BOYLE & LOWRY, L.L.P.

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July 20, 2004

Ms. Cindee Peters
City Secretary
City of Farmers Branch
P.O. Box 819010
Farmers Branch, Texas 75381-9010

Re: Ordinance No. 2775 Approved June 14, 2004 – Enterprise Zone No. 313-052901
- FB

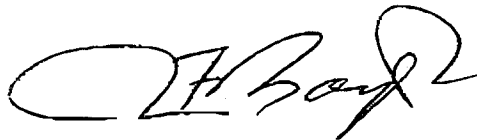
Dear Cindee:

I have reviewed Ordinance No. 2775 at the request of Norma Nichols, Director of Economic Development, relative to the nomination of Sport Supply Group, Inc. as an Enterprise Project. Through a clearly scrivener's error "Sport" was spelled "Sports" in several locations within the Ordinance. It is my opinion that this scrivener's error can be corrected by you in each instance and the Ordinance resigned effective June 14, 2004, without the necessity of returning said Ordinance to the City Council.

If there are any questions, please advise.

Yours truly,

BOYLE & LOWRY, L.L.P.



John F. Boyle, Jr.

cc: Ms. Norma Nichols, Director of Economic Development
Ms. Linda Tidwell Groomer, City Manager

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Fax: (972) 650-7105**TELECOPIER COVER SHEET****DATE:** 7-20-04**TO:** Cindee Peters
Norma Nichols
Linda Tidwell Groomer**FROM:** John Boyle**FAX NO.:** 972 247-4836**RE:** Ordinance No. 2775 Approved June 14, 2004 – Enterprise Zone No. 313-052901-FB**TOTAL NUMBER OF PAGES, INCLUDING COVER LETTER:** 2**SPECIAL INSTRUCTIONS:** _____

**If you encounter problems receiving this transmission, please contact
Judy Reedus at 972-650-7100**

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