



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/3/2024

District G

Item Creation Date: 11/5/2024

MYR - TA TPMS Zone

Agenda Item#: 17.

Background:

SUBJECT: An Ordinance creating the TPMS DA LLC Tax Abatement Reinvestment Zone

RECOMMENDATION: (Summary) City Council approve an Ordinance creating the TPMS DA LLC Tax Abatement Reinvestment Zone

SPECIFIC EXPLANATION:

Pursuant to Section 312.204 of the Tax Code, a municipality may enter into a tax abatement agreement in writing with the owner of real property that is located within a reinvestment zone. Section 312.202 of the same code defines the criteria for designating a tax abatement reinvestment zone, one of which is that the area be reasonable likely to attract major investment in the zone that would be a benefit to the land.

In accordance with Section 312.201 of the Tax Code and Article IV, Section 44-126 of the Code of Ordinances of the City of Houston, a public hearing must be held before city council on the designation of a reinvestment zone. The hearing for TPMS DA LLC Reinvestment Zone was held on November 6, 2024, at 9:00 A.M., prior to council consideration to establish the reinvestment zone. The public hearing was published in the Houston Chronicle on October 25, 2024.

The Administration requests that City Council designate an approximately 7.5-acre site located at 1315-1325 S. Dairy Ashford and 12550 Briar Forest, as the TPMS DA LLC Reinvestment Zone for tax abatement purposes ("Zone"), also described as parcels within the area generally bounded by the residences along Ashford Pkwy on the north, the residences along Berrywood Ln on the east, Briar Forest on the south, and S. Dairy Ashford on the west. This action will enable city council to consider approval of a GSI and Demolition tax abatement agreement for TPMS DA 3 LLC and TPMS DA 4 LLC. to support a mixed-use center that will comprise of approximately 90,000 SF of modern retail, restaurant, and office space.

The company will invest approximately \$25 million for the project which is estimated to create \$90M new abatable value subject to the proposed GSI and Demolition ad valorem tax abatement.

The project and the Zone met the criteria established by the City of Houston guidelines for tax abatement adopted on August 28, 2024 (Ord. No. 2024-264).

Signed by:

A handwritten signature in blue ink that reads "Gwendolyn Tillotson-Bell".

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Gwendolyn Tillotson-Bell

Chief Economic Development Officer

Prior Council Action:

Ord. No. 2024-264, 8/28/2024

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