

ORDINANCE NO. 2010-10-041

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING ORDINANCES NO. 2010-09-034 AND NO. 2010-09-035 TO INCLUDE THE SALES AND USE TAXES GENERATED AND COLLECTED WITHIN REINVESTMENT ZONE NUMBER ONE, CITY OF MCKINNEY AND WITHIN REINVESTMENT ZONE NUMBER TWO, CITY OF MCKINNEY INTO THE RESPECTIVE TAX INCREMENT FUNDS OF EACH ZONE PURSUANT TO SECTION 311.0123 OF THE TEXAS TAX CODE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of McKinney, Texas ("City"), pursuant to Chapter 311 of the Texas Tax Code, as amended, has lawfully created Reinvestment Zone Number One, City of McKinney and Reinvestment Zone Number Two, City of McKinney on September 21, 2010; and

WHEREAS, the City desires to amend ordinance No. 2010-09-034 and No. 2010-09-035 to include the City's sales and use taxes generated and collected within the respective Zones into the Tax Increment Funds of those Zones consistent with Section 311.0123 of the Texas Tax Code, as amended, and the approved Financing and Project Plans; and

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

Section 1. FINDINGS

The findings set forth above are found to be true and correct and are hereby incorporated into the body of this Ordinance for all purposes as if fully set forth herein.

Section 2. TAX INCREMENT BASE; SALES AND USE TAX INCREMENT

For each Zone and pursuant to Section 311.0123 of the Texas Tax Code, as amended, the sales and use Tax Increment Base of the City is the total sales and use taxes collected by the City within each respective TIRZ, determined as of **January 1, 2010**, the year in which the TIRZ was designated as a reinvestment zone (the "Tax Increment Base"). Consistent with Section 311.0123 of the Texas Tax Code, as amended, the amount of the sales and use Tax Increment for any year is one hundred percent (100%) of sales and use taxes levied and collected by the City within the TIRZ for that year (the "Tax Increment"). Consistent with Section 311.012(b) of the Texas Tax Code, as amended, the Captured Appraised Value of sales and uses taxes by the City is the total sales and use taxes collected by the City within each respective TIRZ for that year less the Tax Increment Base (the "Captured Appraised Value").

Section 3. SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the words, phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any word, phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining words, phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of any such unconstitutional word, phrase, clause, sentence, paragraph or section.

Section 4. REPEALER CLAUSE

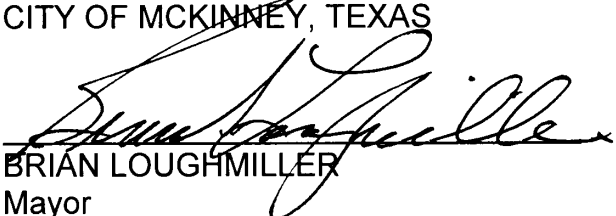
Any provision of any prior ordinance of the City, whether codified or uncodified, which is in conflict with any provision of this Ordinance, is hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City, whether codified or uncodified, which are not in conflict with the provisions of this Ordinance shall remain in full force and effect.

Section 5. EFFECTIVE DATE

This Ordinance shall become effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, ON THIS THE 19TH DAY OF OCTOBER, 2010.

CITY OF MCKINNEY, TEXAS



BRIAN LOUGHMILLER
Mayor

CORRECTLY ENROLLED:


SANDY HART, TRMC, MMC
City Secretary

DATE: October 20, 2010

APPROVED AS TO FORM:


MARK S. HOUSER
City Attorney