

State of Texas
House of Representatives

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OPINION COMMITTEE

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Allan B. Ritter

District 21

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May 3, 2004

RQ-0218-GA

FILE # ML-43672-04
I.D. # 43672

The Honorable Gregg Abbott
Attorney General
State of Texas
Post Office Box 12548
Austin, Texas 78711-2548

Re: Formal Request for an Attorney General's Opinion on questions (attached) raised by the City of Port Arthur and the Port Arthur Economic Development Corporation.

Dear Attorney General Abbott:

Please find attached correspondence from The City of Port Arthur and the Port Arthur Economic Development Corporation requesting that my office seek an Attorney General's Opinion on the questions raised in the attached. While the requests came to my office separately, the two address the same question and it seems to make sense that a single opinion may serve both requests. I will defer to your judgment to determine whether one opinion will suffice for both requests.

Your assistance in this matter is greatly appreciated. If you have questions or need additional information please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink that reads "Allan B. Ritter".

Allan B. Ritter
Chairman
House Pensions and Investments Committee

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P.O. BOX 12068
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The Senate of
the State of Texas



Kyle Janek

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April 28, 2004

The Honorable Allan B. Ritter
State Representative
Capitol Extension
Room E2.410
Austin, Texas 78701

Dear Chairman Ritter:

Enclosed is information I received from Jim Wimberley, counsel for the Port Arthur Economic Development Council (EDC), regarding an issue between the City of Port Arthur and the EDC.

As you are aware, the EDC would like an opinion from the Attorney General concerning the "viability and/or legality" of the EDC participating in what is characterized as a Grant Incentive and Sales Tax Rebate Contract entered into between the City of Port Arthur and Target Corporation. Because I am not a chairman of a committee, I am not able to make such a request. Therefore, I respectfully refer this matter to you as Chairman of the Committee on Pensions and Investments for your review and possible request of an Attorney General's opinion. You have my full support on your decision on this matter.

If you have any questions, please don't hesitate to call me.

Sincerely,

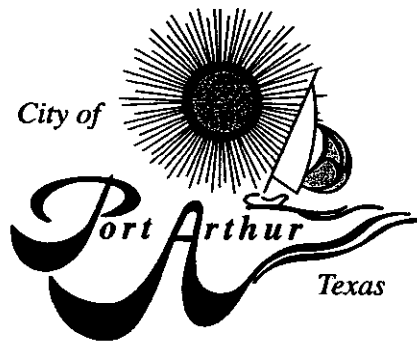

Kyle Janek

cc: Mr. Jim Wimberley

SCAR G. ORTIZ, MAYOR
TOM GILLAM, III, MAYOR PRO-TEM

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MARK T. SOKOLOW
CITY ATTORNEY



April 1, 2004

Allan B. Ritter
STATE REPRESENTATIVE
P.O. Box 1265
1050 Detroit Street
Nederland, TX 77627

Dear Representative Ritter:

Pursuant to Resolution No. 04-117, the City Council of the City of Port Arthur has requested that this office take such steps as are necessary as to obtain an Attorney General Opinion as to the usage of EDC funds based on the facts as presented, and unanimously voted on by the City Council and by the Board of Directors of the City of Port Arthur Section 4A Economic Development Corporation, in Resolution No. 03-371.

Attached is a copy of Resolution No. 03-371 delineating the participation of the City of Port Arthur Section 4A Economic Development Corporation and the City Council in the Target project. Also, attached is a copy of Resolution No. 02-367 approving the Target Grant and Sales Tax Refund Agreement, a copy of Resolution No. 02-366 approving the Neighborhood Empowerment Zone, and a copy of the signed Target Agreement. Please ask the Attorney General to issue an advisory opinion as to whether the City of Port Arthur Section 4A Economic Development Corporation has the discretion to fund the project as delineated in Resolution No. 03-371? House Bill 2912 modified the scope of the projects that an economic development corporation can fund. This bill was effective on June 20, 2003. One of the issues is whether this project was grandfathered under Section 14 thereof.

Sincerely,

Mark Sokolow

Mark T. Sokolow
City Attorney

MTS/ts

Attachment(s): Resolution No. 04-117
Resolution No. 03-371
Resolution No. 02-367
Resolution No. 02-366
Signed Target Agreement
House Bill 2912

cc: Mayor
City Council
City Manager
EDC Board of Directors
Ike Mills, EDC Executive Director
Jim Wimberley, EDC Attorney