

City of Houston, Texas, Ordinance No. 2012 - 823

**AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER TWENTY-THREE, CITY OF HOUSTON, TEXAS (HARRISBURG ZONE); APPROVING THE FISCAL YEAR 2013 OPERATING BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.**

\* \* \* \* \*

**WHEREAS**, the City created Reinvestment Zone Number Twenty-Three, City of Houston, Texas (“Zone” or “Harrisburg Zone”) by Ordinance No. 2011-900 on October 19, 2011; and

**WHEREAS**, the City’s Chief Development Officer has submitted to the City Council a Fiscal Year 2013 Operating Budget for the Zone (“Budget”) that the City Council desires to approve; **NOW, THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:**

**Section 1.** That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2.** That the Budget attached hereto as Exhibit “A” is hereby approved for the Zone.

**Section 3.** That not later than March 31, 2013, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone’s Fiscal Year 2013 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2013 Operating Budget approved by the City; and (2) make available any surplus Zone funds, through appropriate agreement, for projects identified by the City that are eligible

for tax increment funding, such as affordable housing, areas of public assembly, incremental costs of municipal services attributable to development and redevelopment in the Zone, and capital projects that benefit the City and the Zone. The agreement may provide for the payment of surplus funds into one or more accounts established by the City or may provide for direct payment by the Zone for that purpose. The Zone shall consider amendments to the Zone Project Plan and Reinvestment Zone Financing Plan that may be necessary to accomplish this purpose, and shall expedite any such amendments.

**Section 4.** That the approval of this Budget is contingent upon receipt by the City's Chief Development Officer of a document signed by the Administrator of the Zone disclosing the name of each owner or developer of property within the Zone from which the Administrator has received compensation during the last five calendar years, and the amount of compensation by owner by year. Compensation may be expressed by category as follows:

Category I	Less than \$1,000.00
Category II	At least \$1,000.00 but less than \$10,000.00
Category III	At least \$10,000.00 but less than \$50,000.00
Category IV	At least \$50,000.00 but less than \$100,000.00
Category V	At least \$100,000.00 but less than \$500,000.00
Category VI	At least \$500,000.00 but less than \$1,000,000.00
Category VII	\$1,000,000.00 or more

**Section 5.** That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the

Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 19<sup>th</sup> day of September, 2012.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is SEP 25 2012.

*Crista Russell*  
\_\_\_\_\_  
City Secretary

(Prepared by Legal Department Donna Capps cb)  
(DRC:drc September 14, 2012 Assistant City Attorney)  
(Requested by Andy Icken, Chief Development Officer)  
(L.D. File No. 0391200129006)

AYE	NO	
✓		MAYOR PARKER
....	....	COUNCIL MEMBERS
✓		BROWN
✓		DAVIS
✓		COHEN
✓		ADAMS
✓		SULLIVAN
✓		HOANG
✓		PENNINGTON
✓		GONZALEZ
✓		RODRIGUEZ
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		BURKS
✓		NORIEGA
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

**Fiscal Year 2013 Operating Budget for the Harrisburg Zone**

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2013 BUDGET PROFILE

Fund Summary  
 Fund Name: Harrisburg Zone  
 TIRZ: 23  
 Fund Number: 7571/50

P R O F I L E	Base Year:		2011
	Base Year Taxable Value:	\$	332,148,551
	Projected Taxable Value (TY2012):	\$	341,912,048
	Current Taxable Value (TY2011):	\$	332,148,551
	Acres:		1600
	Administrator (Contact):		City of Houston Economic Development
Contact Number:		832-393-0985	

N A R R A T I V E	<b>Zone Purpose:</b>
	The Project and Reinvestment Zone Financing Plan will create an investment tool for new construction and the redevelopment of the area. The proposed TIRZ will help finance approximately \$128 million of improvements and services needed to support the repositioning and revitalization of the East End.
	<b>Accomplishments in FY12 (Projects Underway):</b>
	- The Zone was created in Fiscal Year 2012

	Additional Financial Data	FY2012 Budget	FY2012 Estimate	FY2013 Budget
D E B T	<u>Debt Service</u>	\$ -	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		<b>Balance as of 6/30/11</b>	<b>Projected Balance as of 6/30/12</b>	<b>Projected Balance as of 6/30/13</b>
	<u>Year End Outstanding (Principal)</u>			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	\$ -	\$ -	\$ -
	Developer Agreement	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2013 BUDGET DETAIL

Fund Summary  
 Fund Name: Harrisburg Zone  
 TIRZ: 23  
 Fund Number: 7571/50

TIRZ Budget Line Items	FY2012 Budget	FY2012 Estimate	FY2013 Budget
<b>RESOURCES</b>			
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ -	\$ -	\$ -
<b>Beginning Fund Balance</b>	\$ -	\$ -	\$ -
City tax revenue	\$ -	\$ -	\$ 59,246
ISD tax revenue	\$ -	\$ -	\$ -
County tax revenue	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
<b>Incremental property tax revenue</b>	\$ -	\$ -	\$ 59,246
	\$ -	\$ -	\$ -
<b>Miscellaneous revenue</b>	\$ -	\$ -	\$ -
COH TIRZ Interest	\$ -	\$ -	\$ 127
<b>Other Interest Income</b>	\$ -	\$ -	\$ 127
	\$ -	\$ -	\$ -
<b>Developer Advances</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Grant Proceeds</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Special assessment bond proceeds</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Proceeds from bank loan</b>	\$ -	\$ -	\$ -
<b>TOTAL AVAILABLE RESOURCES</b>	\$ -	\$ -	\$ 59,373

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2013 BUDGET DETAIL

Fund Summary  
 Fund Name: Harrisburg Zone  
 TIRZ: 23  
 Fund Number: 7571/50

TIRZ Budget Line Items	FY2012 Budget	FY2012 Estimate	FY2013 Budget
<b>EXPENSES</b>			
Accounting	\$ -	\$ -	\$ -
Administration Consultant	\$ -	\$ -	\$ -
Administration Salaries & Benefits	\$ -	\$ -	\$ -
Auditor	\$ -	\$ -	\$ -
Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Office Expenses	\$ -	\$ -	\$ -
Property Maintenance	\$ -	\$ -	\$ -
<b>TIRZ Administration and Overhead</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Construction Audit	\$ -	\$ -	\$ -
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ -	\$ -	\$ -
Project Consultant	\$ -	\$ -	\$ -
<b>Program and Project Consultants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Management consulting services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ -
<b>TIRZ Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Developer Reimbursements	\$ -	\$ -	\$ -
<b>Developer / Project Reimbursements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Loan debt service			
Principal	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
Other Debt Items			
<b>System debt service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Payment/transfer to ISD - educational facilities			
Administration Fees:			
City	\$ -	\$ -	\$ 2,962
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Transfer to Harris County	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Fund 1850 Advance (Payable to COH)	\$ -	\$ -	\$ 24,898
<b>Total Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,860</b>
<b>Total Budget</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,860</b>
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing			
RESTRICTED Funds - Bond Debt Service			
UNRESTRICTED Funds			31,513
<b>Ending Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,513</b>
<b>Total Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,513</b>
<b>Total Budget &amp; Ending Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,373</b>

Notes: