

City of Houston, Texas, Ordinance No. 2013 - 1086

**AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER TWENTY-THREE, CITY OF HOUSTON, TEXAS (HARRISBURG ZONE); APPROVING THE FISCAL YEAR 2014 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 2014 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, 2014, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2014 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2014 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.

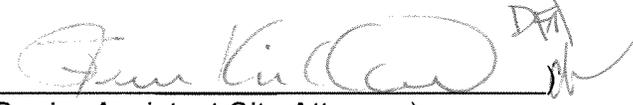
PASSED AND ADOPTED this 20th day of November, 2013.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is NOV 26 2013.

  
\_\_\_\_\_  
City Secretary

(Prepared by Legal Department   
(SEK:sek October 10, 2013 Senior Assistant City Attorney)  
(Requested by Andy Icken, Chief Development Officer)  
(L.D. File No. 0421300157001)

AYE	NO	
✓		MAYOR PARKER
....	....	COUNCIL MEMBERS
	ABSENT-ON PERSONAL BUSINESS	BROWN
✓		DAVIS
✓		COHEN
	ABSENT-ON PERSONAL BUSINESS	ADAMS
✓		MARTIN
✓		HOANG
✓		PENNINGTON
✓		GONZALEZ
✓		RODRIGUEZ
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		BURKS
✓		NORIEGA
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

**Fiscal Year 2014 Operating Budget for the Harrisburg Zone**

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2014 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 (TY2013):	\$ 386,159,360
	Current Taxable Value (TY2012):	\$ 335,321,560
	Acres:	1,600
	Administrator (Contact):	City of Houston
	Contact Number:	(832) 393-0985

N A R R A T I V E	<b>Zone Purpose:</b>
	Tax Increment Reinvestment Zone Number Twenty-Three, City of Houston, Texas was created to provide the plans and programs needed to reposition Houston's East, a District of the City containing industrial brownfield sites, inactive landfills, abandoned dock lands, industrial properties, railroads, and various commercial uses located throughout and amid single family residential areas.

P R O J E C T  P L A N	Total Plan		Cumulative Expenses (to 6/30/12)	Variance
	<b>Capital Projects:</b>			
Public Utility Improvements	\$ 8,000,000	\$ -	\$ 8,000,000	
Roadway and Sidewalks	58,000,000	-	58,000,000	
Cultural and Public Facility Improvements	20,000,000	-	20,000,000	
Parks and Recreational Facilities	15,300,000	-	15,300,000	
Economic Development	10,000,000	-	10,000,000	
	-	-	-	
	-	-	-	
<b>Total Capital Projects</b>	<b>\$ 111,300,000</b>	<b>\$ -</b>	<b>\$ 111,300,000</b>	
Affordable Housing	150,000	-	150,000	
School & Education/Cultural Facilities	-	-	-	
Financing Costs	12,000,000	-	12,000,000	
Administration Costs/ Professional Services	5,308,488	-	5,308,488	
Creation Costs	150,000	-	150,000	
<b>Total Project Plan</b>	<b>\$ 128,908,488</b>	<b>\$ -</b>	<b>\$ 128,908,488</b>	

D E B T	Additional Financial Data	FY2013 Budget	FY2013 Estimate	FY2014 Budget
		<u>Debt Service</u>	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		<b>Balance as of 6/30/12</b>	<b>Projected Balance as of 6/30/13</b>	<b>Projected Balance as of 6/30/14</b>
	Year End Outstanding (Principal)			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	\$ -	\$ -	\$ -
	Line of Credit	\$ -	\$ -	\$ -
	Developer Agreement	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2014 BUDGET PROFILE

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

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
<b>RESOURCES</b>			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ -	\$ -	\$ 3,439
<b>Beginning Balance</b>	\$ -	\$ -	\$ 3,439
City tax revenue	\$ 59,246	\$ 18,755	\$ 317,114
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
<b>Incremental property tax revenue</b>	\$ 59,246	\$ 18,755	\$ 317,114
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Miscellaneous revenue</b>	\$ -	\$ -	\$ -
COH TIRZ interest	\$ 127	\$ -	\$ -
Interest Income	\$ -	\$ -	\$ -
<b>Other Interest Income</b>	\$ 127	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Grant Proceeds</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Proceeds from Bank Loan</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Contract Revenue Bond Proceeds</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>TOTAL AVAILABLE RESOURCES</b>	\$ 59,373	\$ 18,755	\$ 320,553

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
<b>EXPENDITURES</b>			
Accounting	\$ -	\$ -	\$ 4,000
Administration Salaries & Benefits	\$ -	\$ -	\$ 15,000
Auditor	\$ -	\$ -	\$ 6,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ 1,000
Office Administration	\$ -	\$ -	\$ 3,000
<b>TIRZ Administration and Overhead</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 29,000</b>
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ -	\$ -	\$ 10,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ -	\$ -	\$ -
<b>Program and Project Consultants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,000</b>
<b>Management consulting services</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,000</b>
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ -
<b>TIRZ Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Developer / Project Reimbursements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>System debt service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,000</b>

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2014 BUDGET PROFILE

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

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Payment/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Adminstration Fees:			
City	\$ 2,902	\$ 938	\$ 15,856
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Fund 1850 Advance (Payable to COH0	\$ 24,898	\$ 14,378	\$ 10,520
<b>Total Transfers</b>	<b>\$ 27,800</b>	<b>\$ 15,316</b>	<b>\$ 26,376</b>
<b>Total Budget</b>	<b>\$ 27,800</b>	<b>\$ 15,316</b>	<b>\$ 65,376</b>
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 31,573	\$ 3,439	\$ 255,177
<b>Ending Fund Balance</b>	<b>\$ 31,573</b>	<b>\$ 3,439</b>	<b>\$ 255,177</b>
<b>Total Budget &amp; Ending Fund Balance</b>	<b>\$ 59,373</b>	<b>\$ 18,755</b>	<b>\$ 320,553</b>

Notes: