

City of Houston, Texas, Ordinance No. 2014 - 933

**AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF LELAND WOODS REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER TWENTY-TWO, CITY OF HOUSTON, TEXAS (LELAND WOODS ZONE); APPROVING THE FISCAL YEAR 2015 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-Two, City of Houston, Texas ("Zone" or "Leland Woods Zone") by Ordinance No. 2003-1330 on December 23, 2003; and

**WHEREAS**, the Leland Woods Redevelopment Authority (the "Authority"), a local government corporation acting on behalf of the City in connection with Reinvestment Zone Number Twenty-Two, City of Houston, Texas (the "Zone"), has submitted an Operating Budget for Fiscal Year 2015 (the "Budget") to the City for approval pursuant to that certain agreement among the City, the Authority, and the Zone approved by Ordinance No. 2007-1293; and

**WHEREAS**, the City Council desires to approve the Fiscal Year 2015 Operating Budget for the Authority ("Budget"); **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 Authority.

**Section 3.** That not later than March 31, 2015, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2015 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2015 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 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

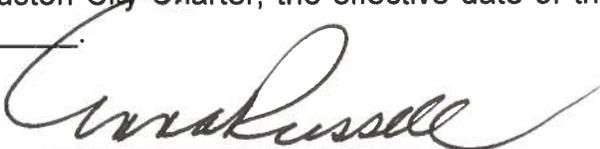
**Section 5.** That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the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

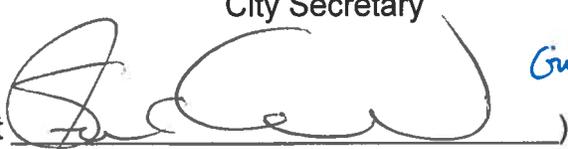
PASSED AND ADOPTED this 15<sup>th</sup> day of October, 2014.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

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

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is OCT 21 2014.

  
City Secretary

(Prepared by Legal Department )  
(SEK:sek September 11, 2014 Senior Assistant City Attorney)  
(Requested by Andy Icken, Chief Development Officer)  
(L.D. File No. \_\_\_\_\_)

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AYE	NO	
✓		<b>MAYOR PARKER</b>
••••	••••	<b>COUNCIL MEMBERS</b>
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		NGUYEN
✓		PENNINGTON
✓		GONZALEZ
✓		GALLEGOS
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		ROBINSON
✓		KUBOSH
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

**Fiscal Year 2014 Operating Budget for the Leland Woods Zone**

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2015 BUDGET PROFILE

Fund Summary  
 Fund Name: Leland Woods Redevelopment Authority  
 TIRZ: 22  
 Fund Number: 7570/50

P R O F I L E	Base Year:	2003
	Base Year Taxable Value:	\$ 730,340
	Projected Taxable Value (TY2014):	\$ 3,124,465
	Current Taxable Value (TY2013):	\$ 3,083,201
	Acres:	80.33
	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-Two, City of Houston, Texas was created to provide plans and programs needed to design and construction affordable housing and related public green space on approximately 80 acres of vacant land located in the northeast Houston area through the design and construction of roadways and streets, public utility systems, sidewalks and pedestrian and public open space enhancements.

P R O J E C T  P L A N		Total Plan	Cumulative Expenses (to 6/30/13)	Variance
	Capital Projects:			
Public Infrastructure	\$	6,089,985	\$ -	\$ 6,089,985
Landscaping		220,000	-	220,000
Sound Barrier, Sidewalk		229,500	-	229,500
Land Acquisition		-	873,496	(873,496)
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>Total Capital Projects</b>	\$	6,539,485	\$ 873,496	\$ 5,665,989
Affordable Housing		-	-	-
School & Education/Cultural Facilities		-	-	-
Financing Costs		1,800,000	-	1,800,000
Administration Costs/ Professional Services		165,000	220,247	(55,247)
Creation Costs		53,000	12,728	40,272
<b>Total Project Plan</b>	\$	8,557,485	\$ 1,106,471	\$ 7,451,014

D E B T	Additional Financial Data	FY2014 Budget	FY2014 Estimate	FY2015 Budget
	Debt Service	\$ -	\$ -	\$ -
Principal	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -
	<b>Balance as of 6/30/13</b>		<b>Projected Balance as of 6/30/14</b>	<b>Projected Balance as of 6/30/15</b>
Year End Outstanding (Principal)				
Bond Debt	\$ -	\$ -	\$ -	\$ -
Bank Loan	\$ -	\$ -	\$ -	\$ -
Line of Credit	\$ -	\$ -	\$ -	\$ -
Developer Agreement	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -

CITY OF HOUSTON  
 ECONOMIC DEVELOPMENT DIVISION  
 FISCAL YEAR 2015 BUDGET PROFILE

Fund Summary  
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 TIRZ: 22  
 Fund Number: 7570/50

TIRZ Budget Line Items	FY2014 Budget	FY2014 Estimate	FY2015 Budget
<b>RESOURCES</b>			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Earnest Funds (36 Acre Tract)	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 162,404	\$ 126,441	\$ 87,688
<b>Beginning Balance</b>	<b>\$ 162,404</b>	<b>\$ 126,441</b>	<b>\$ 87,688</b>
City tax revenue	\$ 12,497	\$ 14,754	\$ 15,141
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
<b>Incremental property tax revenue</b>	<b>\$ 12,497</b>	<b>\$ 14,754</b>	<b>\$ 15,141</b>
Proceeds from Land Sales	\$ 100,000	\$ 118,501	\$ -
<b>Miscellaneous revenue</b>	<b>\$ 100,000</b>	<b>\$ 118,501</b>	<b>\$ -</b>
COH TIRZ interest	\$ 18	\$ 9	\$ -
Interest Income	\$ 364	\$ -	\$ -
<b>Other Interest Income</b>	<b>\$ 382</b>	<b>\$ 9</b>	<b>\$ -</b>
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Grant Proceeds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	\$ -	\$ -	\$ -
<b>Proceeds from Bank Loan</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	\$ -	\$ -	\$ -
<b>Contract Revenue Bond Proceeds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 275,283</b>	<b>\$ 259,704</b>	<b>\$ 102,829</b>

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 FISCAL YEAR 2015 BUDGET PROFILE

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 Fund Number: 7570/50

TIRZ Budget Line Items	FY2014 Budget	FY2014 Estimate	FY2015 Budget
<b>EXPENDITURES</b>			
Accounting	\$ 6,500	\$ 17,830	\$ 6,500
Administration Salaries & Benefits	\$ 15,000	\$ 25,413	\$ 15,000
Auditor	\$ 9,000	\$ 8,000	\$ 9,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ 1,364	\$ 1,584	\$ 1,583
Office Administration	\$ 200	\$ 254	\$ 34
<b>TIRZ Administration and Overhead</b>	<b>\$ 32,064</b>	<b>\$ 53,081</b>	<b>\$ 32,117</b>
Closing Cost Land Acquisition	\$ -	\$ -	\$ -
Legal	\$ 25,000	\$ 28,197	\$ 25,000
Construction Audit	\$ -	\$ -	\$ -
Property Maintenance	\$ -	\$ -	\$ -
Program and Project Consultants	\$ 25,000	\$ 28,197	\$ 25,000
<b>Management consulting services</b>	<b>\$ 57,064</b>	<b>\$ 81,278</b>	<b>\$ 57,117</b>
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ -
<b>TIRZ Capital Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Developer Reimbursements (Contempo Builders)	\$ -	\$ 90,000	\$ -
<b>Developer / Project Reimbursements</b>	<b>\$ -</b>	<b>\$ 90,000</b>	<b>\$ -</b>
Grant to Leland Woods RDA II	\$ 75,000	\$ -	\$ 34,000
<b>Developer / Project Reimbursements</b>	<b>\$ 75,000</b>	<b>\$ 90,000</b>	<b>\$ 34,000</b>
Loan debt service			
Principal	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
Convenience Fee	\$ -	\$ -	\$ -
<b>System debt service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ 132,064</b>	<b>\$ 171,278</b>	<b>\$ 91,117</b>
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Payment/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 625	\$ 738	\$ 757
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
<b>Total Transfers</b>	<b>\$ 625</b>	<b>\$ 738</b>	<b>\$ 757</b>
<b>Total Budget</b>	<b>\$ 132,689</b>	<b>\$ 172,016</b>	<b>\$ 91,874</b>
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Earnest Funds (36 Acre Tract)	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 142,594	\$ 87,688	\$ 10,955
<b>Ending Fund Balance</b>	<b>\$ 142,594</b>	<b>\$ 87,688</b>	<b>\$ 10,955</b>
<b>Total Budget &amp; Ending Fund Balance</b>	<b>\$ 275,283</b>	<b>\$ 259,704</b>	<b>\$ 102,829</b>

Notes: