

City of Houston, Texas, Ordinance No. 2015 - 269

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF THE SAINT GEORGE PLACE REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER ONE, CITY OF HOUSTON, TEXAS (SAINT GEORGE PLACE ZONE); APPROVING THE FISCAL YEAR 2016 OPERATING BUDGET FOR THE AUTHORITY AND THE FISCAL YEARS 2016-2020 CAPITAL IMPROVEMENTS BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, the Saint George Place Redevelopment Authority (the "Authority"), a local government corporation acting on behalf of the City in connection with Reinvestment Zone Number One, City of Houston, Texas (the "Zone"), has submitted an Operating Budget for Fiscal Year 2016 (the "Operating Budget") and a five-year Capital Improvements Budget for Fiscal Years 2016-2020 (the "CIP Budget" and, collectively with the Operating Budget, the "Budgets") to the City Council for approval pursuant to that certain agreement among the City, the Authority, and the Zone approved by Ordinance No. 2000-597; and

WHEREAS, the Budgets are based on the following assumptions:

1. The timely implementation of capital improvement projects in the Budgets may require the Authority to incur debt; and
2. The City's Chief Development Officer will assist the Authority in identifying a cost-efficient method to finance the costs of the capital improvement projects; and

WHEREAS, the City Council desires to approve the Budgets; **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 City Council takes cognizance of the fact that in order to implement the Project Plan and Reinvestment Zone Financing Plan for the Zone, and to make adjustments occasioned by events transpiring during the year, the Authority, upon the approval of the City's Chief Development Officer, may transfer funds from one Line Item of Project Costs shown on Exhibit "A" to another. Unless approved by the City Council, the Authority may transfer funds only (1) as needed for Debt Service; and (2) from one Line Item of Project Costs to another, provided that the aggregate of such transfers does not exceed \$400,000 during Fiscal Year 2016. Subject to the foregoing, the Operating Budget attached hereto as Exhibit "A" is hereby approved for the Authority.

Section 3. That the CIP Budget attached hereto as Exhibit "B" is hereby approved for the Zone.

Section 4. That not later than March 31, 2016, the Zone and the Authority shall, in cooperation with City representatives (1) identify surplus funds in the Authority's Fiscal Year 2016 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2016 Operating Budget for the Authority 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 Authority for the purpose. The Zone and the Authority shall consider amendments to the Project Plan and Reinvestment Zone Financing Plan for the Zone that may be necessary to accomplish this purpose, and shall expedite any such amendments.

Section 5. That the City's Chief Development Officer is directed to assist the Authority in identifying a cost-efficient method of financing public infrastructure consistent with financing principles used by the City.

Section 6. That approval of this Budget is contingent upon receipt by the Chief Development Officer of a document signed by the Administrator of the Authority and/or 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 7. 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 15th day of August, 2015.

APPROVED this _____ day of _____, 2015.

Mayor

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is AUG 18 2015.


City Secretary

(Prepared by Legal Department )
(MFB:mfb July 28, 2015) Senior Assistant City Attorney
(Requested by Andrew F. Icken, Chief Development Officer)
(L.D. File No. 0421400110002)

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

EXHIBIT "A"

**Fiscal Year 2016 Operating Budget for
Saint George Place Redevelopment Authority**

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: St Georges Place Redevelopment Authority
 TIRZ: 01
 Fund Number: 7512/50

P R O F I L E	Base Year:		1991
	Base Year Taxable Value:	\$	27,150,340
	Projected Taxable Value (TY2015):	\$	294,753,841
	Current Taxable Value (TY2014):	\$	283,417,155
	Acres:		121.57
	Administrator (Contact):		Hawes Hill Calderon
	Contact Number:		(713) 595-1209

N A R R A T I V E	Zone Purpose:
	Tax Increment Reinvestment Zone Number One, City of Houston, Texas was created to stabilize property values, address deteriorated buildings and incompatible land uses and provide for the design and construction of roadway and streets, public utility systems, sidewalks, landscaping and land acquisition a District of the City known as St. George Place (formerly known as Lamar Terrace).
	Accomplishments in FY14 (Projects Underway):
	The Zone approved five new building permits within its boundary. This was a decrease from the past year. Also, the Zone approved replats that affected 8 lots. The Zone continued its efforts enforcing the city's zoning ordinance with regard to blighted properties. The Zone's board worked with its engineering consultants and the city to finalize a neighborhood mobility construction plan. This plan was implemented in FY 2015 through its capital improvement budget. The Zone board of directors continue to effectively manage the Public Improvement District (PID) Budget and services. The TIRZ Board is under contract with the city to manage the PID services. The primary PID services include zoning enforcement, landscape maintenance and additional public safety efforts. The TIRZ Board utilize the PID Funds to market the area.

P R O J E C T P L A N		Total Plan	Cumulative Expenses (to 6/30/14)	Variance
		Capital Projects:		
	Water, Sanitary Sewer and Storm Sewer	\$ 1,085,000	\$ 166,228	\$ 918,772
	Street Paving	3,540,000	3,090,625	449,375
	Brick Sound Wall	420,000	1,286,530	(866,530)
	Landscaping	450,000	406,412	43,588
	Cul-de-sacs	200,000	-	200,000
	Other Work Items	355,000	405,636	(50,636)
	Contingencies	451,000	-	451,000
	Land Acquisition	1,000,000	1,704,118	(704,118)
	Total Capital Projects	\$ 7,501,000	\$ 7,059,549	\$ 441,451
	Affordable Housing	31,785,702	9,055,942	22,729,760
	School & Education/Cultural Facilities	18,771,094	4,809,047	13,962,047
	Financing Costs	2,280,000	8,137,317	(5,857,317)
	Professional Services	793,000	365,532	427,468
	Administration/ Creation Costs	542,000	2,123,084	(1,581,084)
	Total Project Plan	\$ 61,672,796	\$ 31,550,471	\$ 30,122,325

D E B T	Additional Financial Data	FY2016 Budget	FY2015 Estimate	FY2016 Budget
		Debt Service	\$ 1,369,233	\$ 1,365,535
	Principal	\$ 1,298,698	\$ 1,295,000	\$ 1,350,000
	Interest	\$ 70,535	\$ 70,535	\$ 62,938
		Balance as of 6/30/14	Projected Balance as of 6/30/15	Projected Balance as of 6/30/16
	Year End Outstanding (Principal)	\$ 1,923,954	\$ 1,778,954	\$ 1,628,954
	Bond Debt	\$ 2,024,250	\$ 874,250	\$ (325,750)
	City of Houston CO	\$ 2,779,224	\$ 2,779,224	\$ 2,779,224
	City of Houston ROW	\$ -	\$ -	\$ -
	Developer Agreement	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: St Georges Place Redevelopment Authority
 TIRZ: 01
 Fund Number: 7512/50

TIRZ Budget Line Items	FY2015 Budget	FY2015 Estimate	FY2016 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ 226,514	\$ 525,530	\$ 226,514
UNRESTRICTED Funds	\$ 2,126,584	\$ 689,304	\$ 490,051
Beginning Balance	\$ 2,353,098	\$ 1,214,834	\$ 716,565
City tax revenue	\$ 1,456,107	\$ 1,602,208	\$ 1,673,088
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ 1,327,951	\$ 1,295,086	\$ 1,346,019
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
Incremental Property Tax Revenue	\$ 2,784,058	\$ 2,897,294	\$ 3,019,106
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ interest	\$ -	\$ -	\$ -
Interest Income	\$ 4,220	\$ 7,580	\$ 6,078
Other Interest Income	\$ 4,220	\$ 7,580	\$ 6,078
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 5,141,376	\$ 4,119,708	\$ 3,741,748

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CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: St Georges Place Redevelopment Authority
 TIRZ: 01
 Fund Number: 7512/50

TIRZ Budget Line Items	FY2015 Budget	FY2015 Estimate	FY2016 Budget
EXPENDITURES			
Accounting	\$ 10,500	\$ 10,555	\$ 12,500
Administration Consultant	\$ 11,500	\$ 11,500	\$ 12,100
Auditor/Financial Statements	\$ 11,900	\$ 11,900	\$ 11,900
Bond Services/Trustee/Financial Advisor	\$ 9,000	\$ 9,500	\$ 9,500
Insurance	\$ 4,200	\$ 4,400	\$ 4,500
Office Administration	\$ 7,000	\$ 7,200	\$ 7,200
TIRZ Administration and Overhead	\$ 54,100	\$ 55,055	\$ 57,700
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ 20,000	\$ 16,300	\$ 20,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ 44,900	\$ 44,900	\$ 47,200
Program and Project Consultants	\$ 64,900	\$ 61,200	\$ 67,200
Management Consulting Services	\$ 119,000	\$ 116,255	\$ 124,900
Capital Expenditures (See CIP Schedule)	\$ 534,007	\$ 338,227	\$ 95,000
TIRZ Capital Expenditures	\$ 534,007	\$ 338,227	\$ 95,000
Developer / Project Reimbursements	\$ -	\$ -	\$ -
Bond Series (2001)			
Principal	\$ 148,698	\$ 145,000	\$ 150,000
Interest	\$ 70,535	\$ 70,535	\$ 62,938
City of Houston CO			
Principal	\$ 1,150,000	\$ 1,150,000	\$ 1,200,000
Interest	\$ -	\$ -	\$ -
City of Houston ROW Payment			
Principal	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
System Debt Service	\$ 1,389,233	\$ 1,365,535	\$ 1,412,938
TOTAL PROJECT COSTS	\$ 2,022,240	\$ 1,820,017	\$ 1,632,838
Payment/transfer to ISD - educational facilities	\$ 408,884	\$ 358,205	\$ 418,477
Payment/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 72,805	\$ 80,110	\$ 83,654
County	\$ -	\$ -	\$ -
ISD	\$ 25,000	\$ 25,000	\$ 25,000
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ 485,369	\$ 534,069	\$ 557,695
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ 442,650	\$ 585,742	\$ 448,673
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Total Transfers	\$ 1,434,708	\$ 1,583,126	\$ 1,533,499
Total Budget	\$ 3,456,948	\$ 3,403,143	\$ 3,166,337
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ 226,514	\$ 226,514	\$ 226,514
UNRESTRICTED Funds	\$ 1,457,914	\$ 490,051	\$ 348,898
Ending Fund Balance	\$ 1,684,428	\$ 716,565	\$ 575,412
Total Budget & Ending Fund Balance	\$ 5,141,376	\$ 4,119,708	\$ 3,741,748

Notes

EXHIBIT "B"

**Fiscal Years 2016-2020 Capital Improvement Projects Budget for
Saint George Place Zone**

2016 - 2020 CAPITAL IMPROVEMENT PLAN
 TIRZ NO. 1 - ST GEORGE PLACE REDEVELOPMENT AUTHORITY
 CIP by Project

CITY OF HOUSTON - TIRZ PROGRAM
 Economic Development Division

Council District	CIP No.	Project	Fiscal Year Planned Appropriations										Cumulative Total (To Date)		
			Through 2014	Projected 2015	2016	2017	2018	2019	2020	FY16- FY20 Total					
G,J	T-0101	Intersection Reconstruction	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
G,J	T-0103	McCulllock Circle/Fairdale Sound Barrier	\$ 150,997	-	55,000	-	-	-	-	-	-	-	55,000	-	205,997
G,J	T-0104	Park Noise Control	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
G,J	T-0105	Neighborhood Traffic Plan	\$ 510,114	338,227	-	-	-	-	-	-	-	-	-	-	848,341
G,J	T-0106	Richmond Avenue Tree Replacement	\$ -	-	40,000	-	-	-	-	-	-	-	40,000	-	40,000
Totals			\$ 661,111	\$ 338,227	\$ 95,000	\$ -	\$ -	\$ -	\$ 95,000	\$ -	\$ 1,094,338				

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2016 - 2020 CAPITAL IMPROVEMENT PLAN
 TIRZ NO. 1 - ST GEORGE PLACE REDEVELOPMENT AUTHORITY

CITY OF HOUSTON - TIRZ PROGRAM
 Economic Development Division

Source of Funds	Fiscal Year Planned Appropriations										Cumulative Total (To Date)
	Through 2014	Projected 2015	2016	2016	2017	2018	2019	FY15 - FY19 Total			
TIRZ Funds	661,111	338,227	95,000	-	-	-	-	-	95,000	1,094,338	
City of Houston	-	-	-	-	-	-	-	-	-	-	
Grants	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	
Project Total	661,111	338,227	95,000	-	-	-	-	-	95,000	1,094,338	

Project:	McCulloch Circle/Fairdale Sound Barrier		City Council District	Key Map:	491	WBS.:	T-0103
Description:	This project would construct a sound barrier connecting to and going north from the existing wall located at the McCulloch Circle at Fairdale Lane, which was completed in FY 2015. Landscaping and Irrigation design/construction for public right of way is included for FY2016.		Location:	Geo. Ref.:			
Justification:	The justification for this project is to provide noise reduction between commercial and neighborhood land uses. This cost is provided for in the original TIRZ Project Plan and Reinvestment Zone Financing Plan.		Served:	Neighborhood:	21		
			Operating and Maintenance Costs: (\$ Thousands)				
			2016	2017	2018	2019	2020
	Personnel						
	Supplies						
	Svcs. & Chgs.						
	Capital Outlay						
	Total						
	FTEs						

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/14	2015 Budget	2015 Estimate	2016	2017	2018	2019	2020	FY16 - FY20 Total	Cumulative Total (To Date)
1 Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design	2,899	-	-	5,000	-	-	-	-	\$ 5,000	\$ 7,899
4 Construction	148,098	156,636	-	50,000	-	-	-	-	\$ 50,000	\$ 198,098
5 Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other	-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:									\$ -	\$ -
Total Allocations	\$ 150,997	\$ 156,636	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 205,997

Source of Funds	2016	2017	2018	2019	2020	FY16 - FY20 Total	Cumulative Total (To Date)
TIRZ Funds							
City of Houston	55,000	-	-	-	-	\$ 55,000	\$ 205,997
Grants	-	-	-	-	-	\$ -	\$ -
Other	-	-	-	-	-	\$ -	\$ -
Total Funds	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ 55,000	\$ 205,997

Project:	Neighborhood Traffic Plan		City Council District	Key Map:	491	WBS.:	T-0105
	Location:	G,J	Geo. Ref.:				
	Served:	G,J	Neighborhood:	21			
Description:	A Neighborhood Traffic Plan (NTP) was completed in FY2011. The funds are being set aside for the implementation of the recommendations from the NTP. The NTP included recommendations for traffic calming devices on Hidalgo and other neighborhood streets.						
Justification:	The Zone has multiple traffic issues related to the elementary school and a continuing increase in cut-through traffic.						
	Operating and Maintenance Costs: (\$ Thousands)						
	2016	2017	2018	2019	2020	Total	
Personnel	-	-	-	-	-	\$ -	
Supplies	-	-	-	-	-	\$ -	
Svcs. & Chgs.	-	-	-	-	-	\$ -	
Capital Outlay	-	-	-	-	-	\$ -	
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FTEs	-	-	-	-	-	-	

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/14	2015 Budget	2015 Estimate	2016	2017	2018	2019	2020	FY16 - FY20 Total	Cumulative Total (To Date)
Phase										
1 Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design	227,563	23,000	32,923	-	-	-	-	-	\$ -	\$ 260,486
4 Construction	282,551	-	305,304	-	-	-	-	-	\$ -	\$ 587,855
5 Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other	-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:	-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations	\$ 510,114	\$ 23,000	\$ 338,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 848,341
Source of Funds										
TIRZ Funds	510,114	23,000	338,227	-	-	-	-	-	\$ -	\$ 848,341
City of Houston	-	-	-	-	-	-	-	-	\$ -	\$ -
Grants	-	-	-	-	-	-	-	-	\$ -	\$ -
Other	-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds	\$ 510,114	\$ 23,000	\$ 338,227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 848,341

