

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER TWENTY-FIVE, CITY OF HOUSTON, TEXAS (HIRAM CLARKE/FORT BEND ZONE); APPROVING THE FISCAL YEAR 2016 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-Five, City of Houston, Texas (“Zone” or “Hiram Clarke/Fort Bend Zone”) by Ordinance No. 2013-0708 on August 7, 2013; and

WHEREAS, the City’s Chief Development Officer has submitted to the City Council a Fiscal Year 2016 Operating Budget for the Hiram Clarke/Fort Bend Zone (the “Operating 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 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 Zone, 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 Zone 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 Zone.

Section 3. That not later than March 31, 2016, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2016 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2016 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 Operating 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 26th day of August, 2015.

APPROVED this _____ day of _____, 2015.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is SEP 0 1 2015.


City Secretary

(Prepared by Legal Department )
(SEK; btm 7/23/15) Senior Assistant City Attorney
(Requested by Andy Icken, Chief Development Officer)
(L.D. File No. 0421300087004)

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

EXHIBIT "A"

Fiscal Year 2016 Operating Budget for the Hiram Clarke/Fort Bend Zone

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: **Hiram Clarke/Fort Bend Houston**
 TIRZ: **25**
 Fund Number: **7582/50**

P R O F I L E	Base Year:		2013
	Base Year Taxable Value:	\$	232,463,210
	Projected Taxable Value (TY2015):	\$	242,895,435
	Current Taxable Value (TY2014):	\$	238,132,779
	Acres:		5,736
	Administrator (Contact):		City of Houston
	Contact Number:		(832) 393-0985

N A R R A T I V E	Zone Purpose:
	Tax Increment Reinvestment Zone Number Twenty-Five, City of Houston, Texas was created for the purpose of leveraging the expenditure of public funds for eligible project costs including the planning, engineering and construction of new streets, water distribution facilities, wastewater collection facilities, storm drainage improvements, roadway and street reconstruction projects, cultural and public facility improvements, parks and other related improvements.

P R O J E C T P L A N		Total Plan	Cumulative Expenses (to 6/30/14)	Variance
		Capital Projects:		
	Public Utility Improvements	\$ 25,000,000	\$ -	\$ 25,000,000
	Roadway and Sidewalk Improvements	55,000,000	-	55,000,000
	Drainage and Detention Improvements	19,500,000	-	19,500,000
	Cultural and Public Facilities	12,000,000	-	12,000,000
	Parks and Recreational Facilities	23,000,000	-	23,000,000
	Economic Development	5,000,000	-	5,000,000
		-	-	-
		-	-	-
	Total Capital Projects	\$ 139,500,000	\$ -	\$ 139,500,000
	Financing Costs	1,500,000	-	1,500,000
	Creation Costs	90,000	-	90,000
	Total Project Plan	\$ 141,090,000	\$ -	\$ 141,090,000

D E B T	Additional Financial Data	FY2015 Budget	FY2015 Estimate	FY2016 Budget
		<u>Debt Service</u>	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		Balance as of 6/30/14	Projected Balance as of 6/30/15	Projected Balance as of 6/30/16
	<u>Year End Outstanding (Principal)</u>	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: Hiram Clarke/Fort Bend Houston
 TIRZ: 25
 Fund Number: 7582/50

TIRZ Budget Line Items	FY2015 Budget	FY2015 Estimate	FY2016 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ -	\$ -	\$ 9,761
Beginning Balance	\$ -	\$ -	\$ 9,761
City tax revenue	\$ 103,696	\$ 32,917	\$ 60,569
Fort Bend County tax revenue	\$ -	\$ -	\$ 3,771
Incremental property tax revenue	\$ 103,696	\$ 32,917	\$ 64,340
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Miscellaneous revenue	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
COH TIRZ interest	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ -	\$ 42
Other Interest Income	\$ -	\$ -	\$ 42
	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 103,696	\$ 32,917	\$ 74,143

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2016 BUDGET PROFILE

Fund Summary
 Fund Name: Hiram Clarke/Fort Bend Houston
 TIRZ: 25
 Fund Number: 7582/50

TIRZ Budget Line Items	FY2015 Budget	FY2015 Estimate	FY2016 Budget
EXPENDITURES			
Accounting	\$ 6,500	\$ -	\$ 6,500
Administration Salaries & Benefits	\$ 10,000	\$ -	\$ 20,000
Auditor	\$ 5,000	\$ -	\$ 6,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ 800	\$ -	\$ 800
Office Administration	\$ 7,619	\$ 1,500	\$ 7,619
TIRZ Administration and Overhead	\$ 29,919	\$ 1,500	\$ 40,919
Engineering Consultants	\$ -	\$ -	\$ 10,000
Legal	\$ 10,000	\$ -	\$ 10,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ -	\$ 20,000	\$ -
Program and Project Consultants	\$ 10,000	\$ 20,000	\$ 20,000
Management consulting services	\$ 39,919	\$ 21,500	\$ 60,919
Capital Expenditures (See CIP Schedule)	\$ -	\$ 10	\$ 10
TIRZ Capital Expenditures	\$ -	\$ 10	\$ 10
Developer / Project Reimbursements	\$ -	\$ -	\$ -
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 39,919	\$ 21,510	\$ 60,929
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 5,185	\$ 1,646	\$ 3,028
County	\$ -	\$ -	\$ 189
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Total Transfers	\$ 5,185	\$ 1,646	\$ 3,217
Total Budget	\$ 45,104	\$ 23,156	\$ 64,146
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 58,592	\$ 9,761	\$ 9,997
Ending Fund Balance	\$ 58,592	\$ 9,761	\$ 9,997
Total Budget & Ending Fund Balance	\$ 103,696	\$ 32,917	\$ 74,143

Notes: