Economic Development Committee

May 29, 2024



Mayor's Office of Economic Development

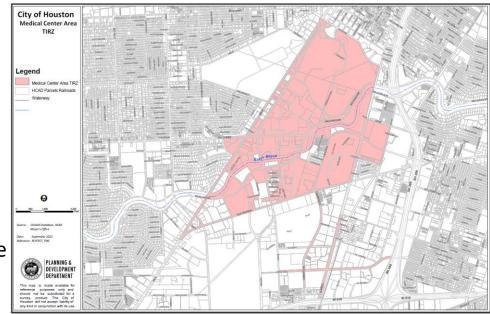
Jennifer Curley Executive Staff Analyst Tax Increment Reinvestment Zone No. 28/Medical Center Area Redevelopment Authority – 2024 Budget

Tax Increment Reinvestment Zone No. 14/Fourth Ward Redevelopment Authority – Boundary Reduction

• On December 14, 2022, City Council adopted ordinance

2022-976 creating the Medical Center Area TIRZ

- The boundary area includes the Texas Medical Center, Hermann Park, and the Houston Zoo.
- The Projects to be pursued are as follows:
 - Emergency water solution in coordination with Houston Public Works
 - Drainage improvements
 - Improvements to Main, Fannin, Holcombe, Cambridge and Holly Hall
 - Affordable Housing
- The Project Plan and Reinvestment Zone Financing Plan and the Redevelopment Authority were approved by City Council in September 2023.



	CITY OF HOUSTON	Fund Summary		
	ECONOMIC DEVELOPMENT DIVIS		Medical Center Area	
	FISCAL YEAR 2024 BUDGET PRO	TIBZ:	28-Medical Center A	rea Zone
		Fund Number:	7585/50	
Р	Base Year:	2022		
R	Base Year Taxable Value:	\$ 183,168,989		
ö	Projected Taxable Value (TY2023)	231,390,463		
F	Current Taxable Value (TY2022):	\$ 183,168,989		
	Acres:	1332.43		
<u>.</u>	Administrator (Contact):	City of Houston		
L E	Contact Number:	(832) 393-0981		
	Zone Purpose:			
	Tax Increment Reinvestment Zone Number Ty			
	by financing the design, acquistion and cons			
	like the Texas Medical Center, Hermann Park,	, the Houston Zoo; residenti:	al and commerical developm	ent and redevelopment
N	within the Zone boundaries.			
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E			Cumulative	
E		Total Plan	Cumulative Expenses	Variance
R	Capital Projects:			
E R J	Infrastructure and Resiliency	\$ 100,000,000		\$ 100,000,00
R	Infrastructure and Resiliency Mobility, Connectivity and Public Parking	\$ 100,000,000 210,000,000		\$ 100,000,0 210,000,0
E R D J E	Infrastructure and Resiliency Mobility, Connectivity and Public Parking Transit Improvements	\$ 100,000,000 210,000,000 30,000,000		\$ 100,000,00 210,000,00 30,000,00
	Infrastructure and Resiliency Mobility, Connectivity and Public Parking	\$ 100,000,000 210,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00
E R J	Infrastructure and Resiliency Mobility, Connectivity and Public Parking Transit Improvements Parks and Recreation Facilities	\$ 100,000,000 210,000,000 30,000,000 70,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00
E R D J E C T	Infrastructure and Resiliency Mobility, Connectivity and Public Parking Transit Improvements	\$ 100,000,000 210,000,000 30,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00
E R D J E C	Infrastructure and Resiliency Mobility, Connectivity and Public Parking Transit Improvements Parks and Recreation Facilities Total Capital Projects	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00
	Infractructure and Resiliency Mobility, Connectivity and Public Parking Tranzit Improvements Parks and Recreation Facilities Total Capital Projects Affordable Howsing	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 40,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 40,000,00
	Infractructure and Resiliency Mobility, Connectivity and Public Parking Transit Improvements Parks and Recreation Facilities Total Capital Projects Affordable Howsing Administration Cost	\$ 100,000,000 210,000,000 30,000,000 70,000,000 5 410,000,000 40,000,000 2,000,000	Expenses	\$ 100,000,01 210,000,01 30,000,01 70,000,01 \$ 410,000,01 \$ 40,000,01 2,000,01
	Infractructure and Resiliency Mobility, Connectivity and Public Parking Tranzit Improvements Parks and Recreation Facilities Total Capital Projects Affordable Howsing	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 40,000,000	Expenses	\$ 100,000,01 210,000,01 30,000,01 70,000,01 \$ 410,000,01 \$ 40,000,01 2,000,01
	Infrastructure and Realiseve Mobility, Connectivity and Public Parking Tranch Improvements Parks and Recreation Facilities Total Capital Projects Affordable Hoesing Administration Cost Total Project Plan	\$ 100,000,000 210,000,000 70,000,000 70,000,000 \$ 410,000,000 40,000,000 \$ 452,000,000	Expeases	\$ 100,000,01 210,000,01 30,000,01 70,000,01 \$ 410,000,01 40,000,01 2,000,01 \$ 452,000,01
	Infrastructure and Resiliance Mobility, Conactivity and Public Parking Translt Improvements Parks and Recreation Facilities Total Capital Projects Adjanistration Cost Total Project Plan Additional Financial Data	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 \$ 452,000,000	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 2,000,00 \$ 452,000,00 FY2024 Budget
	Infrastructure and Realiseve Mobility, Connectivity and Public Parking Tranch Improvements Parks and Recreation Facilities Total Capital Projects Affordable Housing Administration Cost Total Project Plan Additional Prosing Data Dath Service	\$ 100,000,000 210,000,000 30,000,000 10,000,000 1 410,000,000 40,000,000 2,000,000 1 452,000,000 FY2023 Bedget \$	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 40,000,00 \$ 452,000,00 \$ FY2024 Budget \$
	Infrastructure and Resiliance Mobility, Conactivity and Public Parking Transl Improvements Parks and Recreation Facilities Total Capital Projects Adjanistration Cost Total Project Plan Additional Financial Data Datk Survise Principal	\$ 100,000,000 210,000,000 30,000,000 10,000,000 \$ 410,000,000 \$ 40,000,000 \$ 40,000,000 \$ 452,000,000 \$ FY2023 Bedget \$ 5 \$	Expenses	\$ 100,000,0 210,000,0 30,000,0 70,000,0 \$ 410,000,0 \$ 40,000,0 \$ 452,000,0 \$ 452,000,0 \$ FY2024 Budget \$ - \$ -
	Infrastructure and Realiseve Mobility, Connectivity and Public Parking Tranch Improvements Parks and Recreation Facilities Total Capital Projects Affordable Housing Administration Cost Total Project Plan Additional Prosing Data Dath Service	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 FY2023 Budget \$ 5 \$ 4 \$ 4 \$ 4 \$ 4 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 40,000,00 \$ 452,000,00 \$ FY2024 Bedget \$ - \$ \$ - \$
	Infrastructure and Resiliance Mobility, Conactivity and Public Parking Transl Improvements Parks and Recreation Facilities Total Capital Projects Adjanistration Cost Total Project Plan Additional Financial Data Dath Strucke Principal	\$ 100,000,000 \$210,000,000 \$0,000,000 \$ 410,000,000 \$ 410,000,000 \$ 400,000,000 \$ 400,000,000 \$ 452,000,000 FY2023 Budget \$ \$ Balance as of	Espenses	\$ 100,000,0 210,000,0 30,000,0 70,000,0 \$ 410,000,0 \$ 410,000,0 \$ 452,000,0 \$ 452,000,0 \$ 5 - 5 \$ - 5
	Infrastructure and Resiliency Mobility, Concentitive and Aublic Parking Translt Improvements Parks and Recreation Facilities Total Capital Projects Affordable Hoesing Administration Scot Total Project Plas Administration Scot Total Project Plas Additional Financial Data Dath Sarrice Principal Interest	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 FY2023 Budget \$ 5 \$ 4 \$ 4 \$ 4 \$ 4 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5	Expenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 40,000,00 \$ 452,000,00 \$ FY2024 Bedget \$ - \$ \$ - \$
	Infrastructure and Resilience Mobility, Concertity and Public Parking Transl Improvements Parks and Recreation Facilities Total Capital Projects Administration Cost Total Project Plan Additional Financial Data Rebt Service Principal Interest Year End Outstanding (Principal)	\$ 100,000,000 210,000,000 30,000,000 10,000,000 \$ 410,000,000 40,000,000 2,000,000 \$ 452,000,000 FY2023 Budget \$ Balaace as of 6/30/22	Espenses	\$ 100,000,00 210,000,00 30,000,00 70,000,00 \$ 410,000,00 400,000,00 \$ 452,000,00 FY2024 Budget \$ Projected Balasc. az of 6/30/245
	Infrastructure and Resilience Mobility, Consectivity and Public Parking Transit Improvements Parks and Receasion Facilities Total Capital Projects Affordable Ressing Administration Cost Total Project Plas Additional Financial Data Debugation Interest Yaar End Quatandina (Principal) Bond Debt	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 \$ 452,000,000 \$ FY2023 Budget \$ 5 \$ 5 Balance as of 6/730/22 \$	Expenses	\$ 100,000,00 \$10,000,00 \$0,000,00 \$410,000,00 \$410,000,00 \$410,000,00 \$40,000,00 \$40,000,00 \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
	Infrastructure and Resiliance Mobility, Conactivity and Public Parking Transl Improvements Parks and Recreation Facilities Total Capital Projects Adjuster Research Adjuster Total Project Plas Adjuster Financial Data Adjuster Financial Data Principal Interest Year End Outstanding (Principal) Bond Dobt Bank Loon	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 FY2023 Bedget \$ Balance as of 6/30/22 }	Expenses	\$ 100,000,0 30,000,0 30,000,0 30,000,0 40,000,0 40,000,0 40,000,0 40,000,0 5,000,000
	Infrastructure and Resilience Mobility, Consectivity and Public Parking Transit Improvements Parks and Receasion Facilities Total Capital Projects Affordable Ressing Administration Cost Total Project Plas Additional Financial Data Debugation Interest Yaar End Quatandina (Principal) Bond Debt	\$ 100,000,000 210,000,000 30,000,000 70,000,000 \$ 410,000,000 2,000,000 \$ 452,000,000 \$ 452,000,000 \$ FY2023 Budget \$ 5 \$ 5 Balance as of 6/730/22 \$	Expenses	\$ 100,000,00 \$10,000,00 \$0,000,00 \$410,000,00 \$410,000,00 \$410,000,00 \$40,000,00 \$40,000,00 \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$40,000,00 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$

CITY OF HOUSTON	Fund Summary				
ECONOMIC DEVELOPMENT DIVISION		Medical Center Area			
FISCAL YEAR 2024 BUDGET DETAIL	TIRZ:	28-Medical Center	Area Zone		
		7585/50			
	51/0000 D 1	51/0000 5 vi	51/0004 D 1		
TIRZ Budget Line Items	FY2023 Budget	FY2023 Estimate	FY2024 Budget		
RESOURCES					
RESTRICTED Funds - Capital Projects	s -	S -	s		
RESTRICTED Funds - Affordable Housing	S -	S -	s		
RESTRICTED Funds - Bond Debt Service	<u>\$</u> -	\$ -	S		
Beginning Balance	\$ -	\$ -	\$ \$		
0 0			-		
City tax revenue	S -	S -	\$ 242,85		
County tax revenue	S -	\$ -	\$		
Incremental property tax revenue	\$ -	-	242,85		
	S -	\$-	\$		
	\$ -	s -	\$		
	S -	S -	S		
	s -	<u>s</u>	\$		
Miscellaneous revenue	\$ -	s -	\$		
COH TIRZ interest	S -	S -	S		
Interest Income	<u>s</u> -	s -	s		
Other Interest Income	s -	s -	s		
other interest income	-	-	•		
	S -	S -	S		
	S -	S -	\$		
Grant Proceeds	s -	· s -	s		
	<u>s</u> -	<u>s</u> -	\$		
Proceeds from Bank Loan	\$ -	\$ -	s		
	\$ -	\$ -			
	<u>s</u> -	<u>s</u> -	<u>\$</u>		
Contract Revenue Bond Proceeds	S -	S -	s		
TOTAL AVAILABLE RESOURCES	<u>s</u> -	\$ -	\$ 242.85		

E1	XPENDITURE	c				
E	APENDITURE	3				
Administrator					s	48.000
Bookkeeper	s	-	S	-	S	10,000
Financial Statement Preparation	S	-	S	-	S	10,000
Insurance	S	-	S	-	S	2,000
Auditor	S	-	S	-	S	15,000
Tax Consultant	S	-	S	-	S	6,000
Financial Advisor/Bond Paying Agent	S	-	S	-	\$	10,000
TIRZ Administration and Overhead	\$	-	s	-	S	101,000
			-		-	
Engineering Consultants	S	-	S	-	S	-
Legal	S	-	S	-	S	50,000
Construction Audit	S	-	S	-	S	-
Planning Consultants	S	- 1	S	-	S	50,000
Program and Project Consultants	\$	-	\$	-	\$	100,000
Management consulting services	\$	-	\$	-	\$	201,000
Capital Expenditures (See CIP Schedule)	s	-	S	-	\$	-
	S	-	S	-	S	-
TIRZ Capital Expenditures	\$	-	\$	-	\$	-
Developer / Project Reimbursements	\$	-	\$	-	\$	-
Bond Debt Service (Series ##)						
Principal	S	-	S	-	S	-
Interest	S	-	S	-	S	-
System debt service	\$	-	\$	-	\$	-
TOTAL PROJECT COSTS	\$	-	\$	-	\$	201,000

TOTAL PROJECT COSTS	\$	- \$	- \$	201,00
Adminstration Fees:				
City	S	- S	- S	12,14
County	S	- S	- 5	
ISD	S	- S	- \$	
HCC	S	- S	- S	
Affordable Housing:				
City	S	- S	- \$	
County	S	- S	- \$	
ISD to City of Houston	S	- S	- \$	
Municipal Services (Payable to COH)	S	- S	- \$	
Total Transfers	s	-	-	12,14
Total Budget	\$	-	-	213,14
RESTRICTED Funds - Capital Projects	s	- S	- S	29,70
RESTRICTED Funds - Affordable Housing	S	- S	- 5	
RESTRICTED Funds - Bond Debt Service	S	- S	- 5	
Ending Fund Balance	\$	- \$	- \$	29,70
Total Budget & Ending Fund Balance		-	-	242,85

Tax Increment Reinvestment Zone No. 14/Fourth Ward Redevelopment Authority

- City Council adopted Ordinance 2020-1068, enlarging TIRZ 14 boundaries to include Sam Houston Park and adjacent commercial properties; The Project Plan and Reinvestment Zone Financing Plan was also amended to allow TIRZ 14 to fund improvements to structures in the Park.
- Since the boundary enlargement in 2020, the commercial property has not provided any incremental value so no increment has been generated to fund improvements.
- In August 2023, City Council adopted the TIRZ Financial Policies which provide guidance regarding boundary adjustments.
 - Specifically, De-annexations will be evaluated and considered if the reduction in the boundary will either:
 - Increase the revenue generated in the area remaining after reduction, or;
 - Increase the City's capacity to designate other areas for Tax Increment Financing considering the 25% statutory limitation.
- The Mayor's Office of Economic Development has reviewed the lack of increment growth per the TIRZ policy and the impact that the lack of growth has had on the Fourth Ward TIRZ and recommends a boundary reduction to remove the area annexed into the Fourth Ward TIRZ in 2020.

Tax Increment Reinvestment Zone No. 14/Fourth Ward Redevelopment Authority

