

Transportation, Technology & Infrastructure Committee

February 13, 2014



REBUILD HOUSTON

City of Houston: By the Numbers...

- 2.2 million people
- 640+ square miles
- 2,450 traffic signals



- *16,000 lane-miles of streets*
- *3,600 miles of storm sewer pipe*
- *2,900 miles of roadside ditches*

Funding for CIP – Most cities

- Voters approve sale of Bonds
 - City sells 30 year Bonds
 - Taxpayers service **Debt**
 - Sporadic funding
- Repeat every 5 or so years → more **Debt**
- Limited bond capacity remaining



Houston Street & Drainage Debt

- Total **Debt** **\$1.7 Billion**
- **Debt Service** **\$150 Million+** per year



A series of mortgages that has **INCREASED** over time.

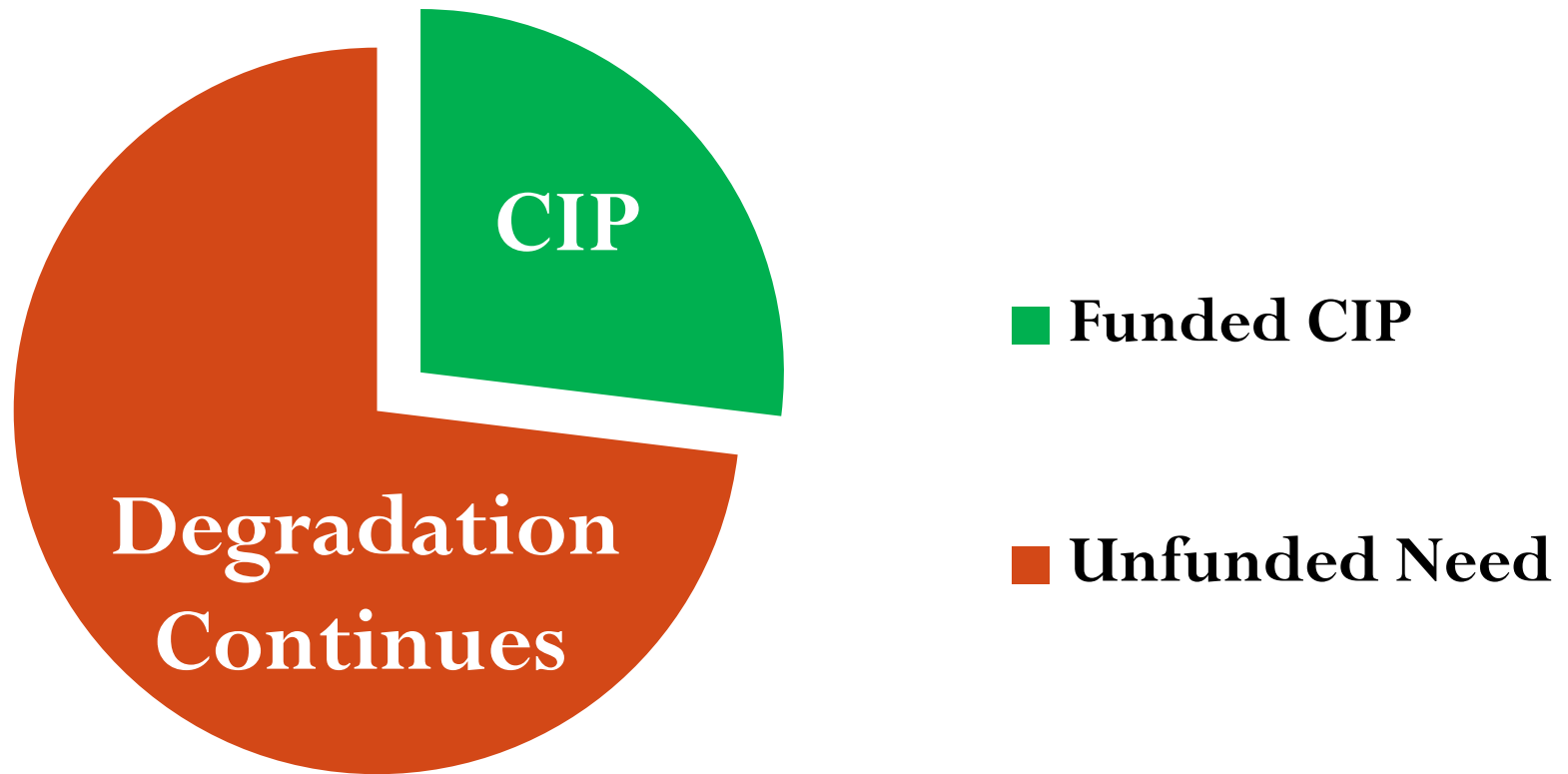
ReBuild Houston

stopped this growth in **debt!**



Historical Funding vs. Need

Before ReBuild Houston



COH Street & Drainage Infrastructure

3 R's of Infrastructure Management

House



Street



Repair

- Paint; Carpet
- New Appliance

- Pothole
- Skin Patch

Rehabilitate

- New Roof; Rotted Wood
- Foundation Repair
- Remodel

- Overlay
- Conc. Panel Replacement
- Spot Drainage Repair

Reconstruct

- New House
- Current Codes
- **Financing / Cash**

- New Street
- Current Standards
- **Cash only**

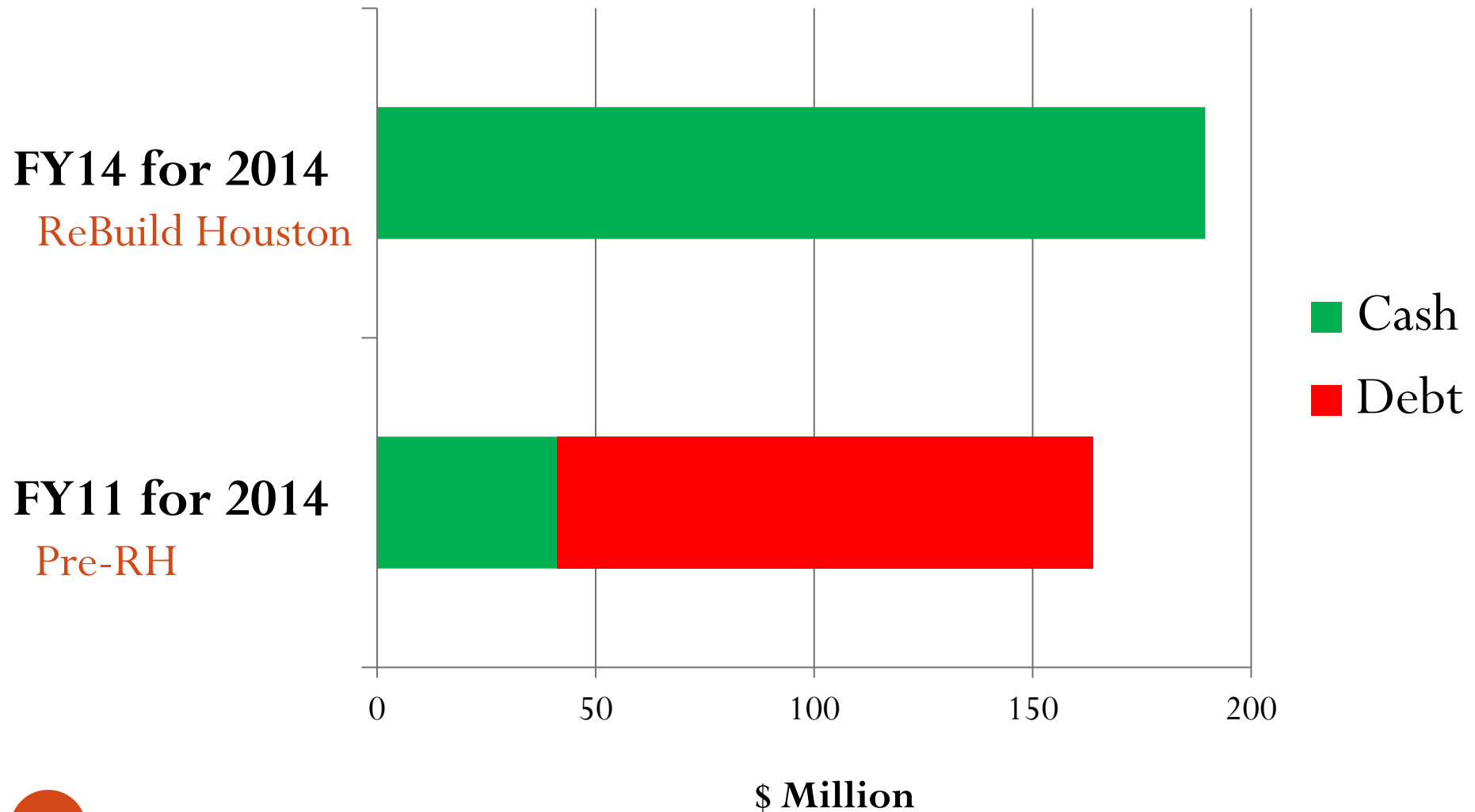
ReBuild Houston Facts

- RH is a long-term solution
 - Not an immediate fix
 - With a reliable funding stream
 - RH addresses 30+ yrs. of inadequate funding
 - Reason for poor condition of streets
 - PAYGo funding increases
 - Substantially after 2020 as old debt is paid
 - With RH:
 - CIP funding level has been preserved
- and is **GROWING!**



ReBuild Houston vs. Pre RH Funding

- Planned Appropriations for 2014





REBUILD HOUSTON



4 Funding Sources

NEW

Drainage Utility Charge

To be used for:

- Drainage projects
- Street projects that include drainage improvements
- Operation & Maintenance for drainage infrastructure (ditch cleaning, re-grading etc.)
- Expenses for administering the drainage fee

NEW

Developer Impact Fee

To be used for:

- Drainage projects providing capacity to offset future development
- Street projects providing added capacity for future development

EXISTING

Ad Valorem Taxes (Property Taxes)

To be used for:

- Street projects with or w/o drainage improvements
- Drainage projects
- Traffic signalization projects
- Sidewalk projects
- Operation & Maintenance for streets, traffic & drainage
- Payment of Pre-RH debt

EXISTING

Third-Party Funds (Metro, TxDOT, Feds)

To be used for:

- Street projects
- Drainage projects
- Operation & Maintenance for streets & traffic
- Sidewalk projects
- Hike & Bike Trails
- Traffic signalization projects
- Additional Uses

1) Drainage Utility Charge

- **User charge** based on impervious cover
- Similar to Water & Wastewater charge
 - ➔ You pay for what you use
- Implemented by
 - **9 of 10 largest Texas cities**
 - **98 Texas cities**
 - Cities throughout U.S.



2) Developer Impact Fees

- Strictly regulated by State of Texas
- Council Adopted on April 3, 2013
- Offsets drainage impact of future development



3) Ad Valorem (Property Taxes)

Before ReBuild Houston: 11.8¢ of tax rate paid debt

- **\$1.7 Billion** mortgage
 - **\$150+ Million/year** mortgage payment
- =====

ReBuild Houston: 11.8¢ (less debt payment) committed
for Streets & Drainage

- Funding **INCREASES** as debt is paid off
- More apparent in FY 2020 & beyond



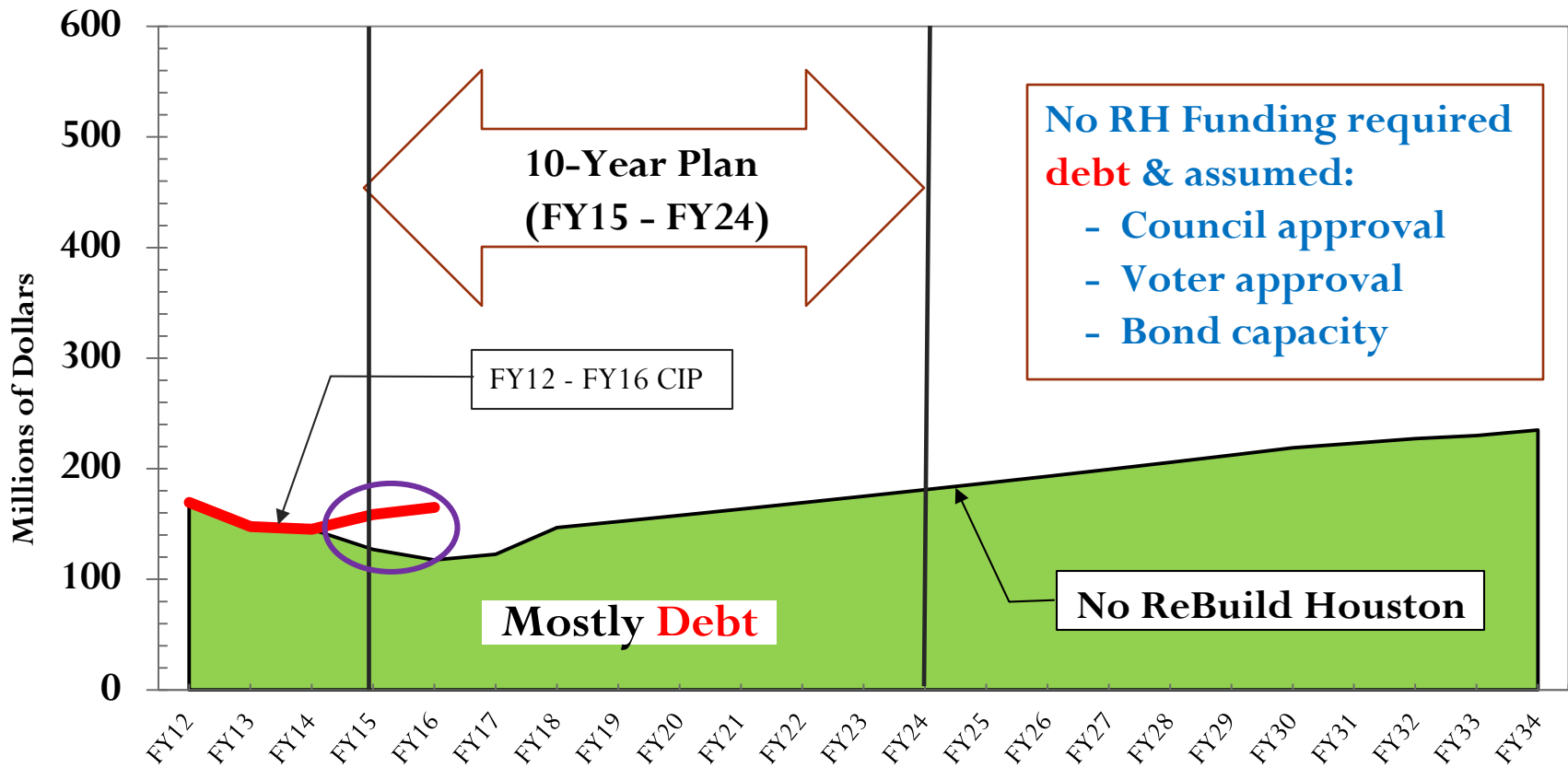
4) Third Party Funds

- METRO: Sales tax revenue
- TxDOT *
- Federal *
- County*, Special Districts, private, etc.



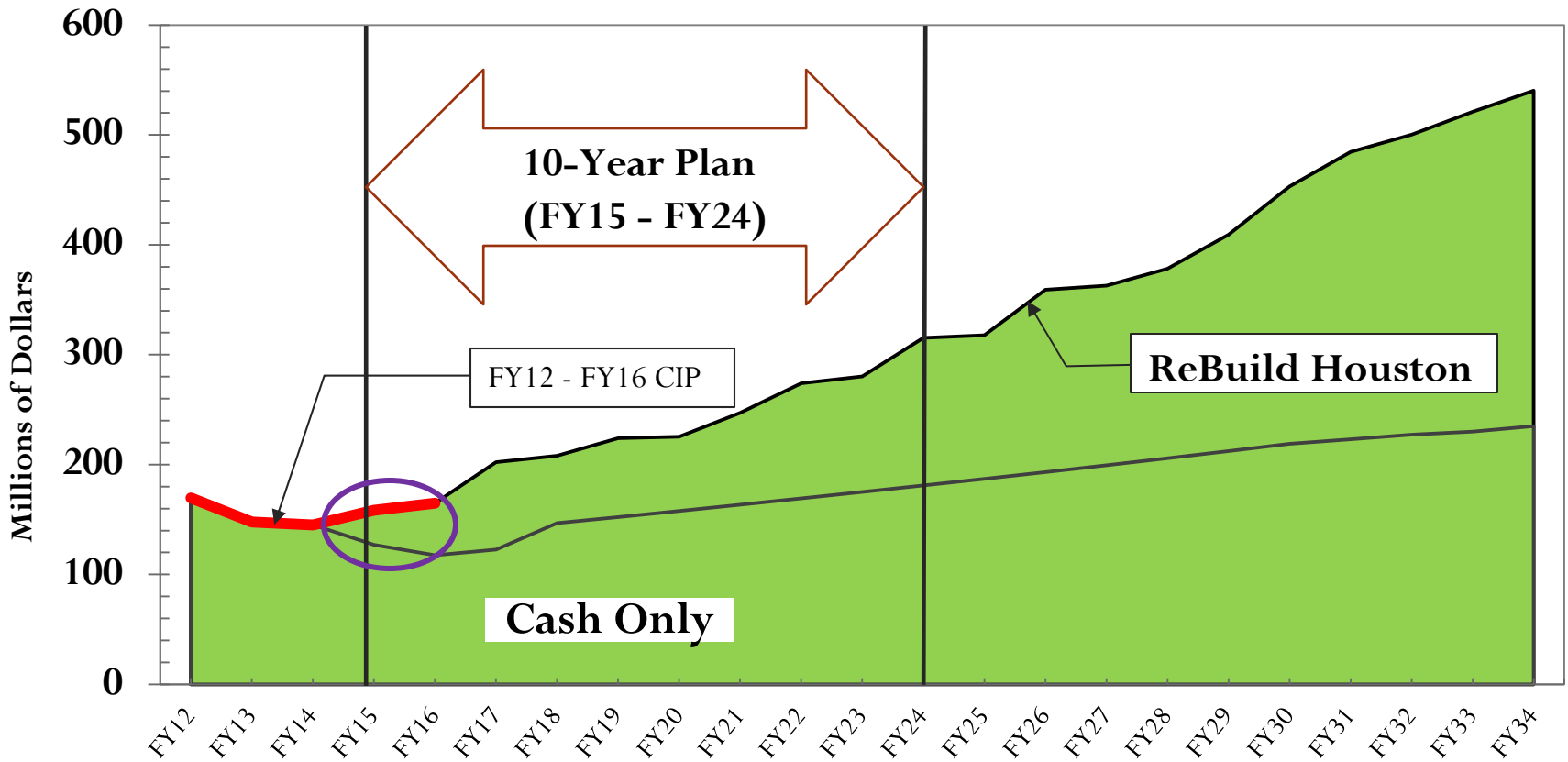
Forecasting Funds to 2034

without ReBuild Houston



Forecasting Funds to 2034

with ReBuild Houston



“5+5 Year Plan” Process

- Performed Annually



CIP Programming

(Years 1 thru 5)

- Design
- Bid
- Award
- Construct

+5” Planning

(Years 6 thru 10)

1. ID & Prioritize Needs
2. Pre-Engineering
 - Develop Solutions
 - Define Scope w/ cost est.
3. Prioritize Candidate Projects
 - Based on **Benefit/Cost**
4. **Best Projects go to CIP**

Methodology, in short ...



- **Need Area** — ‘Worst First’
 - Based on a defined Level of Service using objective data
- **Candidate Project**
 - Pre-engineering develops solution, defines scope w/ cost est.
 - Prioritization based on **Benefit** to **Cost** ratio
- **Funded Project**
 - Best projects recommended for next CIP

ReBuild Houston: What's already done?

- **Reconstructed**
 - 50 CIP projects completed
 - 69 lane-miles of new street pavement
 - 24 CIP projects under construction
- **Rehabilitated**
 - 380 lane-miles of asphalt overlay
 - 15 lane-miles of concrete panel replacement
 - 37 Local Drainage Projects completed
 - 14 Local Drainage Projects under construction
- **Repaired**
 - 557 miles of ditches re-graded
 - 131 miles of storm sewer line cleaned
- **Invested**
 - \$250 million so far

- **Public Input Survey** thru public input period
- “5+5” Year Plan documents
 - Interactive Map
 - CIP Forms, Exec. Summary, Need Area & ICP Lists
 - Need Priority (Paving & Flooding)
- Overlays, conc. panel & bridge replacements, etc.
- FAQ’s
- Funding Sources & Uses
- *CIP Process Manual*

Next Steps

- Feb/March: Public input period thru March 16
Review & address input
- April: Draft Plan goes to Mayor
- May/June: Council review & approval

- Continued Planning and Delivery –

www.rebuildhouston.org