

City of Houston, Texas, Ordinance No. 2017 - 683

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF THE HIRAM CLARKE/FORT BEND REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER TWENTY-FIVE, CITY OF HOUSTON, TEXAS (HIRAM CLARKE/FORT BEND ZONE); APPROVING THE FISCAL YEAR 2018 OPERATING BUDGET FOR THE AUTHORITY AND THE FISCAL YEARS 2018-2022 CAPITAL IMPROVEMENT PLAN BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, the City of Houston (the "City") created Reinvestment Zone Number Twenty-Five, City of Houston, Texas (the "Zone" or "Hiram Clarke/Fort Bend Zone") by Ordinance No. 2013-0708 on August 7, 2013; and

WHEREAS, the Hiram Clarke/Fort Bend Redevelopment Authority (the "Authority"), a local government corporation acting on behalf of the City in connection with the Zone, has submitted an Operating Budget for Fiscal Year 2018 (the "Operating Budget") and a Capital Improvement Plan Budget for Fiscal Years 2018-2022 (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. 2015-1277 on December 16, 2015; and

WHEREAS, the City Council desires to approve the Budgets for the Authority on behalf of the Zone; **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 the lesser of \$400,000 or 5% of Project Costs during Fiscal Year 2018. 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, 2018, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2018 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2018 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 5. 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 VII	\$1,000,000.00 or more

Section 6. 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 6th day of September, 2017.

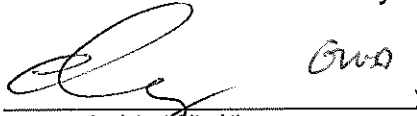
APPROVED this _____ day of _____, 2017.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is SEP 12 2017.



City Secretary



(Prepared by Legal Department
 (JN: 08.08.2017)
 (Requested by Andy Icken, Chief Development Officer, Office of the Mayor)
 (L.D. File No. 042-1300087-010)

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
✓		MARTIN
✓		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		GREEN
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
 REVIEW DATE: **SEP 12 2017**

EXHIBIT "A"

**Fiscal Year 2018 Operating Budget
for the Hiram Clarke/Fort Bend Redevelopment Authority**

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2018 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:		2015
	Base Year Taxable Value:	\$	232,463,210
	Projected Taxable Value (TY2017):	\$	304,978,384
	Current Taxable Value (TY2016):	\$	278,661,020
	Acres:		3,142
	Administrator (Contact):		
	Contact Number:		

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 6/30/16)	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	FY2017 Budget	FY2017 Estimate	FY2018 Budget
	Debt Service	\$	-	\$ -
Principal	\$	-	\$ -	\$ -
Interest	\$	-	\$ -	\$ -
		Balance as of 6/30/15	Projected Balance as of 6/30/16	Projected Balance as of 6/30/17
Year End Outstanding (Principal)	\$	-	\$ -	\$ -
	\$	-	\$ -	\$ -
	\$	-	\$ -	\$ -
	\$	-	\$ -	\$ -
Other	\$	-	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2018 BUDGET PROFILE

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

TIRZ Budget Line Items	FY2017 Budget	FY2017 Estimate	FY2018 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 291,855	\$ 230,758	\$ 457,395
Beginning Balance	\$ 291,855	\$ 230,758	\$ 457,395
City tax revenue	\$ 326,922	\$ 427,083	\$ 461,960
County tax revenue	\$ 10,711	\$ 8,316	\$ 5,582
Incremental property tax revenue	\$ 337,633	\$ 435,399	\$ 467,542
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ interest	\$ -	\$ -	\$ -
Interest Income	\$ 1,255	\$ -	\$ -
Other Interest Income	\$ 1,255	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ 300,000	\$ -	\$ 300,000
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 930,743	\$ 666,157	\$ 1,224,937

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2018 BUDGET PROFILE

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

TIRZ Budget Line Items	FY2017 Budget	FY2017 Estimate	FY2018 Budget
EXPENDITURES			
Accounting	\$ 9,000	\$ 9,000	\$ 12,000
Administration Salaries & Benefits	\$ 40,000	\$ 65,442	\$ 60,000
Auditor	\$ 8,000	\$ -	\$ 8,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ 1,500	\$ 1,800	\$ 2,000
Office Administration	\$ 7,619	\$ 50,000	\$ 50,000
TIRZ Administration and Overhead	\$ 66,119	\$ 126,242	\$ 132,000
Engineering Consultants	\$ 75,000	\$ 4,250	\$ 250,000
Legal	\$ 10,000	\$ 7,500	\$ 26,000
Construction Audit	\$ -	\$ 4,000	\$ 4,000
Planning Consultants	\$ 75,000	\$ 45,000	\$ 15,000
Program and Project Consultants	\$ 160,000	\$ 60,750	\$ 295,000
Management consulting services	\$ 226,119	\$ 186,992	\$ 427,000
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ 125,000
TIRZ Capital Expenditures	\$ -	\$ -	\$ 125,000
Hines SW Business Park	\$ 114,508	\$ -	\$ 227,289
Developer / Project Reimbursements	\$ 114,508	\$ -	\$ 227,289
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 340,627	\$ 186,992	\$ 779,289
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 16,346	\$ 21,354	\$ 23,098
County	\$ 536	\$ 416	\$ 279
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services Charge	\$ -	\$ -	\$ -
Total Transfers	\$ 16,882	\$ 21,770	\$ 23,377
Total Budget	\$ 357,509	\$ 208,762	\$ 802,666
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ 573,234	\$ 457,395	\$ 422,271
Ending Fund Balance	\$ 573,234	\$ 457,395	\$ 422,271
Total Budget & Ending Fund Balance	\$ 930,743	\$ 666,157	\$ 1,224,937

Notes:

EXHIBIT "B"

**Fiscal Years 2018-2022 Capital Improvement Plan Budget
for the Hiram Clarke/Fort Bend Zone**

2018 - 2022 CAPITAL IMPROVEMENT PLAN
 TIRZ 25
 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 2016	Projected 2017	2018	2019	2020	2021	2022		FY18 - FY22 Total	
K	T-2501	Pedestrian Safety and Intersection Improvements	\$ -	-	125,000	-	-	-	-	-	125,000	125,000
Totals			\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000

* NOTE:

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2018 - 2022 CAPITAL IMPROVEMENT PLAN
 TIRZ 25
 CIP by Sources of Funds

CITY OF HOUSTON - TIRZ PROGRAM
 Economic Development Division

Source of Funds	Fiscal Year Planned Appropriations										Cumulative Total (To Date)	
	Through 2016	Projected 2017	2018	2019	2020	2021	2022	FY18 - FY22 Total				
TIRZ Funds	-	-	125,000	-	-	-	-	-	-	-	125,000	125,000
City of Houston	-	-	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Project Total	-	-	125,000	-	-	-	-	-	-	-	125,000	125,000

Project:	Pedestrian Safety and Intersection Improvements	City Council District	Key Map:	WBS.:	T-2501	
Description:	Collaborative project with the Five Corners Management District to increase pedestrian safety and mobility improvements at key intersections within the boundaries of the Zone.	Location: K Served: K	Geo. Ref.: Neighborhood:			
Justification:	Enhancements and Safety Improvements will increase functionality and quality of life for residents of the Zone	Operating and Maintenance Costs: (\$ Thousands)				
		2018	2019	2020	2021	
					2022	
					Total	
		Personnel	-	-	-	\$ -
		Supplies	-	-	-	\$ -
		Svcs. & Chgs.	-	-	-	\$ -
		Capital Outlay	-	-	-	\$ -
		Total	\$ -	\$ -	\$ -	\$ -
		FTEs	-	-	-	-

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/16	2017 Budget	2017 Estimate	2018	2019	2020	2021	2022	FY18 - FY22 Total	Cumulative Total (To Date)
Phase										
1 Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design	-	-	-	25,000	-	-	-	-	\$ 25,000	\$ 25,000
4 Construction	-	-	-	100,000	-	-	-	-	\$ 100,000	\$ 100,000
5 Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other	-	-	-	-	-	-	-	-	\$ -	\$ -
									\$ -	\$ -
									\$ -	\$ -
									\$ -	\$ -
									\$ -	\$ -
									\$ -	\$ -
Other Sub-Total:									\$ -	\$ -
Total Allocations	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000

Source of Funds	2018	2019	2020	2021	2022	FY18 - FY22 Total	Cumulative Total (To Date)
TIRZ Funds	-	-	-	-	-	\$ -	\$ -
City of Houston	125,000	-	-	-	-	\$ 125,000	\$ 125,000
Grant Funds	-	-	-	-	-	\$ -	\$ -
Other	-	-	-	-	-	\$ -	\$ -
Total Funds	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000

*NOTE: