

City of Houston, Texas, Ordinance No. 2020-750

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER TWENTY-SIX, CITY OF HOUSTON, TEXAS (SUNNYSIDE ZONE); APPROVING THE FISCAL YEAR 2021 OPERATING BUDGET FOR THE ZONE AND THE FISCAL YEARS 2021-2025 CAPITAL IMPROVEMENT PLAN 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-Six, City of Houston, Texas (the "Zone") by Ordinance No. 2015-1092 on November 16, 2015; and

WHEREAS, the Zone has submitted an Operating Budget for Fiscal Year 2021 (the "Operating Budget") and a Capital Improvement Plan Budget for Fiscal Years 2021-2025 (the "CIP Budget" and, collectively with the Operating Budget, the "Budgets") to the City Council for approval; and

WHEREAS, the City Council desires to approve the Budgets for 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 to implement the Operating Budget for the Zone, and to make adjustments occasioned by events transpiring during the year, the Zone may need to 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, if the aggregate of such transfers does not exceed \$400,000 during Fiscal Year 2021. Subject to the foregoing, the Operating Budget attached hereto as Exhibit "A" is hereby approved for the Zone.

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, 2021, the Zone shall, in cooperation with City representatives (1) identify surplus funds in the Zone's Fiscal Year Operating Budget based on the difference between Zone revenues and the Fiscal Year Operating Budget for the Zone 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 the purpose. The Zone shall consider amendments to its Operating Budget 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, if 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 2nd day of September, 2020.

APPROVED this _____ day of _____, 2020.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is SEP 08 2020.

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: SEP 08 2020

[Signature]
Interim City Secretary

(Prepared by Legal Department [Signature])
(KK;gd August 18, 2019) Senior Assistant City Attorney
(Requested by Andrew F. Icken, Chief Development Officer)
(L.D. File No. 042-1500191-006)

AYE	NO	
✓		MAYOR TURNER
••••	••••	COUNCIL MEMBERS
✓		PECK
✓		DAVIS
✓		KAMIN
✓		EVANS-SHABAZZ
✓		MARTIN
✓		THOMAS
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		POLLARD
✓		MARTHA CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		PLUMMER
✓		ALCORN
CAPTION	ADOPTED	

EXHIBIT "A"

Fiscal Year 2021 Operating Budget for the Sunnyside Zone

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2021 BUDGET PROFILE

Fund Summary
 Fund Name: Sunnyside
 TIRZ: 26
 Fund Number: 7583/50

P R O F I L E	Base Year:		2015
	Base Year Taxable Value:	\$	200,950,432
	Projected Taxable Value (TY2020):	\$	321,232,303
	Current Taxable Value (TY2019):	\$	308,877,214
	Acres:		3,142
	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-Six, 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 6/30/19)	Variance
	Capital Projects:			
Roadways, Sidewalks, Trails and Other Right-of-Way Improvements	\$	5,200,000	\$ -	\$ 5,200,000
Water, Drainage, and Utilities		4,835,000	-	4,835,000
Open Space, Community and Cultural Amenities		1,804,000	140,000	1,664,000
Affordable Housing		800,000	-	800,000
		-	-	-
		-	-	-
		-	-	-
Total Capital Projects	\$	12,639,000	\$ 140,000	\$ 12,499,000
Financing Costs		-	-	-
Zone Administration		500,000	46,354	453,646
Total Project Plan	\$	13,139,000	\$ 186,354	\$ 12,952,646

D E B T	Additional Financial Data	FY2020 Budget	FY2020 Estimate	FY2021 Budget
		Debt Service	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		Balance as of 6/30/19	Projected Balance as of 6/30/20	Projected Balance as of 6/30/21
	Year End Outstanding (Principal)	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2021 BUDGET PROFILE

Fund Summary
 Fund Name: Sunnyside
 TIRZ: 26
 Fund Number: 7583/50

TIRZ Budget Line Items	FY2020 Budget	FY2020 Estimate	FY2021 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ 436,478	\$ 420,471	\$ 836,683
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
Beginning Balance	\$ 436,478	\$ 420,471	\$ 836,683
City tax revenue	\$ 604,117	\$ 575,390	\$ 639,456
County tax revenue	\$ -	\$ -	\$ 115,000
Incremental property tax revenue	\$ 604,117	\$ 575,390	\$ 754,456
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ interest	\$ 3,500	\$ 9,592	\$ 9,600
Interest Income	\$ -	\$ -	\$ -
Other Interest Income	\$ 3,500	\$ 9,592	\$ 9,600
	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 1,044,095	\$ 1,005,453	\$ 1,600,739

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2021 BUDGET PROFILE

Fund Summary
 Fund Name: Sunnyside
 TIRZ: 26
 Fund Number: 7583/50

TIRZ Budget Line Items	FY2020 Budget	FY2020 Estimate	FY2021 Budget
EXPENDITURES			
Accounting	\$ -	\$ -	\$ -
Administration Salaries & Benefits	\$ 17,000	\$ -	\$ 36,000
Auditor	\$ -	\$ -	\$ -
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Office Administration	\$ 500	\$ -	\$ 500
TIRZ Administration and Overhead	\$ 17,500	\$ -	\$ 36,500
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ -	\$ -	\$ -
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ 140,000	\$ 140,000	\$ 180,000
Program and Project Consultants	\$ 140,000	\$ 140,000	\$ 180,000
Management consulting services	\$ 157,500	\$ 140,000	\$ 216,500
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ 500,000
TIRZ Capital Expenditures	\$ -	\$ -	\$ 500,000
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Developer / Project Reimbursements	\$ -	\$ -	\$ -
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 157,500	\$ 140,000	\$ 716,500
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 31,252	\$ 28,770	\$ 31,973
County	\$ -	\$ -	\$ 5,750
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services Charge	\$ -	\$ -	\$ -
Total Transfers	\$ 31,252	\$ 28,770	\$ 37,723
Total Budget	\$ 188,752	\$ 168,770	\$ 754,223
RESTRICTED Funds - Capital Projects	\$ 855,343	\$ 836,683	\$ 846,516
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 855,343	836,683	846,516
Total Budget & Ending Fund Balance	\$ 1,044,095	\$ 1,005,453	\$ 1,600,739

Notes:

EXHIBIT "B"

Fiscal Years 2021-2025 Capital Improvement Plan Budget for the Sunnyside Zone

2021 - 2025 CAPITAL IMPROVEMENT PLAN
TIRZ 26 - Sunnyside

CITY OF HOUSTON - TIRZ PROGRAM
Economic Development Division

Council District	CIP No.	Project	Fiscal Year Planned Appropriations							FY21 - FY25 Total	Cumulative Total (To Date)
			Through 2019	Projected 2020	2021	2022	2023	2024	2025		
D	T-2601	Heritage Green	\$ -	-	230,000	1,090,000	1,000,000	-	-	2,320,000	2,320,000
D	T-2602	Phase I Area-Wide Beautification	\$ -	-	270,000	-	145,000	365,000	-	780,000	780,000
D	T-2603	Gateway at Airport Boulevard	\$ -	-	-	-	-	125,000	-	125,000	125,000
D	T-2604	Cullen Boulevard Beautification	\$ -	-	-	-	-	140,000	120,000	260,000	260,000
Totals			\$ -	\$ -	\$ 500,000	\$ 1,090,000	\$ 1,145,000	\$ 630,000	\$ 120,000	\$ 3,485,000	\$ 3,485,000

* NOTE:
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Source of Funds	Fiscal Year Planned Appropriations							FY21 - FY25 Total	Cumulative Total (To Date)
	Through 2019	Projected 2020	2021	2022	2023	2024	2025		
TIRZ Funds	-	-	385,000	545,000	545,000	630,000	120,000	2,325,000	2,325,000
City of Houston	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Other	-	-	115,000	545,000	500,000	-	-	1,160,000	1,160,000
Project Total	-	-	500,000	1,090,000	1,145,000	630,000	120,000	3,485,000	3,485,000

Project: Heritage Green		City Council District		Key Map:				WBS.:		T-2601											
		Location: D		Geo. Ref.:																	
		Served: D		Neighborhood:																	
Description: Create a Gateway to Sunnyside that celebrates the local heritage and culture. A destination space that enhances quality of life by providing a walking/jogging trail, benches, pedestrian lighting, a space for activities such as pop up Art festivals, local vendors, and food trucks.		Operating and Maintenance Costs: (\$ Thousands)																			
				2021		2022		2023		2024		2025		Total							
		Personnel		-		-		-		-		-		\$ -							
		Supplies		-		-		-		-		-		\$ -							
Justification: Based on the public meetings and workshops, the culture and heritage of the Sunnyside community was of major importance. The gateway would celebrate the local culture and heritage while encouraging economic development.		Svcs. & Chgs.		-		-		-		-		-		\$ -							
		Capital Outlay		-		-		-		-		-		\$ -							
		Total		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -							
		FTEs		-		-		-		-		-		-							
Fiscal Year Planned Expenses																					
Project Allocation		Projected Expenses thru 6/30/19		2020 Budget		2020 Estimate		2021		2022		2023		2024		2025		FY21 - FY25 Total		Cumulative Total (To Date)	
Phase																					
1 Planning		-		-		-		30,000		-		-		-		-		\$ 30,000		\$ 30,000	
2 Acquisition		-		-		-		-		-		-		-		-		\$ -		\$ -	
3 Design		-		-		-		200,000		50,000		-		-		-		\$ 250,000		\$ 250,000	
4 Construction		-		-		-		-		1,040,000		1,000,000		-		-		\$ 2,040,000		\$ 2,040,000	
5 Equipment		-		-		-		-		-		-		-		-		\$ -		\$ -	
6 Close-Out		-		-		-		-		-		-		-		-		\$ -		\$ -	
7 Other		-		-		-		-		-		-		-		-		\$ -		\$ -	
Other Sub-Total:		-		-		-		-		-		-		-		-		\$ -		\$ -	
Total Allocations		\$ -		\$ -		\$ -		\$ 230,000		\$ 1,090,000		\$ 1,000,000		\$ -		\$ -		\$ 2,320,000		\$ 2,320,000	
Source of Funds																					
TIRZ Funds		-		-		-		115,000		545,000		500,000		-		-		\$ 1,160,000		\$ 1,160,000	
City of Houston		-		-		-		-		-		-		-		-		\$ -		\$ -	
Grant Funds		-		-		-		-		-		-		-		-		\$ -		\$ -	
Other		-		-		-		115,000		545,000		500,000		-		-		\$ 1,160,000		\$ 1,160,000	
Total Funds		\$ -		\$ -		\$ -		\$ 230,000		\$ 1,090,000		\$ 1,000,000		\$ -		\$ -		\$ 2,320,000		\$ 2,320,000	

*NOTE:

Project: Phase I Area-Wide Beautification		City Council District		Key Map:		WBS.:		T-2602			
		Location: D		Geo. Ref.:							
		Served: D		Neighborhood:							
Description: To improve the visual appearance of the area, strategic locations have been identified for a phase I area-wide beautification.		Operating and Maintenance Costs: (\$ Thousands)									
		2021		2022		2023		2024		2025	Total
Personnel		-		-		-		-		-	\$ -
Supplies		-		-		-		-		-	\$ -
Justification: Improve the visual appearance of the area to encourage economic development and public safety.		Svcs. & Chgs.		-		-		-		-	\$ -
		Capital Outlay		-		-		-		-	\$ -
		Total		\$ -		\$ -		\$ -		\$ -	\$ -
		FTEs		-		-		-		-	-
Fiscal Year Planned Expenses											
Project Allocation		Projected Expenses thru 6/30/19	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	FY21 - FY25 Total	Cumulative Total (To Date)
Phase											
1	Planning	-	-	-	20,000	-	5,000	5,000	-	\$ 30,000	\$ 30,000
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3	Design	-	-	-	50,000	-	50,000	40,000	-	\$ 140,000	\$ 140,000
4	Construction	-	-	-	200,000	-	90,000	320,000	-	\$ 610,000	\$ 610,000
5	Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6	Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7	Other	-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
		-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Allocations		\$ -	\$ -	\$ -	\$ 270,000	\$ -	\$ 145,000	\$ 365,000	\$ -	\$ 780,000	\$ 780,000
Source of Funds											
TIRZ Funds		-	-	-	270,000	-	145,000	365,000	-	\$ 780,000	\$ 780,000
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -
Grant		-	-	-	-	-	-	-	-	\$ -	\$ -
Other		-	-	-	-	-	-	-	-	\$ -	\$ -
Total Funds		\$ -	\$ -	\$ -	\$ 270,000	\$ -	\$ 145,000	\$ 365,000	\$ -	\$ 780,000	\$ 780,000

Project: Gateway at Airport Boulevard		City Council District		Key Map:				WBS.:		T-2603					
		Location: D		Geo. Ref.:											
		Served: D		Neighborhood:											
Description: A secondary gateway into the area for visitors coming along SH-288 or from the west on Airport Boulevard.		Operating and Maintenance Costs: (\$ Thousands)													
				2021		2022		2023		2024		2025		Total	
		Personnel		-		-		-		-		-		\$ -	
		Supplies		-		-		-		-		-		\$ -	
Justification: Gateway and median improvements to encourage economic development.		Svcs. & Chgs.		-		-		-		-		-		\$ -	
		Capital Outlay		-		-		-		-		-		\$ -	
		Total		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
		FTEs													
Fiscal Year Planned Expenses															
Project Allocation		Projected Expenses thru 6/30/19	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025	FY21 - FY25 Total	Cumulative Total (To Date)				
Phase															
1	Planning	-	-	-	-	-	-	5,000	-	\$ 5,000	\$ 5,000				
2	Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -				
3	Design	-	-	-	-	-	-	20,000	-	\$ 20,000	\$ 20,000				
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															
TIRZ Funds		-	-	-	-	-	-	125,000	-	\$ 125,000	\$ 125,000				
City of Houston		-	-	-	-	-	-	-	-	\$ -	\$ -				
Grants		-	-	-	-	-	-	-	-	\$ -	\$ -				
Other		-	-	-	-	-	-	-	-	\$ -	\$ -				
Total Funds		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000	\$ 125,000				

