



CITY OF HOUSTON

Office of the Mayor

Interoffice

Correspondence



To: Mayor Sylvester Turner

From: Andrew F. Icken
Chief Development Officer

Date: September 8, 2021

Subject: TIRZ FY22 Budget

TIRZ budgets to be presented to City Council on *September 22, 2021* for consideration and approval are listed below:

TIRZ #10 – LAKE HOUSTON (DISTRICT E) was created to provide plans and programs needed to facilitate planned residential and commercial developments and, in a manner, consistent with the Kingwood Annexation Service Plan which annexed the area into the City of Houston.

The projected incremental property tax revenue is \$18.5M, which comprises \$5.9M from City revenue and \$12.6M from Humble ISD. The FY22 budget is \$68.0M and allocates \$54.9M for project costs primarily for the construction of an overpass and the reconstruction of Northpark Drive between US 69 and Russell Palmer Road (\$23.5M) and the reconstruction of Northpark Drive from Russell Palmer Road to Woodland Hills Drive (\$3.6M). Project costs also include developer reimbursements (\$3.2M) and debt service payments (\$23.9M). The budget includes \$13.1M in transfers, primarily for educational facilities (\$12.6M).

FY21 – FY25 CIP: \$116.5M

FY22 – FY26 CIP: \$102.4M

Projects ADDED for FY22 – FY26:

- None

TIRZ #12 – CITY PARK (DISTRICT C) was created to facilitate the construction of single family and multi-family housing and associated retail and commercial development, and associated roadway and street reconstruction including utilities, sidewalks, and lighting. Additional efforts consisted of the design and construction of recreational facilities, environmental remediation, and land acquisition.

The projected incremental property tax revenue is \$866K, which comprises \$465K from City increment and \$401K from Houston ISD. The FY22 budget is \$1.0M and allocates \$825K for project costs, including \$500K to develop a comprehensive drainage study for the Timbergrove area to improve regional drainage infrastructure, and \$266K for debt service.

The budget also includes \$225K in transfers, the majority of which is for educational facilities (\$176K). There is currently no Five-Year CIP.

TIRZ #14 – FOURTH WARD (DISTRICT H, I) was created to facilitate the revitalization of the historic Fourth Ward from a blighted and deteriorated neighborhood into a viable residential community with supporting commercial development, affordable housing, infrastructure improvements, educational facilities, parks, property acquisition, and the preservation and restoration of historic structures.

The projected incremental property tax revenue is \$6.4M, which comprises \$4.0M from City increment and \$2.4M from HISD. The FY22 budget is \$12.6M and allocates \$9.3M for project costs. Projects include roadway reconstruction and streetscape enhancement throughout Fourth Ward neighborhood (\$4.8M), acquisition of property to develop new affordable housing (\$1.6M), and the conversion of historical row houses into a visitor and community center at the African American Library at the Gregory School (\$1.1M). The budget also allocates \$3.3M in transfers to affordable housing (\$2.1M) and educational facilities (\$818K).

FY21 – FY25 CIP: \$26.2M

FY22 – FY26 CIP: \$28.2M

Projects ADDED for FY22 – FY26:

- Antioch Park improvements
- Redesign of Wylie Park