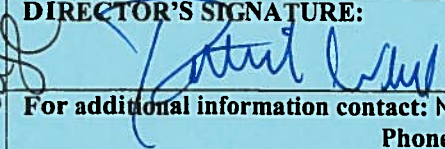


TO: Mayor via City Secretary REQUEST FOR COUNCIL ACTION

SUBJECT: Resolution authorizing the Westchase Management District to Borrow up to \$1,000,000		Category #	Page 1 of 1	Agenda Item #
FROM (Department or other point of origin): Planning and Development		Origination Date August 6, 2014		Agenda Date
DIRECTOR'S SIGNATURE: 		Council District affected: F and G		
For additional information contact: Nicole Smothers Phone: 713-837-7856		Date and identification of prior authorizing Council action: 6/24/13 Ordinance No. 2013-626 4/22/09 Ordinance No. 2009-324		
RECOMMENDATION: (Summary) Approve Resolution authorizing the Westchase Management District to borrow up to \$1,000,000				
Amount and Source of Funding: N/A			Finance Budget:	
SPECIFIC EXPLANATION:				
<p>Management districts are special districts created by the Texas legislature. Generally, these districts are empowered to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation, arts, entertainment, economic development, safety and public welfare. Typically, management districts are given the power to finance their operations by issuing bonds or other obligations, payable in whole or in part from ad valorem taxes, assessments, impact fees or other funds of the District to provide improvements and services. They may not levy a tax assessment on single-family detached residences. Further, districts may levy a tax only after holding an election within the district.</p> <p>Westchase Management District: Authorized by the 74th Legislature in 1995, this district is located in both Council Districts G and F. The City Council consented to the creation of the District on April 22, 2009.</p> <p>Chapter 375 of the Texas Local Government Code requires approval by the City Council prior to the issuance of any bonds or notes whose proceeds will be utilized to construct capital improvements within the District. The Westchase Management District Board is now seeking that approval. The District is seeking approval for the establishment of a line of credit with Amegy Bank in an amount not to exceed \$1,000,000. The District further requests City approval of the Districts issuing up to five (5) consecutive lines of credit over the next five years, which is also allowable under Chapter 375.</p> <p>Following city approval of the district's request to establish a line of credit up to \$1,000,000 with Amegy Bank, the District's Board of Directors will proceed with the implementation of projects within the District. Funds from this line of credit will only be used to implement projects in keeping with the District Service Plan. These projects include: 1. Street restructuring and widening along portions of Richmond and Westheimer 2. Landscape and irrigate 22 esplanades along portions of Wilcrest and Briar Forest.</p> <p>A management district is intended to supplement, not supplant, existing public services. Except as a result of a Governing Body's action to dissolve a district, the municipality assumes no liability for the debts, obligations or liabilities of the district. Loan proceeds will be repaid using a portion of the District's annual assessment revenue stream.</p> <p>The Planning and Development Department recommends City Council authorize the Westchase Management District to establish a line of credit for up to \$1,000,000 annually for a period not to exceed five (5) years.</p> <p>cc: Marta Crinejo David Feldman Omar Izfar Anna Russell</p>				
REQUIRED AUTHORIZATION				
Finance Director:		Other Authorization:		Other Authorization:

SH