



CITY OF HOUSTON

Sylvester Turner

Mayor

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To: Mayor Sylvester Turner

From: Andrew F. Icken 
Chief Development Officer

Subject: TIRZ FY23 Budgets

Date: October 4, 2023

TIRZ budget to be presented to City Council on *October 11, 2023*, for consideration and approval are listed below:

As required by the newly approved TIRZ policy, the Budget and CIP will reflect only projects that have a defined funding source including increment revenue, “council approved” bond proceeds or grant funding. Each TIRZ is required to submit CIP supplemental schedules reflecting the source of funding for capital projects. Any additional funding required for CIP projects must be clearly disclosed.

TIRZ #2 – MIDTOWN (DISTRICT C, D, I) was created by the City for the purposes of eliminating urban blight with revitalization providing public right-of-way improvements and enhancements such as: street resurfacing, utilities, street lighting, street art, street furniture, enhanced landscaping, irrigation, and decorative and wider sidewalks.

The actual incremental property tax revenue is \$35.6M, comprised of \$13.8M in City increment, \$19.8M in Houston ISD increment, and \$2M in Houston Community College increment.

The FY23 budget is \$58.3M, which allocates \$1.9M for management and consulting services, \$22.8M for capital projects, \$13.1M for affordable housing, \$2.5M for developer or project reimbursements, and \$9.3M for debt service. The budget also includes transfers to HISD for educational facilities (\$6.4M) and transfers to the City: HISD administration fees (\$25K), HCC administration fees (\$25K), City administration fees (\$690K), the municipal services charge (\$781K), and a supplemental municipal services charge (\$493K).

The FY23 capital projects include improvements to Midtown park (\$4M); area-wide park, open space, and right-of-way improvements (\$2.7M); area-wide mobility and pedestrian improvements (\$2.1M); and North Houston Highway Improvement Project funding (\$1.8M).

The Five-Year CIP is \$163.3M.

FY22 – FY26 CIP: \$177.6M

FY23 – FY27 CIP: \$163.3M

Projects ADDED for FY24 – FY28:

- Redevelopment of the Pierce Elevated section of I-45 included in the North Houston Highway Improvement Project to create new green spaces, improve pedestrian mobility, and increase neighborhood connections.