



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

District B

Item Creation Date: 10/3/2023

HCD23-120 Bethune Empowerment Center Phase II - 2nd Amendment

Agenda Item#:

Summary:

Ordinance approving and authorizing a Second Amendment to the Renovation, Operation, and Management Agreement between the City of Houston, Texas and **HOUSTON BUSINESS DEVELOPMENT, INC.** providing additional funding for additional improvements on the property located at 2500 South Victory Drive, Houston, Texas 77088

- DISTRICT B - JACKSON

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the Renovation, Operations and Management Agreement (Agreement) between the City of Houston (City) and Houston Business Development Inc. (HBDi), to provide an additional \$2,156,058.00 in General Funds for the Bethune Empowerment Center Phase II located at 2500 Victory Dr. in the Acres Home Complete Community.

The additional funding for the Bethune Empowerment Center (Phase II) will be used to build out a robotics lab and install a greenhouse and provide operating funds for two years. The project will ultimately provide workforce development, job training and education, and a childcare and learning center.

Previously, pursuant to Ordinance No. 2023-715 executed August 30, 2023, the City and HBDi entered into a First Amendment to the Agreement, in which the City approved funding in the amount of \$1,871,266.00 from General Funds and an additional \$1,500,000.00 in Community Development Block Grant (CDBG) funds.

HCD and HBDi now request Council approval to amend the Agreement for Phase II. HBDi will manage the renovations and operate and manage the Bethune Empowerment Center (Phase II) to effectuate the goals of the community resource center and provide economic opportunities.

HBDi is a certified Community Development Financial Institution and a Community- Based Development Organization that has served Houston for 30 years, providing small businesses with access to affordable loans, technical assistance, and business counseling services.

Sources	Amount	Uses	Amount
COH - CDBG (approved on 8/30/23 by (O) 2023-715)	\$1,500,000.00	Soft Costs	\$687,500.00
EDI Community Project Funding	\$1,780,000.00	Hard Costs	\$6,254,516.00
Sponsor Contributions	\$1,123,750.00	Operating Costs	\$1,489,058.00
COH – General Funds (approved on 8/30/23 by (O) 2023-715)	\$1,871,266.00		
COH - General Funds	\$2,156,058.00		
Total	\$8,431,074.00	Total	\$8,431,074.00

Estimated Fiscal Operating Impact	
Recurring or One-Time	One-time

Fund Name	FY2024	Out Year	Total
General Funds	\$1,616,979.00	\$539,079.00	\$2,156,058.00
Total	\$1,616,979.00	\$539,079.00	\$2,156,058.00

Fiscal Note:

Funding for this item is not included in the FY2024 Adopted Budget. Therefore, a Fiscal Note is Required as stated in the Financial Policies.

The Housing and Community Affairs Committee Chair was briefed on this item on October 6, 2023.

DocuSigned by:

Keith W. Bynam

Keith W. Bynam, Director

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Prior Council Action:

2/3/21 (O) 2021-89; 2/3/21 (O) 2021-90; 2/3/21 (O) 2021-91; 3/30/22 (O) 2022-225; 3/30/22 (O) 2022-26; 12/14/22 (O) 2022-964; 8/30/23 (O) 2023-715

Amount and Source of Funding:

\$2,156,058.00 – General Fund (1000)

Contact Information:

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(832) 394-6307

ATTACHMENTS:

Description	Type
Caption	Other
Ordinance 2021-89	Ordinance/Resolution/Motion
Ordinance 2021-90	Ordinance/Resolution/Motion
Ordinance 2021-91	Ordinance/Resolution/Motion
Ordinance 2022-225	Ordinance/Resolution/Motion
Ordinance 2022-226	Ordinance/Resolution/Motion
Ordinance 2022-964	Ordinance/Resolution/Motion
Ordinance 2023-715 (Part 1)	Ordinance/Resolution/Motion
Ordinance 2023-715 (Part 2)	Ordinance/Resolution/Motion
DTR	Backup Material
Public Notice Original	Public Notice
Public Notice - Correction Notice	Public Notice