



CITY OF HOUSTON


Sylvester Turner

Mayor

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To: Mayor Sylvester Turner

From: Andrew F. Icken 
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Subject: TIRZ FY24 Budgets

Date: October 9, 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 #13 – OLD SIXTH WARD (DISTRICT H) was created to provide the mechanisms needed to assist in the repositioning of the historic Old Sixth Ward from a blighted and deteriorated neighborhood into a viable residential community. Proposed public improvements included provisions for the design and construction of roadways and utility systems, parks, land acquisition, historic preservation, cultural and public facilities improvements, environmental remediation, streetscape improvements and public art.

The actual incremental property tax revenue is \$5.4M, comprised of \$4.8M in City increment and \$602K in Houston ISD increment.

The FY24 budget is \$5.3M, which allocates \$266K for management and consulting services, \$2.4M for capital projects, and \$246K for debt service. The budget also includes transfers to HISD for educational facilities (\$282K) and for administration fees (\$25K) and to the City for administration fees (\$238K), for affordable housing (\$1.9M), and the municipal services charge (\$143K).

The FY24 capital projects include multimodal improvements to Sawyer St. and Edwards St. (\$1M); improvements to Silver St. (\$820K); improvements to Hemphill Rd. (\$250K); and improvements to pedestrian access, walkability, bicycle access, lighting, and ADA design (\$120K).

The Five-Year CIP is \$15.7M.

FY23 – FY27 CIP: \$9.9M

FY24 – FY28 CIP: \$15.7M

Projects ADDED for FY24 – FY28:

- Reconstruction of Oliver St. between Washington and Summer to provide adequate access for all modes of transportation in a commercially redeveloping area experiencing a significant increase in traffic.

TIRZ #18 – FIFTH WARD (DISTRICT B, H) was created to facilitate the revitalization of the historic Fifth Ward from a blighted and deteriorated neighborhood into a viable residential community with supporting commercial and retail development. Proposed improvements would address inadequate or deteriorated streets, utilities and sidewalks, parks, and affordable housing.

The actual incremental property tax revenue is \$1.9M, comprised of \$1.5M in City increment, \$14K in County increment, and \$336K in Houston ISD increment.

The FY24 budget is \$5.9M, which allocates \$505K for management and consulting services, \$3.6M for capital projects, and \$1.1M in developer or project reimbursements. The budget also includes transfers to HISD for educational facilities (\$112K) and for administration fees (\$25K), to the County for administration fees (\$700), to the City for administration fees (\$77K), and for affordable housing (\$514K).

The FY24 capital projects include land acquisition for the conversion of vacant and deteriorating properties into productive properties (\$1.5M); improvements to bike and pedestrian pathways (\$1M); improvements to Lyons Ave. (\$255K); and support for redevelopment that preserves the character and history of the neighborhood (\$225K).

The Five-Year CIP is \$7.8M.

FY23 – FY27 CIP: \$8.1M

FY24 – FY28 CIP: \$7.8M

Projects ADDED for FY24 – FY28:

- None
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TIRZ #27 – MONTROSE (DISTRICT C) was created to invest 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 to enhance economic development and quality of life.

The actual incremental property tax revenue is \$7.1M, comprised entirely of City increment.

The FY24 budget is \$13.7M, which allocates \$469K for management and consulting services and \$12.7M for capital projects. The budget also includes transfers to the City for administration fees (\$356K) and the municipal services charge (\$197K).

The FY24 capital projects include Phase I reconstruction of Montrose Blvd. and drainage improvements (\$7.4M); improvements to W. Gray St. (\$1.3M); Phase II reconstruction of Montrose Blvd and drainage improvements (\$1M); reconstruction of W. Alabama St. (\$750K); and developing an affordable housing program (\$750K).

The Five-Year CIP is \$111M.

FY23 – FY27 CIP: \$78.8M

FY24 – FY28 CIP: \$111M

Projects ADDED for FY24 – FY28:

- None