



CITY OF HOUSTON

Sylvester Turner

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To: Mayor Sylvester Turner

From: Andrew F. Icken
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Subject: TIRZ FY24 Budgets

Date: October 10, 2023

TIRZ budget to be presented to City Council on *October 18, 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. The following TIRZs have requested one or more of the actions referenced above to finance one or more of the projects reflected in its CIP. Projects that are approved by the mayor or designee will remain in the CIP. Projects rejected by the mayor or designee will be removed from the CIP prior to submission for City Council approval.

TIRZ #1 – ST. GEORGE PLACE (DISTRICT G, J) was created to stabilize property values, address deteriorated buildings and incompatible land uses and provide for the design and construction of roadway and streets, public utility systems, sidewalks, landscaping, and land acquisition in a district of the City known as St. George Place (formerly known as Lamar Terrace)

The projected incremental property tax revenue is \$7M, comprised of \$4.9M in City increment and \$2.1M in Houston ISD increment.

The FY24 budget is \$17.8M, which allocates \$284K for management and consulting services, \$11.5M for capital projects, and \$2.3M for debt service. The budget also includes transfers to HISD for educational facilities (\$889K) and transfers to the City: HISD administration fees (\$25K), City administration fees (\$243K), City affordable housing (\$1.6M), ISD affordable housing (\$714K), and the municipal services charge (\$233K).

The FY24 capital projects include Schumacher area street reconstructions (\$5.4M); improvements to Bering Dr. (\$3M); safety improvements to Greenridge (\$1.1M); pedestrian safety improvements for Safe Route to Schools program (\$580K) and design for Anderson Park (\$300K).

The Five-Year CIP is \$28.6M. **An increase in the bond authorization and a bond issuance of \$7.5M is required for the construction of Anderson Park and Bering Drive**

FY23 – FY27 CIP: \$34.5M

FY24 – FY28 CIP: \$28.6M

Projects ADDED for FY24 – FY28:

- None

TIRZ #5 – MEMORIAL HEIGHTS (DISTRICT C, H) was created to provide plans and programs necessary to create and support an environment attractive to private investments in the greater Memorial Heights and lower White Oak Bayou recreational corridor. The intent of the plans and programs is to support the long-term stability and viability of the area.

The projected incremental property tax revenue is \$16.8M, comprised entirely of City increment.

The FY24 budget is \$39.5M, which allocates \$650K for management and consulting services, \$33.6M for capital projects, \$2.1M in developer or project reimbursements, and \$2.1M in debt service. The budget also includes transfers to the City for administration fees (\$841K) and the municipal services charge (\$161K).

The FY24 capital projects include the reconstruction of the Shepherd and Durham corridor (\$28.1M); safety improvements around 19th St. and Beall (\$1.6M); Little Thicket park improvements (\$1M); and safety and mobility improvements to Waugh, S. Heights, Yale, and Waughford (\$979K).

The Five-Year CIP is \$103M. **A new bond issuance of \$18M from a previous authorization is required to fund The North Canal project. In addition, an increase in the bond authorization and a bond issuance of \$6.1M is required for the construction of the North Canal Project and a NEW PROJECT: Complete reconstruction of 10 east/west connector streets between Durham and Shepherd (Planning only).**

FY23 – FY27 CIP: \$110M

FY24 – FY28 CIP: \$103M

Projects ADDED for FY24 – FY28:

- Sidewalk and street crossing improvements at Shepherd Dr. and Memorial Dr. for safer access to Buffalo Bayou Park, nearby schools, and senior facilities.
- Stude Park masterplan and improvement of Playground and some other facilities in Stude Park.
- Reconstruct the Yale St. at Center St. intersection, including signal replacements and pedestrian crossing improvements to reduce the frequency of vehicle collisions at this intersection.
- Planning study for multimodal connections to the White Oak Bayou, MKT, Nicholson Trail systems, and Patterson Bridge as well as safety, access, and connectivity improvements to access existing greenspaces, schools, and public amenities. This study will create a general safety action plan, perform roadway audits, detail safe routes to school, and perform a crash analysis to identify potential safety measures.
- Planning for the full reconstruction of remaining cross streets from Durham and Shepherd between I-10 and 610, including pavement, utilities, and stormwater improvements.
- Construct a pedestrian and bicycle side path to provide access from the commercial areas on Durham and Ella to White Oak Bayou and Cherry Lorraine.
- Pedestrian and bicycle crossing improvements at White Oak and Greenleaf to reduce the frequency of crashes that occur at this location.
- Landscaping improvements to the recently resurfaced Wescott Roundabout.

TIRZ #16 – UPTOWN (DISTRICT C, G, J) was created to provide redevelopment plan and programs along North Post Oak, Westheimer, West Alabama and the Richmond corridors through the financing of mobility enhancements, public infrastructure and roadway improvements, affordable housing and educational facilities improvements.

The projected incremental property tax revenue is \$49M, comprised of \$28.8M in City increment and \$20.2M in Houston ISD increment.

The FY24 budget is \$57.9M, which allocates \$708K for management and consulting services, \$11.8M for capital projects, \$801K in developer or project reimbursements, and \$23.9M in debt service. The budget also includes transfers to HISD for educational facilities (\$6.4M) and transfers to the City: HISD administration fees (\$25K), City administration fees (\$1.4M), City affordable housing (\$4.7M), ISD affordable housing (\$3.3M), the municipal services charge (\$4.7M), and the supplemental municipal services charge (\$250K).

The FY24 capital projects include drainage improvements around Inverness (\$5.6M); improvements to the West Loop transit guideway for Post Oak Blvd. (\$3.2M); ecological restoration in Memorial Park (\$1.9M); and infrastructure to support the new land bridge in Memorial Park (\$350K).

The Five-Year CIP is \$38.2M.

FY23 – FY27 CIP: \$59M

FY24 – FY28 CIP: \$38.2M

Projects ADDED for FY24 – FY28:

- None

TIRZ #23 – HARRISBURG (DISTRICT H, I) was created to provide the plans and programs needed to revitalize Houston's East End, a neighborhood of the City containing industrial brownfield sites, inactive landfills, abandoned dock lands, industrial properties, railroads, and various commercial uses located amid single family residential areas.

The projected incremental property tax revenue is \$4M, comprised of \$4M in City increment and \$44K in County increment.

The FY24 budget is \$8M, which allocates \$306K for management and consulting services, \$3.6M for capital projects, and \$611K in developer or project reimbursements, and \$3M in debt service. The budget also includes transfers to the City for administration fees (\$200K) and the municipal services charge (\$325K).

The FY24 capital projects include improvements to Telephone Rd. (\$900K); improvements to Eastwood Park (\$650K); improvements to Mason Park (\$650K); and area-wide sidewalk improvements (\$380K).

The Five-Year CIP is \$36.4M. **A bond authorization and bond issuance of \$25.5M is required for the construction of the Buffalo Bayou South trail, Eastwood Park, Mason Park, Harrisburg Trails, Telephone Road and Milby and 72nd street reconstruction .**

FY23 – FY27 CIP: \$10M

FY24 – FY28 CIP: \$36.4M

Projects ADDED for FY24 – FY28:

- Strategic improvements to sidewalks throughout the Zone, including repair, replacement, enhancement, ADA compliance, intersection/midpoint crosswalks and other needs as appropriate.
- A new community development program that identifies and funds capital projects that improve right of way, public spaces, or increase area placemaking based on applications received by community members.
- Reconstruction of the Commerce Street Corridor into a multimodal corridor, including grade separation at the intersection with the UP Railroad to improve the safety, effectiveness, and attractiveness of the corridor.
- Improvements to the Milby Library to create a space for community gathering and learning.