

**REQUEST FOR COUNCIL ACTION**

**TO: Mayor via City Secretary**

**RCA #**

**SUBJECT:** Ordinance approving the Fiscal Year 2017 Operating Budget for Midtown Redevelopment Authority and the Fiscal Years 2017 - 2021 Capital Improvement Plan (CIP) Budget for Reinvestment Zone Number Two (Midtown Zone).

**Category #**

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**Agenda Item#**

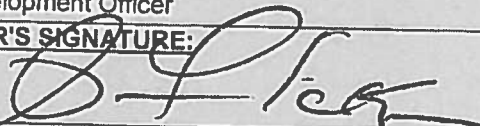
**FROM: (Department or other point of origin):**

Andrew F. Icken  
Chief Development Officer

**Origination Date**

**Agenda Date**

**DIRECTOR'S SIGNATURE:**



**Council Districts affected:**

C, D

**For additional information contact:**

Gwendolyn F. Tillotson

**Phone:** (832) 393-0937

**Date and identification of prior authorizing Council Action:**

Ord. No. 2015-0932, 9/30/15

**RECOMMENDATION: (Summary)**

City Council to adopt an ordinance approving the Fiscal Year 2017 Operating Budget for Midtown Redevelopment Authority and the Fiscal Year 2017 - 2021 CIP Budget for Reinvestment Zone Number Two (Midtown Zone).

**Amount of Funding:** No Funding Required

**SOURCE OF FUNDING:**

General Fund

Grant Fund

Enterprise Fund

Other (Specify)

**SPECIFIC EXPLANATION:**

The Administration has undertaken a comprehensive review of the proposed FY17 TIRZ budgets. The Administration recommends approval of the FY17 Operating Budget for Midtown Redevelopment Authority (the "Authority") and the FY17 - FY21 CIP Budget for Reinvestment Zone Number Two (the "Zone").

- **Total Operating Budget for FY17 is \$65,108,362, consisting of the following:**
  - **\$41.3M** in capital expenditures including the construction of Midtown and other smaller Parks (\$17.5); Construction of Parking Garage (\$3.7M); Construction of Main Street Enhancements (\$7M); Caroline Street Reconstruction (\$4.8M) and Affordable Housing Set Aside for the City Projects (\$2.5M).
  - **\$13M** Debt Service
  - **\$8M** for Transfers to HISD for educational facilities (\$5M), County Affordable Housing (\$1M) and City Municipal Service Fees (\$1.3M)
- **Total Resources for FY17 are \$81,176,637 as follows:**
  - **\$36M** fund balance from FY16
  - **\$30M** Increment (\$9M City, \$6M Harris County, \$14M Houston ISD, \$1M Houston Community College)
  - **\$5.8M** Contribution to Midtown Park
  - **\$5.3M** in Grants
- **Ending Fund Balance for FY17 is \$16M** of which \$.7M is unrestricted
- The Authority must advise the Chief Development Officer of any budget amendments. Adjustments to the budget that exceed \$400,000 require City Council approval.
- The FY17 Operating Budget includes a municipal services charge payment in FY17 of \$781,263 to pay for the incremental cost of providing services to the area and \$492,737 for supplemental police services.

Attachments: FY17 Operating Budget and FY17 - FY21 CIP Budget.

cc: Marta Crinejo, Agenda Director  
Anna Russell, City Secretary  
Ronald Lewis, City Attorney  
Gary Dzierlenga, Senior Assistant City Attorney

**REQUIRED AUTHORIZATION**

**Finance Authorization:**

**Other Authorization:**

**Other Authorization:**