REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary — **RCA #**

SUBJECT: Ordinance approving a Fiscal Year 2018 Operating Budget for the Lake Houston Redevelopment Authority and Fiscal Years 2018 – 2022 Capital Improvement Plan (CIP) Budget for Tax Increment Reinvestment Zone Number Ten (Lake Houston Zone).	**Category #**	**Page 1 of 1**	**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:** E		
For additional information contact: Gwendolyn Tillotson **Phone:** (832) 393-0937	**Date and identification of prior authorizing Council Action:** Ord. No. 2016-0618, 08/24/2016		

RECOMMENDATION: (Summary)
City Council adopt an ordinance approving the Fiscal Year 2018 Operating Budget for the Lake Houston Redevelopment Authority and the Fiscal Years 2018 – 2022 CIP Budget for Reinvestment Zone Number Ten (Lake Houston 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 FY18 TIRZ budgets and recommends approval of the FY18 Operating Budget for the Lake Houston Redevelopment Authority and FY18 – FY22 CIP Budget for Tax Increment Reinvestment Zone Number Ten (Lake Houston Zone).

- Total Operating Budget for FY18 is $34,154,095 which includes $11,088,788 for required fund transfers and $23,065,307 for Project Costs.
- The FY18 Budget includes $12,918,447 in developer reimbursements.
- The FY18 – FY22 CIP Budget totals $73,419,094 and includes recommended projects from the Kingwood Mobility Study: design and construction of mobility improvements at key intersections and proposed major thoroughfare improvements.
- The FY18 Operating Budget includes $4,892,960 for capital expenditure and $143,900 for administration and overhead. The Authority must advise the Chief Development Officer of any budget amendments. Adjustments to the Project Costs in the Operating Budget that exceed the lesser of $400,000 or 5% of Project Costs require City Council approval.
- The FY18 Operating Budget includes a municipal services cost payment in FY18 of $205,530 to pay for the incremental increase in the cost of providing municipal services to the area

Attachments: FY18 Operating Budget and FY18 - FY22 CIP Budget

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

REQUIRED AUTHORIZATION

Other Authorization:	**Other Authorization:**	**Other Authorization:**