



CITY OF HOUSTON

Sylvester Turner

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To: Mayor Sylvester Turner

From: Andrew F. Icken

Chief Development Officer

Date: October 10, 2019

Subject: TIRZ FY20 Budgets

TIRZ budgets to be presented to City Council for consideration and approval on October 16th, 2019 are listed below:

TIRZ #6 – EASTSIDE (DISTRICT E, I) was created to build a shared educational facility and to encourage further industrial development within the Zone. The new shared educational facility would alleviate overcrowding at Stephen F. Austin and Milby High School, and provide the City with ball fields, tennis courts and other outdoor recreational areas for municipal recreational purposes. The projected incremental property tax revenue is \$9.3M, which comprises \$2.5M from City increment, \$6.7M from HISD. The FY20 budget is \$9.3M, with \$25K for administration fees and the remaining to be spent on debt issued to construct Caesar Chavez High School. There is currently no Five-Year CIP.

TIRZ #9 – SOUTH POST OAK (DISTRICT K) was created to facilitate the development of a master-planned community that includes commercial, recreational, and residential improvements and amenities, of which 80% of the homes constructed would be available as affordable housing, currently known as Corinthian Pointe. The projected incremental property tax revenue is \$1.4M, which comprises \$744K from HISD and \$631K from City increment. The FY20 budget is \$7.6M and allocates \$7.2M for project costs. Projects include various intersection improvements along South Post Oak (\$3.6M), and public infrastructure improvements to support affordable housing (\$750K), as well as corridor improvements, including roadways, bike lanes, and sidewalks. The budget also includes \$409K in transfers, the majority of which being for educational facilities (\$352K). The Five-Year CIP (FY20 – FY24) totals \$11.3M and prioritizes affordable housing infrastructure (\$3.7M) and South Post Oak Intersection Improvements (4.4M). The CIP is mostly unchanged from last year except for the addition of sidewalk and curb improvements and civic art (\$66K).

TIRZ #12 – CITY PARK (DISTRICT C) was created to facilitate the construction of single family and multi-family housing and associated retail and commercial development, and associated roadway and street reconstruction including utilities, sidewalks and lighting. Additional efforts consisted of the design and construction of recreational facilities, environmental remediation and land acquisition. The projected incremental property tax revenue is \$855K, which comprises \$429K from City increment and \$426K from HISD. The FY20 budget is \$855K and allocates \$605K for project costs, which includes \$516K for various developer reimbursements. The budget also includes \$250K in transfers, the majority of which is for educational facilities (\$203K). There is currently no Five-Year CIP, but over the next five years (FY19 – FY23), the zone anticipates continuing developer reimbursement payments.

TIRZ #21 – HARDY/NEAR NORTHSIDE (DISTRICT H) was created to provide plans and programs needed to reposition a former Union Pacific rail yard site into a mixed-use development consisting of affordable housing and transit oriented mixed-use development through the design and construction of roadways and streets, utility systems, parks, hike and bike trails, mobility improvements, land acquisition and environmental remediation. The projected incremental property tax revenue is \$814K, all of which is from City increment. The FY20 budget is \$1.1M and allocates \$789K for project costs, of which \$456K is dedicated for various developer reimbursements. The Five-Year CIP (FY20 – FY24) totals \$396K and includes resurfacing and improvements to the Near Northside Hernandez Tunnel (\$232K) and mural design for the

tunnel (\$165K). The CIP is mostly unchanged from last year except for the tunnel mural. The budget also includes \$312K in transfers, the majority being for affordable housing (\$271K).

TIRZ #22 – LELAND WOODS (DISTRICT B) was created to provide plans and programs needed to design and construction affordable housing and related public green space on approximately 80 acres of vacant land located in the northeast Houston area through the design and construction of roadways and streets, public utility systems, sidewalks and pedestrian and public open space enhancements. The projected incremental property tax revenue is \$87K, of which all is City increment. The FY20 budget is \$72K and allocates \$68K for project costs, including administration and management consultants, as well as \$16K for various developer agreements. The budget also includes \$4.3K in transfers to the City for administration fees. There is currently no Five-Year CIP, but over the next five years (FY20 – FY24).