

City of Houston, Texas, Ordinance No. 2024 - 796

AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF LELAND WOODS REDEVELOPMENT AUTHORITY ON BEHALF OF REINVESTMENT ZONE NUMBER TWENTY-TWO, CITY OF HOUSTON, TEXAS (LELAND WOODS ZONE); APPROVING THE FISCAL YEAR 2025 OPERATING BUDGET FOR THE AUTHORITY AND THE FISCAL YEARS 2025-2029 CAPITAL IMPROVEMENT PLAN BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, the City of Houston (the "City") created Reinvestment Zone Number Twenty-Two, City of Houston, Texas (the "Zone" or "Leland Woods Zone") by Ordinance No. 2003-1330 on December 23, 2003; and

WHEREAS, the Leland Woods Redevelopment Authority (the "Authority"), a local government corporation acting on behalf of the City in connection with the Zone, has submitted an Operating Budget for Fiscal Year 2025 (the "Operating Budget") and a Capital Improvement Plan Budget for Fiscal Years 2025-2029 (the "CIP Budget" and, collectively with the Operating Budget, the "Budgets") to the City Council for approval pursuant to that certain agreement among the City, the Authority, and the Zone approved by Ordinance No. 2007-1293 on November 14, 2007; and

WHEREAS, the City Council desires to approve the Budgets for the Authority on behalf of the Zone; **NOW, THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

Section 2. That the City Council takes cognizance of the fact that in order to implement the Project Plan and Reinvestment Zone Financing Plan for the Zone, and to make adjustments occasioned by events transpiring during the year, the Authority may only transfer funds from one line item of Project Costs shown on Exhibit "A" to another (1) as needed for debt service, and (2) provided that the aggregate of such transfers does not exceed the lesser of \$400,000 or 5% of Project Costs; and any changes in excess of

the foregoing must be approved by the Zone's Board of Directors and the City Council. Subject to the foregoing, the Operating Budget attached hereto as Exhibit "A" is hereby approved for the Authority.

Section 3. That the CIP Budget attached hereto as Exhibit "B" is hereby approved for the Zone.

Section 4. That not later than March 31, 2025, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2025 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2025 Operating Budget approved by the City; and (2) make available any surplus Zone funds, through appropriate agreement, for projects identified by the City that are eligible for tax increment funding, such as affordable housing, areas of public assembly, incremental costs of municipal services attributable to development and redevelopment in the Zone, and capital projects that benefit the City and the Zone. The agreement may provide for the payment of surplus funds into one or more accounts established by the City or may provide for direct payment by the Zone for that purpose. The Zone shall consider amendments to the Zone Project Plan and Reinvestment Zone Financing Plan that may be necessary to accomplish this purpose, and shall expedite any such amendments.

Section 5. That the approval of the Budgets is contingent upon receipt by the City's Chief Economic Development Officer of a document signed by the Administrator of the Zone disclosing the name of each owner or developer of property within the Zone from which the Administrator has received compensation during the last five calendar years, and the amount of compensation by owner by year. Compensation may be

expressed by category as follows:

Category I	Less than \$1,000.00
Category II	At least \$1,000.00 but less than \$10,000.00
Category III	At least \$10,000.00 but less than \$50,000.00
Category IV	At least \$50,000.00 but less than \$100,000.00
Category V	At least \$100,000.00 but less than \$500,000.00
Category VI	At least \$500,000.00 but less than \$1,000,000.00
Category VII	\$1,000,000.00 or more

Section 6. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 16th day of October, 2024.

APPROVED this _____ day of _____, 2024.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is OCT 22 2024.

[Signature]
City Secretary

DocuSigned by: [Signature]
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(Prepared by Legal Department
(JN:gd 9.6.2024)
(Requested by Gwendolyn Tillotson-Bell, Chief Economic Development Officer, Office of the Mayor)
(LD-RE-0000003073)

Assistant City Attorney

Meeting 10/16/2024

Aye	No	
✓		Mayor Whitmire
....	Council Members
✓		Peck
✓		Jackson
Absent on personal business		Kamin
✓		Evans-Shabazz
✓		Flickinger
✓		Thomas
✓		Huffman
✓		Castillo
✓		Martinez
Out of the city on city business		Pollard
✓		Castex-Tatum
✓		Ramirez
✓		Davis
✓		Carter
✓		Plummer
✓		Alcorn
Caption	Adopted	

Captions Published in DAILY COURT REVIEW

Date: 10/22/2024

EXHIBIT "A"

**Fiscal Year 2025 Operating Budget
for the Leland Woods Redevelopment Authority**

**CITY OF HOUSTON
ECONOMIC DEVELOPMENT DIVISION
FISCAL YEAR 2025 BUDGET PROFILE**

Fund Summary

Fund Name: **Leland Woods Redevelopment Authority**
TIRZ: **22**
Fund Number: **7570/50**

P R O F I L E	Base Year:	2003
	Base Year Taxable Value:	\$ 730,340
	Projected Taxable Value (TY2024):	\$ 387,085,068
	Current Taxable Value (TY2023):	\$ 372,197,181
	Acres:	2,616.43
	Administrator (Contact):	Hawes Hill and Associates
Contact Number:	(713) 695-1209	

N A R R A T I V E	Zone Purpose:
	Tax Increment Reinvestment Zone Number Twenty-Two, City of Houston, Texas 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.
	In 2019 the Zone and the City approved the First Amendment to the Project Plan and Reinvestment Zone Financing Plan for the enhancement of and improvements to approximately 2,530 acres of land added into the Zone boundaries to allow for continued improvements in the area and permit the Zone to achieve the objective and projects for which it was established.
	In 2020 the Zone and the City approved the Second Amendment to the Project Plan and Reinvestment Zone Financing Plan for the Zone that extends the life of the zone an additional 17 years to December 31, 2050, to allow sufficient time for increment to generate and projects to be implemented, allowing the Zone to achieve the objective and projects for which it was established.
	In FY2023 the Authority completed a competitive public Request For Proposal (RFP) for professional engineering services and as a result has engaged an engineering firm to conduct short and long term planning and design for Zone wide capital improvement projects.
In FY2024 the Authority completed a strategic master plan for the zone. The Authority will begin implementing select projects identified in the master plan starting in FY2025.	

P R O J E C T P L A N		Total Plan	Cumulative Expenses (to 6/30/23)	Variance
	Capital Projects:			
Public Infrastructure	\$	6,089,985	\$ 173,523	\$ 5,916,462
Landscaping		220,000	-	220,000
Sound Barrier, Sidewalk		229,500	-	229,500
Land Acquisition		-	873,496	(873,496)
		-	-	-
		-	-	-
		-	-	-
		-	-	-
Total Capital Projects	\$	6,539,485	\$ 1,047,019	\$ 5,492,466
Affordable Housing		-	-	-
School & Education/Cultural Facilities		-	-	-
Financing Costs		1,800,000	-	1,800,000
Administration Costs/ Professional Services		165,000	774,548	(609,548)
Creation Costs		53,000	12,728	40,272
Total Project Plan	\$	8,557,485	\$ 1,834,295	\$ 6,723,190

D E B T	Additional Financial Data	FY2024 Budget	FY2024 Estimate	FY2025 Budget
	Debt Service			
Principal	\$	-	\$ -	\$ -
Interest	\$	-	\$ -	\$ -
		Balance as of 6/30/23	Projected Balance as of 6/30/24	Projected Balance as of 6/30/25
Year End Outstanding (Principal)				
Bond Debt	\$	-	\$ -	\$ -
Bank Loan	\$	-	\$ -	\$ -
Line of Credit	\$	-	\$ -	\$ -
Developer Agreement	\$	-	\$ -	\$ -
Other	\$	-	\$ -	\$ -

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2025 BUDGET DETAIL

Fund Summary
 Fund Name: Leland Woods Redevelopment Authority
 TIRZ: 22
 Fund Number: 7570/50

TIRZ Budget Line Items	FY2024 Budget	FY2024 Estimate	FY2025 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ 1,316,392	\$ 1,313,484	\$ 2,133,956
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Earnest Funds (36 Acre Tract)	\$ -	\$ -	\$ -
Beginning Balance	\$ 1,316,392	\$ 1,313,484	2,133,956
City tax revenue	\$ 1,411,355	\$ 1,107,902	\$ 1,221,822
County tax revenue	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
Incremental property tax revenue	\$ 1,411,355	1,107,902	1,221,822
City of Houston	\$ -	\$ -	\$ 225,400
Proceeds from Land Sales	\$ -	\$ -	\$ -
Miscellaneous revenue	\$ -	\$ -	225,400
COH TIRZ interest	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ -	\$ -
Other Interest Income	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 2,727,747	2,421,386	3,581,178

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2025 BUDGET DETAIL

Fund Summary
 Fund Name: Leland Woods Redevelopment Authority
 TIRZ: 22
 Fund Number: 7570/50

TIRZ Budget Line Items	FY2024 Budget	FY2024 Estimate	FY2025 Budget
EXPENDITURES			
Accounting	\$ 19,000	\$ 11,000	\$ 19,000
Administration Salaries & Benefits	\$ -	\$ 24,000	\$ 24,000
Auditor	\$ 12,000	\$ 10,925	\$ 12,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ 2,000	\$ 4,853	\$ 5,096
Office Administration	\$ 500	\$ 500	\$ 500
TIRZ Administration and Overhead	\$ 33,500	\$ 61,278	\$ 60,596
Closing Cost Land Acquisition	\$ -	\$ -	\$ -
Legal	\$ 8,000	\$ 7,000	\$ 8,000
Planning Consultant	\$ 24,000	\$ -	\$ 50,000
Planning/Engineering	\$ 100,000	\$ 100,000	\$ -
Property Maintenance	\$ -	\$ -	\$ -
Program and Project Consultants	\$ 132,000	\$ 107,000	\$ 58,000
Management consulting services	\$ 165,500	158,278	118,596
Capital Expenditures (See CIP Schedule)	\$ 777,500	\$ -	\$ 1,242,500
TIRZ Capital Expenditures	\$ 777,500	\$ -	\$ 1,242,500
Developer Reimbursements (Contempo Builders)	\$ 70,300	\$ 73,757	\$ 70,300
Grant to Leland Woods RDA II	\$ -	\$ -	\$ -
Developer / Project Reimbursements	\$ 70,300	73,757	70,300
Loan debt service			
Principal	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
Convenience Fee	\$ -	\$ -	\$ -
System debt service	\$ -	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 1,013,300	\$ 232,035	\$ 1,431,396
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Paymen/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 70,568	\$ 55,395	\$ 61,091
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
Total Transfers	\$ 70,568	\$ 55,395	\$ 61,091
Total Budget	\$ 1,083,868	\$ 287,430	\$ 1,492,487
RESTRICTED Funds - Capital Projects	\$ 1,643,879	\$ 2,133,956	\$ 2,088,691
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Earnest Funds	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 1,643,879	2,133,956	2,088,691
Total Budget & Ending Fund Balance	2,727,747	2,421,386	3,581,178

Notes:

EXHIBIT "B"

**Fiscal Years 2025-2029 Capital Improvement Plan Budget
for the Leland Woods Zone**

2025 - 2029 CAPITAL IMPROVEMENT PLAN
 TIRZ 22
 CIP by Project

CITY OF HOUSTON - TIRZ PROGRAM
 Economic Development Division

Council District	CIP No.	Project	Fiscal Year Planned Appropriations										Cumulative Total (To Date)
			Through 2023	Projected 2024	2025	2026	2027	2028	2029	FY25 - FY29 Total			
B, I	T-2201	Multi-Street Mobility & Drainage Improvements	\$ -	-	1,015,000	1,200,000	550,000	-	-	-	-	2,765,000	2,765,000
B, I	T-2202	Civic Art	\$ -	-	25,000	25,000	-	-	-	-	-	50,000	50,000
B, I	T-2203	Street Signage Improvements	\$ -	-	77,500	85,000	-	-	-	-	-	162,500	162,500
B, I	T-2299	Concrete Panel Replacement Program	\$ -	-	125,000	125,000	125,000	125,000	125,000	125,000	125,000	625,000	625,000
			\$ -	\$ -	\$ 1,242,500	\$ 1,435,000	\$ 675,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 3,602,500	\$ 3,602,500

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2025 - 2029 CAPITAL IMPROVEMENT PLAN
 TIRZ 22
 CIP by Sources of Funds

CITY OF HOUSTON - TIRZ PROGRAM
 Economic Development Division

Source of Funds	Fiscal Year Planned Appropriations							Cumulative Total (To Date)	
	Through 2023	Projected 2024	2025	2026	2027	2028	2029		FY25 - FY29 Total
TIRZ Funds	-	-	1,067,100	1,435,000	675,000	125,000	125,000	3,427,100	3,427,100
City of Houston	-	-	175,400	-	-	-	-	175,400	175,400
Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Project Total	-	-	1,242,500	1,435,000	675,000	125,000	125,000	3,602,500	3,602,500

Project:	Civic Art	City Council District	Key Map:	WBS.:			T-2202	
Description:	Civic art works. Murals, banner districts, sculpture programs.	Location: B.1	Geo. Ref.:	2025	2026	2027	2028	
Justification:	Promote community identity and economic development.	Served: B.1	Neighborhood:	Operating and Maintenance Costs: (\$ Thousands)				Total
		Personnel		-	-	-	-	\$ -
		Supplies		-	-	-	-	\$ -
		Svcs. & Chgs.		-	-	-	-	\$ -
		Capital Outlay		-	-	-	-	\$ -
		Total		\$ -	\$ -	\$ -	\$ -	\$ -
		FTEs		-	-	-	-	-

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/23	2024 Budget	2024 Estimate	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
Phase										
1 Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design	-	-	-	-	-	-	-	-	\$ -	\$ -
4 Construction	-	-	-	-	-	-	-	-	\$ -	\$ -
5 Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other	-	25,000	-	25,000	25,000	-	-	-	\$ 50,000	\$ 50,000
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:	-	25,000	-	25,000	25,000	-	-	-	\$ 50,000	\$ 50,000

Total Allocations	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
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Source of Funds	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
TIRZ Funds	-	-	-	-	-	\$ -	\$ -
City of Houston	-	25,000	-	-	-	\$ 25,000	\$ 25,000
Grant	-	-	-	-	-	\$ -	\$ -
Other	-	-	-	-	-	\$ -	\$ -
Total Funds	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 50,000	\$ 50,000

Project:	City Council District		Key Map:		WBS.:		T-2203
	Location:	B, I	Geo. Ref.:				
Description:	Served:		Neighborhood:		Operating and Maintenance Costs: (\$ Thousands)		Total
	Personnel	-	2025	2026	2027	2028	
Justification:	Supplies	-	-	-	-	-	-
	Svcs. & Chgs.	-	-	-	-	-	-
	Capital Outlay	-	-	-	-	-	-
	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FTEs	-	-	-	-	-	-

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/23	2024 Budget	2024 Estimate	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
Phase										
1 Planning	-	-	-	-	-	-	-	-	\$ -	\$ -
2 Acquisition	-	-	-	-	-	-	-	-	\$ -	\$ -
3 Design	-	50,000	-	50,000	-	-	-	-	\$ 50,000	\$ 50,000
4 Construction	-	25,000	-	25,000	75,000	-	-	-	\$ 100,000	\$ 100,000
5 Equipment	-	-	-	-	-	-	-	-	\$ -	\$ -
6 Close-Out	-	-	-	-	-	-	-	-	\$ -	\$ -
7 Other	-	2,500	-	2,500	10,000	-	-	-	\$ 12,500	\$ 12,500
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
	-	-	-	-	-	-	-	-	\$ -	\$ -
Other Sub-Total:	-	2,500	-	2,500	10,000	-	-	-	\$ 12,500	\$ 12,500
Total Allocations	\$ -	\$ 77,500	\$ -	\$ 77,500	\$ 85,000	\$ -	\$ -	\$ -	\$ 162,500	\$ 162,500

Source of Funds	2024 Budget	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
TIRZ Funds	77,500	77,500	85,000	-	-	-	\$ 162,500	\$ 162,500
City of Houston	-	-	-	-	-	-	\$ -	\$ -
Grants	-	-	-	-	-	-	\$ -	\$ -
Other	-	-	-	-	-	-	\$ -	\$ -
Total Funds	\$ -	\$ 77,500	\$ 85,000	\$ -	\$ -	\$ -	\$ 162,500	\$ 162,500

Project: Concrete Panel Replacement Program		Key Map:		WBS.:		T-2299	
City Council District		Location:		Geo. Ref.:			
B.1		B.1		B.1			
Served:		Neighborhood:					
Operating and Maintenance Costs: (\$ Thousands)							
	2014	2015	2016	2017	2018	Total	
Personnel	-	-	-	-	-	-	
Supplies	-	-	-	-	-	-	
Svcs. & Chgs.	-	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	-	
Total	\$	\$	\$	\$	\$	\$	
FTEs							

Fiscal Year Planned Expenses

Project Allocation	Projected Expenses thru 6/30/23	2024 Budget	2024 Estimate	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
Phase										
1 Planning	-	-	-	-	-	-	-	-	-	-
2 Acquisition	-	-	-	-	-	-	-	-	-	-
3 Design	-	-	-	15,000	15,000	15,000	15,000	15,000	75,000	75,000
4 Construction	-	25,000	-	100,000	100,000	100,000	100,000	100,000	500,000	500,000
5 Equipment	-	-	-	-	-	-	-	-	-	-
6 Close-Out	-	-	-	-	-	-	-	-	-	-
7 Other	-	-	-	10,000	10,000	10,000	10,000	10,000	50,000	50,000
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Other Sub-Total:	-	-	-	10,000	10,000	10,000	10,000	10,000	50,000	50,000
Total Allocations	\$	\$ 25,000	\$	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 625,000	\$ 625,000

Source of Funds	2024 Budget	2025	2026	2027	2028	2029	FY25 - FY29 Total	Cumulative Total (To Date)
TIRZ Funds	-	125,000	125,000	125,000	125,000	125,000	625,000	625,000
City of Houston	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Funds	\$	\$ 25,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 625,000	\$ 625,000