

TIRZ 17 Redevelopment Authority
Memorial City Redevelopment Authority
Houston, TX

The Board of Directors of the TIRZ 17 Redevelopment Authority (aka the Memorial City Redevelopment Authority) will hold a special meeting on Thursday, September 5, 2013, at 1:00 p.m., in the HEB Community Room, 9710 Katy Freeway, Houston TX 77055, to discuss, and if appropriate, act upon the following items:

1. Call meeting to order, take attendance, and verify a quorum is present.
2. Adopt revised budget for fiscal year end June 30, 2014 and authorize submittal to the City.
3. Review and approve task order for engineering services from Klotz and Associates to perform independent review of Regional Drainage Study.
4. Convene in Executive Session pursuant to Section 551.072, Texas Government Code, to deliberate the purchase, exchange, lease, or value of real property.
5. Reconvene in Open Session and authorize appropriate action regarding the purchase, exchange, lease, or value of real property.


Attorney for the Authority

Persons with disabilities who plan to attend this meeting and would like to request auxiliary aids or services are requested to contact Don Huml at (713) 829-5720 or donhuml@houstontirz17.org at least 72 hours prior to the meeting so that appropriate arrangements can be made. For complaints or concerns regarding compliance with the Americans with Disabilities Act, please contact Don Huml, Executive Director for the Authority.

CITY OF HOUSTON
 ECONOMIC DEVELOPMENT DIVISION
 FISCAL YEAR 2014 BUDGET PROFILE

Fund Summary
 Fund Name: Memorial City Redevelopment Authority
 TIRZ: 17
 Fund Number: 7565/50

P R O J E C T I V E	Base Year:		1999
	Base Year Taxable Value:	\$	509,671,530
	Projected Taxable Value (TY2013):	\$	1,876,547,739
	Current Taxable Value (TY2012):	\$	1,778,780,620
	Acres:		944.31
	Administrator (Contact):		Don Huml
	Contact Number:		(713) 829-5720

N A R R A T I V E	Zone Purpose:
	<p>Tax Increment Reinvestment Zone Number Seventeen, City of Houston, Texas was created to provide plans and programs needed to address blighted conditions in the Memorial City area associated with failing infrastructure, lack of utility capacity, increased traffic congestion and declining retail sales resulting from increased competition to older inner-city malls and shopping centers from suburban retail centers.</p> <p>In FY2014 the capital improvement program consists of six active projects totaling \$14,005,510 in projected expenditures. These projects include design and construction services for drainage and mobility improvements to Lumpkin Road and Barryknoll Drive. Also scheduled are drainage improvements for W-140 detention basin and channel. There is \$500,000 allocated in the budget for signalization and crosswalk improvements at the Queensbury and Town & Country intersection. There is \$500,000 allocated in the budget for parks and greenspace improvements planning. In FY2105 the capital improvement program consists of ten active projects totaling \$15,835,000 in projected expenditures. These projects include design and construction services for drainage and mobility improvements to Lumpkin Road, Bunker Hill Drive, Frostwood Drive, Barryknoll Drive, Town & Country Lane, West Bough Roadway, Memorial Drive, and North Gessner Road. The budget also includes \$5 million towards W-140 channel improvements. In FY2016 - 2017 the capital improvement program completes the drainage and mobility projects initiated in earlier years (with the exception of Memorial Drive) with projected expenditures of \$14,185,000 and \$12,355,000 respectively. Also, included are new drainage and mobility projects and improvements to North Witte Road. In FY2018 the capital improvement program completes the Memorial Drive and North Witte Road projects totaling \$6.1 million in projected expenditures. There are no plans to raise additional capital funds in the proposed FY2014 – 2018 budget.</p>

P R O J E C T P L A N		Total Plan	Cumulative Expenses (to 6/30/12)	Variance
	Capital Projects:			
Roadway and Sidewalk Improvements	\$	53,429,681	\$ 18,172,450	\$ 35,257,231
Public Utility Improvements		43,194,163	15,801,110	27,393,053
Parks and Recreational Facilities		11,889,119	243,474	11,645,645
		-	-	-
		-	-	-
		-	-	-
		-	-	-
Total Capital Projects	\$	108,512,963	\$ 34,217,034	\$ 74,295,929
Affordable Housing		-	-	-
School & Education/Cultural Facilities		-	-	-
Financing Costs		25,000,000	7,287,828	17,712,172
Administration Costs/ Professional Services		3,352,851	2,976,580	376,271
Creation Costs		-	-	-
Total Project Plan	\$	136,865,814	\$ 44,481,442	\$ 92,384,372

D E B T	Additional Financial Data	FY2013 Budget	FY2013 Estimate	FY2014 Budget
	<u>Debt Service</u>	\$	3,265,085	\$ 2,256,925
Principal	\$	1,595,000	\$ 1,100,000	\$ 1,630,000
Interest	\$	1,670,085	\$ 1,156,925	\$ 1,104,373
		Balance as of 6/30/12	Projected Balance as of 6/30/13	Projected Balance as of 6/30/14
Year End Outstanding (Principal)				
Bond Debt	\$	48,920,000	\$ 47,820,000	\$ 46,190,000
Bank Loan	\$	-	\$ -	\$ -
Line of Credit	\$	-	\$ -	\$ -
Developer Agreement	\$	-	\$ -	\$ -
Other	\$	-	\$ -	\$ -

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TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
RESOURCES			
RESTRICTED Funds - Capital Projects	\$ 30,250,000	\$ 23,038,744	\$ 20,782,969
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ 2,519,457	\$ 3,501,848	\$ 3,501,848
UNRESTRICTED Funds	\$ 7,549,497	\$ 13,143,143	\$ 16,170,410
Beginning Balance	\$ 40,318,954	\$ 39,683,735	\$ 40,455,227
City tax revenue	\$ 7,238,097	\$ 8,104,002	\$ 10,170,258
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
Incremental property tax revenue	\$ 7,238,097	\$ 8,104,002	\$ 10,170,258
Miscellaneous revenue	\$ -	\$ -	\$ -
COH TIRZ interest	\$ 4,480	\$ -	\$ -
Interest Income	\$ 300,000	\$ 56,516	\$ 69,533
Other Interest Income	\$ 304,480	\$ 56,516	\$ 69,533
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Grant Proceeds	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Proceeds from Bank Loan	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Contract Revenue Bond Proceeds	\$ -	\$ -	\$ -
TOTAL AVAILABLE RESOURCES	\$ 47,861,531	\$ 47,844,253	\$ 50,695,017

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EXPENDITURES			
Accounting	\$ 10,500	\$ 10,507	\$ 10,500
Administration Salaries & Benefits	\$ 137,200	\$ 80,065	\$ 142,000
Auditor	\$ 17,000	\$ 16,500	\$ 17,000
Bond Services/Trustee/Financial Advisor	\$ 4,800	\$ 4,800	\$ 4,800
Insurance	\$ 3,000	\$ 43,592	\$ 45,000
Office Administration	\$ 38,782	\$ 10,031	\$ 30,000
TIRZ Administration and Overhead	\$ 211,282	\$ 165,495	\$ 249,300
Engineering Consultants	\$ -	\$ -	\$ 50,000
Legal	\$ 25,000	\$ 59,765	\$ 40,000
Construction Audit	\$ -	\$ -	\$ 10,000
Planning Consultants	\$ -	\$ 23,891	\$ -
Program and Project Consultants	\$ 25,000	\$ 83,656	\$ 100,000
Management consulting services	\$ 236,282	\$ 249,151	\$ 349,300
Capital Expenditures (See CIP Schedule)	\$ 17,202,000	\$ 2,255,775	\$ 14,005,510
	\$ -	\$ -	\$ -
TIRZ Capital Expenditures	\$ 17,202,000	\$ 2,255,775	\$ 14,005,510
Developer / Project Reimbursements	\$ -	\$ -	\$ -
Bond Debt Service (Series 2008)			
Principal	\$ 375,000	\$ 390,000	\$ 410,000
Interest	\$ 405,284	\$ 388,263	\$ 370,462
Bond Debt Service (Series 2011)			
Principal	\$ 1,220,000	\$ 120,000	\$ 520,000
Interest	\$ 1,264,801	\$ 343,712	\$ 331,936
Bond Debt Service (Series 2011A)			
Principal	\$ -	\$ 1,100,000	\$ 1,630,000
Interest	\$ -	\$ 1,156,925	\$ 1,104,373
Cost of Issuance	\$ -	\$ -	\$ -
System debt service	\$ 3,265,085	\$ 3,498,900	\$ 4,366,771
TOTAL PROJECT COSTS	\$ 20,703,367	\$ 6,003,826	\$ 18,721,581

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Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Payment/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 361,905	\$ 405,200	\$ 508,513
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ 490,000	\$ 980,000	\$ 490,000
Total Transfers	\$ 851,905	\$ 1,385,200	\$ 998,513
Total Budget	\$ 21,555,272	\$ 7,389,026	\$ 19,720,094
RESTRICTED Funds - Capital Projects	\$ 9,782,915	\$ 20,782,969	\$ 8,977,459
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ 2,519,457	\$ 3,501,848	\$ 3,501,848
UNRESTRICTED Funds	\$ 14,003,887	\$ 16,170,410	\$ 18,495,616
Ending Fund Balance	\$ 26,306,259	\$ 40,455,227	\$ 30,974,923
Total Budget & Ending Fund Balance	\$ 47,861,531	\$ 47,844,253	\$ 50,695,017

Notes:

2014 - 2018 CAPITAL IMPROVEMENT PLAN
 MEMORIAL CITY TIRZ 17
 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 2012	Projected 2013	2014	2015	2016	2017	2018	FY14 - FY18 Total				
G	T-1701	Gessner Widening	\$ 11,029,427	-	-	-	-	-	-	-	-	-	-	11,029,427
A	T-1702	Bunker Hill Widening	\$ 6,099,259	-	-	-	-	-	-	-	-	-	-	6,099,259
A	T-1709	Improvement to Lumpkin from I-10 to Westview	\$ 115,798	302,000	1,700,000	4,500,000	-	-	-	-	-	-	6,200,000	6,617,798
G	T-1712	Bunker Hill South of IH 10 Mobility Improvements	\$ 1,326	-	-	400,000	-	-	-	-	-	-	400,000	401,326
G	T-1713	Memorial near Beltway 8 Drainage Improvement	\$ 329,627	-	-	-	-	-	-	-	-	-	-	329,627
G	T-1714	Frostwood Drive and Kingsride Drainage	\$ -	98,500	-	200,000	2,120,000	-	-	-	-	-	4,365,000	4,463,500
G	T-1715A	Barryknoll East Drainage Improvements	\$ 745,158	\$ 775,225	\$ 6,183,510	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,183,510	7,703,893
G	T-1715B	Barryknoll West Drainage Improvements	\$ -	\$ 165,000	\$ 165,000	\$ 1,600,000	\$ 1,550,000	\$ -	\$ -	\$ -	\$ -	\$ -	3,316,000	3,481,000
G	T-1716	Queensbury Drainage Improvements	\$ 545,086	-	-	-	-	-	-	-	-	-	-	545,086
G	T-1717	Town and Country West Drainage and Mobility	\$ 208,191	9,300	2,200,000	1,800,000	750,000	-	-	-	-	-	4,750,000	4,957,491
G	T-1718	Kimberly near Beltway 8 Drainage Improvements	\$ 1,433,581	10,000	-	-	-	-	-	-	-	-	-	1,443,581
G	T-1719	Kingsride East Bound at Gessner	\$ 689,167	-	-	-	-	-	-	-	-	-	-	689,167
G	T-1722	Town and Country Blvd. at Queensbury Signalization	\$ -	-	500,000	-	-	-	-	-	-	-	500,000	500,000
G	T-1724	Gessner at Barryknoll Intersection Improvements	\$ -	-	-	-	-	-	-	-	-	-	-	-
A, G	T-1725	Park and Green Space Improvements	\$ 67,966	-	500,000	-	-	-	-	-	-	-	500,000	567,966
G	T-1726	West Bough Roadway Improvements	\$ 5,873	-	-	400,000	3,200,000	-	-	-	-	-	3,605,873	3,605,873
A	T-1727	N. Gessner Area Thoroughfare Improvement Plan	\$ 18,546	-	-	-	-	-	-	-	-	-	-	18,546
A	T-1728	Westview and Lumpkin enhanced sidewalk/bus	\$ -	-	-	-	-	-	-	-	-	-	-	-
0	T-0029	FUTURE CIP PROJECT	\$ -	-	-	-	-	-	-	-	-	-	-	-
0	T-0030	FUTURE CIP PROJECT	\$ -	-	-	-	-	-	-	-	-	-	-	-
G	T-1731A	Detention Basin and W-140	\$ 7,307,266	44,900	2,200,000	-	-	-	-	-	-	-	2,200,000	9,552,166
A	T-1731B	Memorial Dr. Drainage and Mobility Improvement	\$ 288,065	-	-	350,000	500,000	3,500,000	-	-	-	-	7,850,000	8,138,065
A	T-1732A	N. Gessner Drainage and Mobility Improvement -	\$ 69,204	270,800	-	1,510,000	2,800,000	-	-	-	-	-	4,310,000	4,650,004
A	T-1732B	N. Gessner Drainage and Mobility Improvement -	\$ 69,204	276,000	-	75,000	885,000	2,950,000	-	-	-	-	3,910,000	4,255,204
A	T-1733A	N. Witte Drainage and Mobility Improvement -	\$ 69,204	29,300	-	380,000	-	-	-	-	-	-	3,980,000	4,078,504
A	T-1733B	N. Witte Drainage and Mobility Improvement -	\$ 69,204	31,750	-	-	-	260,000	2,600,000	-	-	-	2,860,000	2,960,954
A	T-1734	W140 Channel Improvements	\$ -	243,000	556,000	5,000,000	2,000,000	-	-	-	-	-	7,566,000	7,799,000
TOTALS			\$ 29,141,152	\$ 2,255,775	\$ 14,005,510	\$ 15,835,000	\$ 14,185,000	\$ 12,355,000	\$ 6,100,000	\$ 62,480,510	\$ 83,877,437			

* NOTE:
 ** NOTE:
 *** NOTE:

Project: Town and Country West Drainage and Mobility Improvements		City Council District		Key Map:		WBS.:		T-1717					
		Location:		Geo. Ref.:									
Served:		2014		2015		2016		2017		2018		Total	
Operating and Maintenance Costs: (\$ Thousands)		2014		2015		2016		2017		2018		Total	
Description:		Personnel	-	-	-	-	-	-	-	-	-	-	-
Justification:		Supplies	-	-	-	-	-	-	-	-	-	-	-
		Svcs. & Chgs.	-	-	-	-	-	-	-	-	-	-	-
		Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
		Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
		FTEs											
Fiscal Year Planned Expenses													
Project Allocation		Projected Expenses thru 6/30/12	2013 Budget	2013 Estimate	2014	2015	2016	2017	2018	FY14 - FY18 Total	Cumulative Total (To Date)		
Phase													
1	Planning	175,691	-	-	-	-	-	-	-	\$	\$	\$	175,691
2	Acquisition	-	2,000,000	-	2,100,000	-	-	-	-	\$	\$	\$	2,100,000
3	Design	32,500	-	9,300	100,000	50,000	-	-	-	\$	\$	\$	191,800
4	Construction	-	-	-	-	1,750,000	750,000	-	-	\$	\$	\$	2,500,000
5	Equipment	-	-	-	-	-	-	-	-	\$	\$	\$	-
6	Close-Out	-	-	-	-	-	-	-	-	\$	\$	\$	-
7	Other	-	-	-	-	-	-	-	-	\$	\$	\$	-
Other Sub-Total:		-	-	-	-	-	-	-	-	\$	\$	\$	-
Total Allocations		\$ 208,191	\$ 2,000,000	\$ 9,300	\$ 2,200,000	\$ 1,800,000	\$ 750,000	\$	\$	\$ 4,750,000	\$	\$	4,967,491
Source of Funds													
TIRZ Funds		208,191	2,000,000	9,300	2,200,000	1,800,000	750,000			\$ 4,750,000	\$	\$	4,967,491
City of Houston		-	-	-	-	-	-	-	-	\$	\$	\$	-
Grants		-	-	-	-	-	-	-	-	\$	\$	\$	-
Other		-	-	-	-	-	-	-	-	\$	\$	\$	-
Total Funds		\$ 208,191	\$ 2,000,000	\$ 9,300	\$ 2,200,000	\$ 1,800,000	\$ 750,000	\$	\$	\$ 4,750,000	\$	\$	4,967,491

*NOTE:

September 5, 2013

Mr. Don Huml
Executive Director
Memorial City Redevelopment Authority
8955 Katy Freeway, Suite 215
Houston, Texas 77024

Re: Proposal to review the latest TIRZ 17 Drainage Study

Dear Mr. Huml:

We understand that you would like to have an independent review of the latest TIRZ 17 drainage study. We have a copy of the LAN study, and this proposal is based on our understanding of the contents of the study. We have a good understanding of the various watersheds that have been evaluated or included within the study. Our review will include our understanding of the watersheds and contrast the findings and recommendations from the report against our knowledge to evaluate if the results of the study are generally consistent with the watersheds. This proposal is based on conducting a high level review of the report including text, tables, exhibits, appendices, attachments and running some of the computer models. We know that study has recently been completed and it includes a larger drainage area than those that were included in the previous study. Because the drainage study included a larger drainage area we understand that the cost for the recommended projects has also increased. We will run the existing condition models and the recommended models and review the results of the models.

Listed below are our anticipated steps to use in conducting our review of the report:

1. Obtain the report and doing a quick review of the executive summary and of the report.
2. Participating in an initial meeting with LAN or others to discuss the report and receive any additional information useful in our review of the report.
3. Conduct a review of the text, tables, exhibits, appendices and attachments.
4. Develop other ideas, concepts or solutions to address drainage issues that are not included in the current LAN study.
5. Obtain the computer model, run the various models and review the results for reasonableness and for consistency with our knowledge of the area and our knowledge of the watersheds.
6. Compare the latest drainage study to the previous drainage study and not any significant differences.
7. Preparing a summary letter that documents our observations and comments from our review of the report. Our summary letter may also include some of the text, tables, exhibits or other data for use in our summary letter.

Mr. Don Huml
September 5, 2013
Page 2 of 2

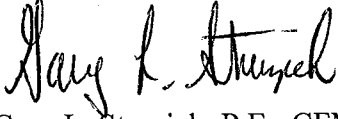
- 8. Meeting with Don Huml and others to provide an initial summary of our review.
- 9. Present our review comments in a meeting with LAN.
- 10. Present our review comments with the TIRZ 17 board.

We can complete our review of the report for a lump sum fee of \$48,000. This proposal is based on the understanding that the needed software and key will be supplied to us from LAN within 2 working days. We anticipate that the report will be made available along with any needed supporting data. We can complete our review of the report and preparation of our summary letter report within 60 days.

This work authorization request is tied to the Master Service Agreement dated July 30, 2013.

We appreciate the opportunity to submit this proposal to the TIRZ 17 board, and look forward to working with you, the board and with LAN. If you have any questions of this proposal please call or email me.

Sincerely,



Gary L. Struzick, P.E., CFM
Vice President

GLS:azm

Accepted for
Memorial City Redevelopment Authority

Signature

Date

Print

TIRZ 17
Review of the latest LAN Drainage Study
Klotz Associates Project No. 0000.000.000
28-Aug-13

Task No.	Subtask Descriptions	Prin.	Project Mgr.	Project Engr.	Engr.	Designer	Cler.	Total Hours	Total labor	Subs / Expenses	Total
1	Obtain the report and doing a quick review of the executive summary, and of the report	8			2		2	12	\$2,440		
2	Participating in an initial meeting with LAN or others	3		3			1	7	\$1,250		
3	Preparing our review of the text, tables, exhibits, appendices and attachments	26			6		1	33	\$7,430		
4	Obtain computer program, run models, review the results, compare results to LAN data	24		8	88		12	132	\$18,720		
5	Compare the latest drainage study to the previous drainage study	16			12		1	29	\$5,600		
6	Preparing a summary letter that documents our observations and comments	12		8	15		6	56	\$7,995		
7	Meeting with Don Huml and others to provide an initial summary of our review	2		3			2	7	\$1,075		
8	Present our review comments in a meeting with LAN	4		3			2	9	\$1,585		
9	Present our review comments with the TIRZ 17 board	3		3			2	8	\$1,330		
	Printing plots							0	\$575		
	Subtotal	98	0	28	123	15	29	293	\$48,000		

	Budget Hours	Hourly Rate	Cost
PERSONNEL			
Principal	98	255.00	\$ 24,990
Project Manager	0	195.00	\$ -
Project Engineer	28	135.00	\$ 3,780
Engineer	123	120.00	\$ 14,760
Designer	15	105.00	\$ 1,575
Clerical	29	80.00	\$ 2,320
Total Labor Cost	293		\$ 47,425