



**REINVESTMENT ZONE NUMBER ONE, CITY OF MISSOURI CITY  
MEETING AGENDA**

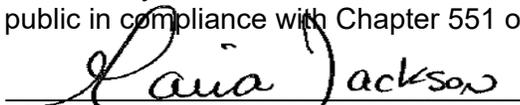
Notice is hereby given of a meeting of the Board of Directors of Reinvestment Zone Number One, City of Missouri City to be held on **June 10, 2020, at 5:00 p.m.** by teleconference at: (415) 655-0003 (access code: 133 346 2272) due to emergency conditions, for the purpose of considering the following agenda items. All agenda items are subject to action. The Board of Directors reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1. ROLL CALL
2. Consider approving the minutes of the meeting of July 10, 2019.
3. Public comments.
4. Review the Fiscal Year 2020 budget and consider the Fiscal Year 2021 proposed budget.
5. ADJOURN

**In compliance with the Americans with Disabilities Act, the City of Missouri City will provide for reasonable accommodations for persons attending Reinvestment Zone Number One, City of Missouri City meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Maria Jackson, City Secretary, at 281.403.8685.**

**CERTIFICATION**

I certify that a copy of the June 10, 2020, agenda of items to be considered by Reinvestment Zone Number One, City of Missouri City was posted in a place convenient to the public in compliance with Chapter 551 of the Texas Government Code on June 5, 2020, at 4:00 p.m.

  
\_\_\_\_\_  
Maria Jackson, City Secretary



## AGENDA ITEM COVER MEMO

June 10, 2020

**To:** Board of Directors of Reinvestment Zone Number One

**Agenda Item:** Review FY 2021 Proposed Budget

**Submitted by:** Allena Portis, Director of Financial Services

### SYNOPSIS

According to State statute, the Board of Directors of a reinvestment zone shall make recommendations to the governing body of the municipality that created the zone concerning the administration of the zone. The FY 2021 Proposed Budget will be reviewed with the Board prior to presentation to the MCDA Board and City Council.

### STRATEGIC PLAN 2019 GOALS ADDRESSED

- Maintain a financially sound City
- Have quality development through buildout

### BACKGROUND

#### Revenue

TIRZ No 1. participants include the City of Missouri City and Fort Bend County. The budgeted revenue is estimated based on prior tax receipts. Certified tax rolls will not be received until late July 2020, thus the revenue estimate is subject to change. Upon receipt of the certified rolls, the total estimated revenue is calculated by multiplying the captured appraised value (divided by \$100) by the adopted property tax rate. This produces the City's property tax revenue that is transferred from the general fund (M&O) and debt service fund (I&S). The other participant revenues are projected based on prior year activity.

#### Expenditure

Expenditures for TIRZ No. 1 includes obligations for debt service, administrative costs, and costs related to reimbursements per development agreements. The Proposed FY 2021 budget is included as an attachment to this report.

Per the City's agreement with the TIRZ, the City may transfer funds for administration in an amount that does not exceed 5% of revenues. Included in the budget is the addition of a third party administrator whose role will be to assist with tracking all obligations of the TIRZ, arranging periodic meetings, and other reporting requirements as directed by City staff responsible for the TIRZ. Including this expense, the total administrative costs do not exceed 5% of estimated revenues. Administrative costs include engineering, legal services, accounting services, and administration.

As the TIRZ commits funds for economic development agreements, we believe the additional assistance will be valuable. This will ensure continuity of administration of the TIRZ. Although we

are requesting appropriations, any agreement with a third party will be brought to the board at a later date for approval. The third party administrator would be responsible for assisting with all City TIRZ and Public Improvements Districts, and the costs will be allocated amongst all based on the services provided.

For reference, the approved active developer agreements within the TIRZ are as follows:

- City of Missouri City – Veterans Memorial Project
- City of Missouri City – Independence Boulevard Project
- City of Missouri City – Parks Maintenance Facility
- Fort Bend County – Missouri City Gym
- Grand Parkway Commercial T&Q LLC - Grand Park Center Redevelopment Project

#### **SUPPORTING MATERIALS**

1. FY 2021 Proposed Budget
2. Long Range Forecast – For Discussion Purposes Only

#### **STAFF'S RECOMMENDATION**

Staff requests the Board's recommendation for submittal of the FY 2021 Proposed Budget.

## TAX INCREMENT REINVESTMENT ZONE #1 FY2021 BUDGET

	FY2020 Budget	FY2020 Estimate	FY2021 Proposed
<b>BEGINNING FUND BALANCE</b>	\$ 666,943	\$ 666,943	\$ 1,333,603
<b>REVENUE</b>			
Missouri City	\$ 829,498	\$ 759,070	\$ 760,000
FBC General Fund	\$ 350,000	\$ 382,157	\$ 385,000
Investment Earnings	\$ 18,269	\$ 21,045	\$ 10,000
<b>Total Revenue</b>	<b>\$ 1,197,767</b>	<b>\$ 1,162,272</b>	<b>\$ 1,155,000</b>
<b>EXPENDITURES</b>			
Audit Services	\$ 10,000	\$ -	\$ 10,000
Bank Fees			
Admin Expenditures			
Contractual Services			\$ 4,150
Bond Interest Expense	\$ 71,262	\$ 71,262	\$ 63,048
Arbitrage Compliance Expense			
Payment to refund escrow			
Bond Issue Costs			
Paying Agent	\$ 750	\$ 750	\$ 750
Revenue Bond Principal			
Revenue Refunding Principal	\$ 370,000	\$ 370,000	\$ 380,000
Developer Agreement Expense			\$ 850,703
Infrastructure Improvements	\$ 450,000		
Transfer to General Fund	\$ 33,600	\$ 33,600	\$ 33,600
Transfer to MCDA	\$ 20,000	\$ 20,000	\$ 20,000
Transfer to Metro Tax Fund			
Transfer to Project Fund			
<b>Total Expenditures</b>	<b>\$ 955,612</b>	<b>\$ 495,612</b>	<b>\$ 1,362,251</b>
Increase/(Decrease) in Fund Balance	\$ 242,155	\$ 666,660	\$ (207,251)
<b>ENDING FUND BALANCE</b>	<b>\$ 909,098</b>	<b>\$ 1,333,603</b>	<b>\$ 1,126,352</b>
<i>Reserve Requirement (Debt Service)</i>	\$ 443,048	\$ 443,048	\$ 439,612
<b>Funds Available</b>	<b>\$ 466,050</b>	<b>\$ 890,555</b>	<b>\$ 686,740</b>
<b>Outstanding Obligations</b>			
Veterans Memorial			A
Final Independence Blvd. Reimbursement to City			B
Parks Facility (Texas Parkway) Debt Service			C
Grand Park Center Project			D
Missouri City Gym			E
<b>Adjusted Funds Available</b>	<b>\$ 466,050</b>	<b>\$ 890,555</b>	<b>\$ 686,740</b>
<b>Anticipated Upcoming Requests (Not Approved Yet)</b>			
<b>Worst Case Adjusted Funds Available</b>	<b>\$ 466,050</b>	<b>\$ 890,555</b>	<b>\$ 686,740</b>
<b>Reserve Requirement Not Utilized or Needed</b>	<b>\$ 443,048</b>	<b>\$ 443,048</b>	<b>\$ 439,612</b>
<b>Total (including Reserve Requirement)</b>	<b>\$ 909,098</b>	<b>\$ 1,333,603</b>	<b>\$ 1,126,352</b>

**Notes:**

*FY2020 Infrastructure Improvements - Veterans Memorial (\$250,000) & Missouri City Gym (\$200,000)*

*FY2021 Developer Agreement Expense - Veterans Memorial (\$250K), Missouri*

*City Gym (\$200,000), Grand Park Center (\$200,000), Independence Blvd (\$200,703)*

A - Veteran's Memorial - \$250K in FY2021

B - Balance Due Missouri City for Independence Blvd Project \$200,703 in FY2021, \$802,810 Future Obligation

C - annual debt service for \$2.6 million

D - Cash Payments for Project (no financing) - Texas Pkway- \$200,000 in FY2021, \$200,000 Future

E - Cash Payments for Missouri City Gym (no financing) - \$200K in FY2021, \$800,000 Future Obligation

Audit Services - AUP for Missouri City Gym Project, Veteran's memorial

Contributions are not received from WCID #2 - possibly because their tax rate consist of I&S only

Principal and Bond Interest - per Debt Schedule

Property Tax Budget subject to change upon receipt of certified values in July

**TAX INCREMENT REINVESTMENT ZONE #1 FY2021 BUDGET**

**FOR DISCUSSION PURPOSES ONLY**

	FY2020 Budget	FY2020 Estimate	FY2021 Proposed	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	Projected Total	Actual Thru FY2019
<b>BEGINNING FUND BALANCE</b>	\$ 666,943	\$ 666,943	\$ 1,333,603	\$ 1,126,352	\$ 1,347,830	\$ 1,643,490	\$ 1,559,512	\$ 1,973,927	\$ 2,390,508	\$ 2,814,491	\$ 3,681,790	\$ 4,555,267	\$ 5,434,967	\$ 6,320,934	\$ 7,213,211	\$ 8,111,845	\$ 9,016,880	\$ 9,928,362	\$ 10,846,338	\$ 11,770,852		
<b>REVENUE</b>																						
Missouri City	\$ 829,498	\$ 759,070	\$ 760,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
FBC General Fund	\$ 350,000	\$ 382,157	\$ 385,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Investment Earnings	\$ 18,269	\$ 21,045	\$ 10,000	\$ 8,446	\$ 10,107	\$ 12,324	\$ 11,694	\$ 14,801	\$ 17,925	\$ 21,104	\$ 27,608	\$ 34,158	\$ 40,754	\$ 47,397	\$ 54,088	\$ 60,827	\$ 67,613	\$ 74,448	\$ 81,331	\$ 88,264		
<b>Total Revenue</b>	\$ 1,197,767	\$ 1,162,272	\$ 1,155,000	\$ 1,108,446	\$ 1,110,107	\$ 1,112,324	\$ 1,111,694	\$ 1,114,801	\$ 1,117,925	\$ 1,121,104	\$ 1,127,608	\$ 1,134,158	\$ 1,140,754	\$ 1,147,397	\$ 1,154,088	\$ 1,160,827	\$ 1,167,613	\$ 1,174,448	\$ 1,181,331	\$ 1,188,264	\$ 48,725,727	\$ 25,837,800
<b>EXPENDITURES</b>																						
Audit Services	\$ 10,000	\$ -	\$ 10,000	\$ 5,000																		
Bank Fees																						
Admin Expenditures																						
Contractual Services			\$ 4,150	\$ 1,822	\$ 1,905	\$ 2,016	\$ 1,985	\$ 2,140	\$ 2,296	\$ 2,455	\$ 2,780	\$ 3,108	\$ 3,438	\$ 3,770	\$ 4,104	\$ 4,441	\$ 4,781	\$ 5,122	\$ 5,467	\$ 5,813		
Bond Interest Expense	\$ 71,262	\$ 71,262	\$ 63,048	\$ 54,612	\$ 46,065	\$ 37,185	\$ 28,194	\$ 18,981	\$ 9,546													
Arbitrage Compliance Expense																						
Payment to refund escrow																						
Bond Issue Costs																						
Paying Agent	\$ 750	\$ 750	\$ 750	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Revenue Bond Principal																						
Revenue Refunding Principal	\$ 370,000	\$ 370,000	\$ 380,000	\$ 385,000	\$ 400,000	\$ 405,000	\$ 415,000	\$ 425,000	\$ 430,000													
Developer Agreement Expense			\$ 850,703																			
Infrastructure Improvements	\$ 450,000																					
Transfer to General Fund	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600	\$ 33,600
Transfer to MCDA	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Transfer to Metro Tax Fund																						
Transfer to Project Fund																						
<b>Total Expenditures</b>	\$ 955,612	\$ 495,612	\$ 1,362,251	\$ 501,534	\$ 503,070	\$ 499,301	\$ 500,279	\$ 501,221	\$ 496,942	\$ 56,805	\$ 57,130	\$ 57,458	\$ 57,788	\$ 58,120	\$ 58,454	\$ 58,791	\$ 59,131	\$ 59,472	\$ 59,817	\$ 60,163	\$ 31,629,812	\$ 25,170,860
Increase/(Decrease) in Fund Balance	\$ 242,155	\$ 666,660	\$ (207,251)	\$ 606,912	\$ 607,036	\$ 613,022	\$ 611,415	\$ 613,580	\$ 620,983	\$ 1,064,299	\$ 1,070,477	\$ 1,076,700	\$ 1,082,966	\$ 1,089,278	\$ 1,095,634	\$ 1,102,035	\$ 1,108,482	\$ 1,114,975	\$ 1,121,515	\$ 1,128,100	\$ 17,095,915	\$ 666,940
<b>ENDING FUND BALANCE</b>	\$ 909,098	\$ 1,333,603	\$ 1,126,352	\$ 1,733,263	\$ 1,954,867	\$ 2,256,512	\$ 2,170,927	\$ 2,587,508	\$ 3,011,491	\$ 3,878,790	\$ 4,752,267	\$ 5,631,967	\$ 6,517,934	\$ 7,410,211	\$ 8,308,845	\$ 9,213,880	\$ 10,125,362	\$ 11,043,338	\$ 11,967,852	\$ 12,898,953	\$ 17,095,915	\$ 666,940
Reserve Requirement (Debt Service)	\$ 443,048	\$ 443,048	\$ 439,612	\$ 643,065	\$ 639,185	\$ 640,194	\$ 640,981	\$ 636,546	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000
<b>Funds Available</b>	\$ 466,050	\$ 890,555	\$ 686,740	\$ 1,090,198	\$ 1,315,682	\$ 1,616,318	\$ 1,529,946	\$ 1,950,962	\$ 2,814,491	\$ 3,681,790	\$ 4,555,267	\$ 5,434,967	\$ 6,320,934	\$ 7,213,211	\$ 8,111,845	\$ 9,016,880	\$ 9,928,362	\$ 10,846,338	\$ 11,770,852	\$ 12,898,953	\$ 17,095,915	\$ 666,940
<b>Outstanding Obligations</b>																						
Veterans Memorial			A																			\$ -
Final Independence Blvd. Reimbursement to City			B	\$ 188,433	\$ 114,377	\$ 500,000																\$ 802,810
Parks Facility (Texas Parkway) Debt Service			C	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 197,000	\$ 3,349,000
Grand Park Center Project			D	\$ 200,000																		\$ 200,000
Missouri City Gym			E	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000															\$ 800,000
<b>Adjusted Funds Available</b>	\$ 466,050	\$ 890,555	\$ 686,740	\$ 704,765	\$ 1,004,305	\$ 919,318	\$ 1,332,946	\$ 1,753,962	\$ 2,617,491	\$ 3,484,790	\$ 4,358,267	\$ 5,237,967	\$ 6,123,934	\$ 7,016,211	\$ 7,914,845	\$ 8,819,880	\$ 9,731,362	\$ 10,649,338	\$ 11,573,852	\$ 12,701,953	\$ 12,944,105	
<b>Anticipated Upcoming Requests (Not Approved Yet)</b>																						\$ -
<b>Worst Case Adjusted Funds Available</b>	\$ 466,050	\$ 890,555	\$ 686,740	\$ 704,765	\$ 1,004,305	\$ 919,318	\$ 1,332,946	\$ 1,753,962	\$ 2,617,491	\$ 3,484,790	\$ 4,358,267	\$ 5,237,967	\$ 6,123,934	\$ 7,016,211	\$ 7,914,845	\$ 8,819,880	\$ 9,731,362	\$ 10,649,338	\$ 11,573,852	\$ 12,701,953	\$ 12,944,105	
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<b>Total (including Reserve Requirement)</b>	\$ 909,098	\$ 1,333,603	\$ 1,126,352	\$ 1,347,830	\$ 1,643,490	\$ 1,559,512	\$ 1,973,927	\$ 2,390,508	\$ 2,814,491	\$ 3,681,790	\$ 4,555,267	\$ 5,434,967	\$ 6,320,934	\$ 7,213,211	\$ 8,111,845	\$ 9,016,880	\$ 9,928,362	\$ 10,846,338	\$ 11,770,852	\$ 12,701,953	\$ 12,944,105	

**Notes:**  
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 FY2021 Developer Agreement Expense - Veterans Memorial (\$250K), Missouri City Gym (\$200,000), Grand Park Center (\$200,000), Independence Blvd (\$200,703)  
 A - Veteran's Memorial - \$250K in FY2021  
 B - Balance Due Missouri City for Independence Blvd Project \$200,703 in FY2021, \$802,810 Future Obligation  
 C - annual debt service for \$2.6 million  
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