



Bayou Greenways 2020 Project

Presentation

Budget & Fiscal Affairs Committee

October 7, 2013



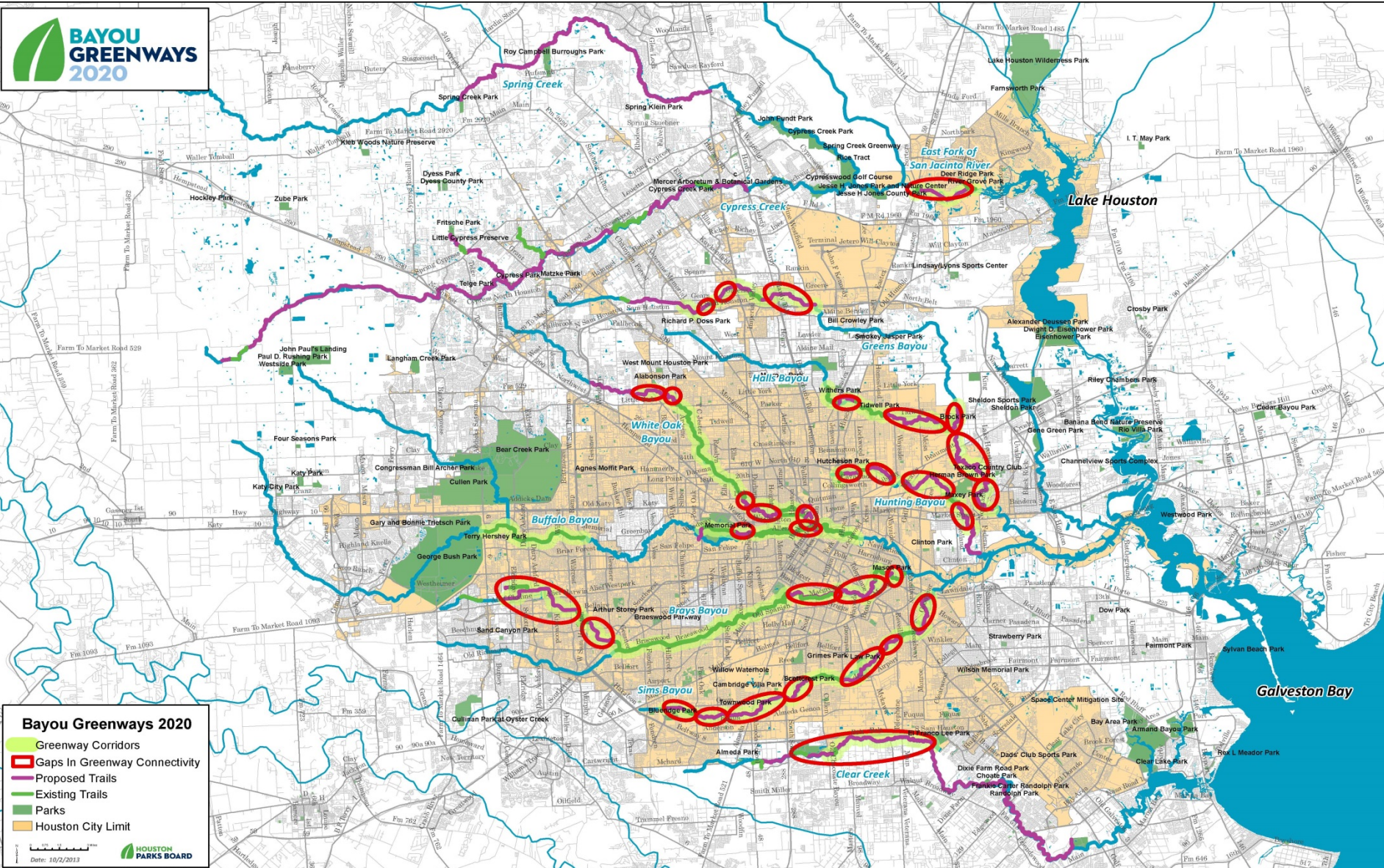
Bayou Greenways 2020 Project **Background**

- November 6, 2012 – voters approved a \$166m parks bond proposition (Proposition B) of which \$100m was designated to support the Bayou Greenways 2020
- On June 26, 2013 City Council approved an Interlocal Agreement with the Houston Parks Board LGC in which they committed to raise an additional \$105m needed to develop the Bayou Greenways 2020 Project and fulfill the commitment to the voters





Bayou Greenways 2020 Project Map



Bayou Greenways 2020

- Greenway Corridors
- Gaps In Greenway Connectivity
- Proposed Trails
- Existing Trails
- Parks
- Houston City Limit

HOUSTON PARKS BOARD
Date: 10/2/2013



Bayou Greenways 2020 Project

- Houston Parks Board (HPB) has an ongoing campaign to raise the \$105m required and it is progressing
- A clearly defined issue that has become apparent in philanthropic campaigns is the commitment of the city to appropriately maintain the donated asset
- City Council addressed this issue directly during the development and agreements reached and passed in 2012 on Buffalo Bayou Park
 - Three party agreement between the donor, the Downtown TIRZ and Buffalo Bayou Park
 - Established a committed fund and process and procedures out 30 years to ensure asset preservation



Bayou Greenways 2020 Project

- An “angel donor” has offered to make a grant of \$50m to the Houston Parks Board (HPB) provided that the city and HPB enter into a long-term maintenance agreement for the project
- A commitment to maintenance is required
- Discussions have followed the same template as Buffalo Bayou Park with important distinctions:
 - Goal of this project is not only the linear parks but specific focus on stretching into many city neighborhoods
 - The breadth of this project is approximately 4,000 acres and spread over 9 Bayou’s/Rivers that make a TIRZ impractical and potentially a high administrative cost option
 - Revenue sources for outside event to supplement operating costs are considerably less



Bayou Greenways 2020 Project

- Began the evaluation process with detailed estimates of maintenance costs
 - Used industry recognized experts to estimate costs
 - Needed to recognize severe weather conditions can be harsh and have direct impact on improvements (both design and maintenance)
 - Goal remains, however, to have these facilities used for pedestrian, bicyclists and communities
 - Goal remains to have future opportunities to further expand “fingers” into communities
- Estimate for maintenance in FY 20-21 will be \$9.4m/year (in 2013 \$ to be escalated) and will ramp up to this level from FY 14-15 and escalate beyond this with inflation
- Also expect there will be variations due to severity of weather conditions
 - Believe 20% contingency of these maintenance costs each year should be established



Bayou Greenways 2020 Project

- Nationwide studies show properties next to parks and green space appreciate in value at a much higher rate than others
 - HPB has done considerable research on this prior to the bond election and it was distributed during the campaign
- City's own experience supports this – Discovery Green (for example) had a dramatic impact on adjacent property values
- Plan to create an economic development zone $\frac{1}{4}$ mile on each side of the 9 bayou's and rivers and calculate increased value
 - Will use January 1, 2012 as base period
 - Will use HCAD market values in a detailed manner just as we do for TIRZ and 380 agreements
 - Using the Ordinance 99-674 and enabling LGC 380 these funds become available to cover defined maintenance costs



Bayou Greenways 2020 Project

- 30 year contract established between City and Houston Parks Board 501c3
 - Will define specific maintenance costs to be spent over term
 - Will include a 20% contingency in each year
 - Will draw from ad valorem tax generated in the “Economic Parks/Trails Zone”
- The contingency will be returned to the city if not needed in a specific year except for the need for replacing initially planned and built capital facilities and projects
- Annually the contract requires a 10 year CIP to be established to replace initially planned and built capital projects
 - If current year contingency remaining is not needed for contingency and 10 year CIP then funds will be returned to the City



Bayou Greenways 2020 Project **Standards Committee**

- Within 6 months of the effective date of this agreement a 7-member Standards Committee will be appointed which will consist of:
 - 2 representatives from the City of Houston as appointed by the Mayor
 - 2 representatives of HPB
 - 2 representatives of the “Angel Donor”
 - 1 member selected by the other 6 committee members
- The Committee will also include representatives who will serve in an “Ex-Officio” capacity from:
 - Harris County Flood Control District
 - Houston Parks Board LGC
 - City of Houston Parks Department



Bayou Greenways 2020 Project **HPARD Maintenance**

- HPB agrees that Houston Parks & Recreation Department (HPARD) is the preferred maintenance contractor for the performance of the HPB maintenance work.
- HPB and the City will enter into a Maintenance Agreement no later than December 31, 2013.
- For any maintenance work not covered by the HPARD maintenance agreement, HPB has the authority to contract or delegate the maintenance



Bayou Greenways 2020 Project **Houston Parks Board Commitments**

- HPB will maintain the project in accordance with the Maintenance Manual
- They will have the authority to negotiate with potential contractors in good faith and enter into a Maintenance Agreement(s) no later than June 30, 2014
- HPB will provide the Standards Committee the opportunity to review and provide comments to the Maintenance Agreement(s)
- HPB will be primarily responsible for the maintenance of the project
- The city is the owner of the “hardscape and improvements” contained in the project



Bayou Greenways 2020 Project **Thank You**

