

## **MEMORANDUM**

**TO:** Mayor TJ Gilmore  
Mayor Pro Tem Kristin Green  
Deputy Mayor Pro Tem Brandon Jones  
Councilmember Bob Troyer  
Councilmember William Meridith  
Councilmember Ronni Cade

**FROM:** Donna Barron, City Manager

**DATE:** August 12, 2021

**SUBJECT:** **Consideration of an Ordinance Amending the Project and Finance Plan for the Zone.**

### **BACKGROUND**

On December 3, 2018, by Ordinance No 0087-18, the city created the Lewisville Tax Increment Reinvestment Zone Number Three (TIRZ #3), to provide a mechanism for financing most of the outstanding improvements of roads, drainage and utilities to Castle Hills after annexation. Bright Realty, the developer, would front the costs to build the public infrastructure and receive reimbursement when tax increment revenue is generated by the project. The TIRZ would also be the financing mechanism used to cover the debt payments related to the contract revenue debt issued for infrastructure in DCFWSD 1-G and 1-H prior to establishment of the TIRZ (city increment only).

Additionally, the TIRZ# 3 project and finance plan did not include economic development powers. Having economic development programs (via Chapter 380 of the local government code) would prove helpful in attracting better development as well as key tenants and operators to the area.

A TIRZ #3 board meeting will be held prior to City Council consideration of this ordinance. It is anticipated that the Board of Directors will adopt the amendment to amend the project and finance plan.

### **ANALYSIS:**

On May 3, 2021, the City Council approved a resolution calling a public hearing for May 12, 2021 at 7:30 AM to consider changes to the TIRZ. On May 12, 2021, the public hearing was opened and has been subsequently continued by the City Council to each regular City Council meetings held after May 12 and prior to August 16, 2021.

The Plan is amended to update project costs and zone reimbursements and to include economic development authority. The Economic Development projects must be submitted individually and be in compliance with the Economic Development Agreement considered by the City Council later

at this meeting. In addition, the maximum city contribution is set at \$54 million pursuant to the Amended and Restated TIRZ Reimbursement Agreement also considered later at this meeting. The County contribution has not been altered from the original TIRZ plan.

**RECOMMENDATION:**

It is city staff's recommendation that the City Council approve the ordinance amending the Project and Finance Plan.