

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Brenda Martin, Director of Finance

DATE: November 19, 2018

SUBJECT: **Consideration of Appointment of the Board of Directors of the Tax Increment Reinvestment Zone, Number Three and Appointment of a Chairperson.**

BACKGROUND

Upon adoption of the Ordinance creating Tax Increment Reinvestment Zone (TIRZ), Number Three, the initial Board of Directors must be appointed. The Board will be responsible for approving the final project and financing plan, budget and other documents that it deems necessary. Actions by the Board will be presented to the City Council as recommendations for final adoption.

BOARD OF DIRECTORS

A Board of Directors is established to make recommendations to the City concerning the administration of the Zone. The Board is to consist of seven (7) members. Positions One through Five on the Board of Directors are reserved for the City. Positions Six and Seven are reserved for the other taxing unit levying taxes and participating in the Zone. Denton County will be appointing Board members for Positions Six and Seven.

The number of Board members mimic the same structure as the City's previous tax increment financing zone (TIRZ2) established in 2008—five members appointed by the City and two appointed by Denton County, the other participating jurisdiction. The Board members from the City for this new Zone will be comprised of City Council members due to their long history and familiarity with the Castle Hills development.

The Directors appointed to odd-numbered positions shall be appointed for two-year terms, while the Directors appointed to even-numbered positions shall be appointed to a one-year term. All subsequent appointments are for two-year terms.

DESIGNATION OF A CHAIRPERSON

According to the Ordinance establishing the Zone the member of the Board of Directors appointed to Position One is to be designated to serve as the chair of the Board of Directors for a one-year term beginning on the effective date of the Ordinance. Thereafter, the Mayor shall annually

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nominate and appoint, subject to City Council approval, a member to serve as chair for a term of one year beginning on the anniversary of the effective date of this Ordinance. The City Council authorizes the Board of Directors to elect from its members a vice-chairman and such other officers as the Board of Directors sees fit.

RECOMMENDATION

The City staff recommends that the City Council appoint Tax Increment Reinvestment Zone, Number Three, Board members to Positions One through Five, and appoint a Chairperson.