

City of Bay City

Proposed Amended  
Tax Increment Reinvestment Zone #2

NOVEMBER 9, 2021



DAVID PETTIT  
*Economic Development*

# PURPOSE

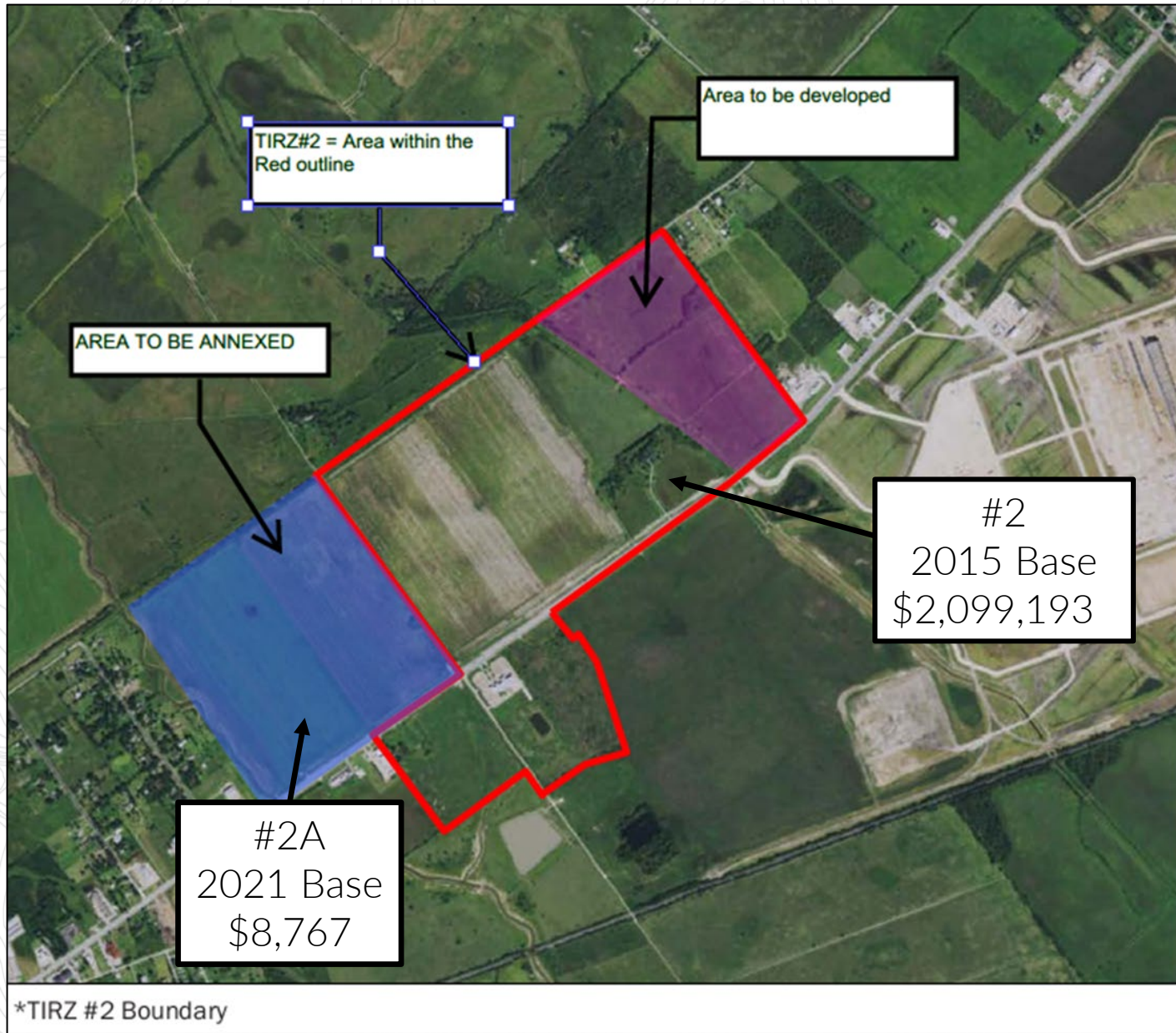
- TIRZ Amendment Process
- Existing and Proposed Expanded Boundaries
- Proposed Properties to be Added to TIRZ
- Current TIRZ Performance
- Conceptual Development Plan and Development Projections
- Project Costs
- Next Steps

# TIRZ Amendment Process

- Chapter 311 outlines the various procedures for creating and amending a TIRZ. Two main documents:
  1. Amended Creation Ordinance; and
  2. Amended TIRZ Project and Financing Plan
- Amended Creation Ordinance establishes five key elements:
  - Boundary;
  - Term;
  - City Participation Rate;
  - TIRZ Board; and
  - Preliminary Amended Project and Financing Plan
- Upon TIRZ creation the Final Project and Financing Plan is approved by the TIRZ Board and then the City Council by separate ordinance



# EXISTING AND PROPOSED BOUNDARIES





# PROPERTIES TO BE ADDED TO TIRZ

147.27 Acres



Property ID	Ownership	Value
20118	CORBETT DUNCAN	875
20961	CORBETT DUNCAN	532
20112	MILBERGER FRANCIS WAYNE FAMILY TRUST	2570
20954	MILBERGER FRANCIS WAYNE FAMILY TRUST	1570
20964	MORTON & HUDSON	3220
		\$ 8,767

# CURRENT TIRZ PERFORMANCE

REVENUE YEAR	BASE YEAR 2015	0 2015	1 2016	2 2017	3 2018	4 2019	5 2020	6 2021
<b>BASE YEAR</b>								
Bay City	2,099,193	2,099,193	2,099,193	2,099,193	2,099,193	2,099,193	2,099,193	2,099,193
Matagorda County	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Matagorda County Hospital District	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Port of Bay City	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Cons & Recl District	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Coastal Plains GW District	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Drainage District #1	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
Bay City/Van Vleck ISD	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022	2,220,022
<b>TAXABLE VALUE</b>								
Bay City	2,099,193	2,088,211	2,980,330	13,021,768	13,141,048	14,629,668	13,323,019	
Matagorda County	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Matagorda County Hospital District	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Port of Bay City	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Cons & Recl District	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Coastal Plains GW District	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Drainage District #1	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
Bay City/Van Vleck ISD	2,220,022	2,209,340	2,997,490	13,038,928	13,158,208	14,656,858	13,339,086	
<b>TAXABLE VALUE INCREMENT</b>								
Bay City	0	(10,982)	881,137	10,922,575	11,041,855	12,530,475	11,223,826	
Matagorda County	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Matagorda County Hospital District	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Port of Bay City	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Cons & Recl District	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Coastal Plains GW District	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Drainage District #1	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
Bay City/Van Vleck ISD	0	(10,682)	777,468	10,818,906	10,938,186	12,436,836	11,119,064	
<b>REVENUE A</b>								
<b>TAXABLE VALUE GROWTH</b>								
Bay City	0	(66)	5,771	71,543	72,324	82,075	71,271	
Matagorda County	0	(45)	3,257	45,178	47,408	52,471	46,949	
Matagorda County Hospital District	0	(33)	2,495	34,793	35,176	39,536	35,375	
Port of Bay City	0	(5)	394	5,830	5,991	6,994	6,258	
Cons & Recl District	0	0	0	0	0	0	0	
Coastal Plains GW District	0	0	0	0	0	0	0	
Drainage District #1	0	0	0	0	0	0	0	
Bay City/Van Vleck ISD	0	0	0	0	0	0	0	
npv @ 6%		0	(150)	11,919	157,343	160,899	181,075	159,854
		670,941						

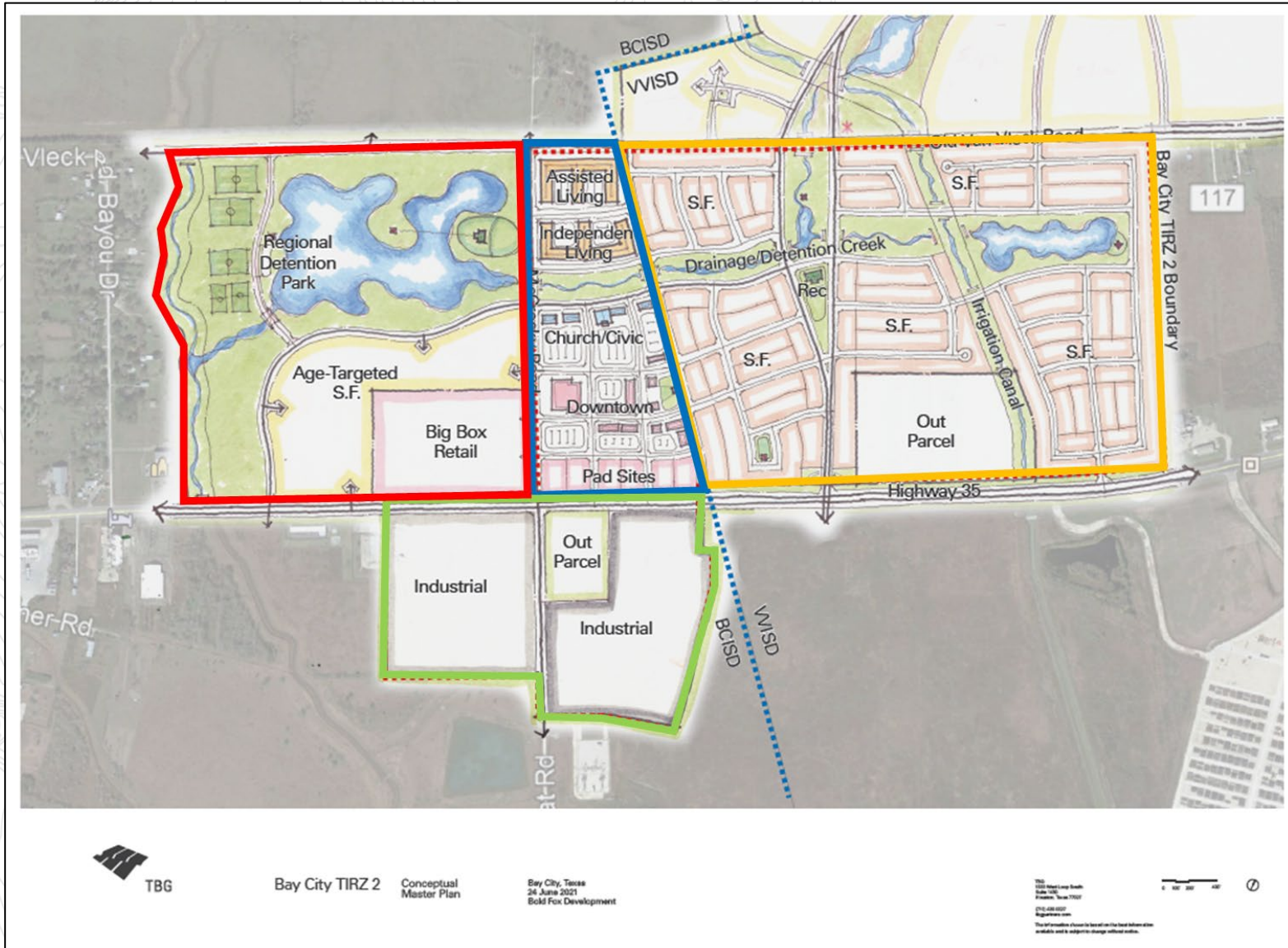
2,733,668	Bay City
1,715,428	Matagorda County
1,255,040	Matagorda County Hospital District
226,983	Port of Bay City
0	Cons & Recl District
0	Coastal Plains GW District
0	Drainage District #1
0	Bay City/Van Vleck ISD

**5,931,119**

Total revenue in 2046, at 2% growth



# DEVELOPMENT PROJECTIONS



# DEVELOPMENT PROJECTIONS

	Square Feet	Units	Projected Completion Date	Taxable Value PSF/Unit	Incremental Value	Sales PSF	Total Sales
<b>TIRZ #2</b>							
Movie Theater/Entertainment Venue							
Bold Fox Single Family 1		200	2025	\$225,000	\$45,000,000	\$0	\$0
Restaurant Pads	16,500		2025	\$135	\$2,227,500	\$500	\$8,250,000
Single Family 1		200	2025	\$225,000	\$45,000,000	\$0	\$0
Assisted & Independent Living		300	2025	\$100,000	\$30,000,000	\$0	\$0
Bold Fox Single Family 2		200	2027	\$225,000	\$45,000,000	\$0	\$0
Light Industrial	25,000		2027	\$35	\$875,000	\$0	\$0
Multifamily		200	2027	\$100,000	\$20,000,000	\$0	\$0
Single Family 2		200	2027	\$225,000	\$45,000,000	\$0	\$0
Restaurant Pads	16,500		2027	\$135	\$2,227,500	\$500	\$8,250,000
Light Industrial	50,000		2030	\$35	\$1,750,000	\$0	\$0
Multifamily		150	2030	\$100,000	\$15,000,000	\$0	\$0
Retail Commercial	7,500		2030	\$135	\$1,012,500	\$350	\$2,625,000
					<b>\$253,092,500</b>		<b>\$19,125,000</b>
<b>TIRZ #2A</b>							
Age-Targeted 1		150	2025	\$225,000	\$33,750,000	\$0	\$0
Multifamily		250	2027	\$100,000	\$25,000,000	\$0	\$0
Age-Targeted 2		150	2028	\$225,000	\$33,750,000	\$0	\$0
Restaurant Pads	16,500		2030	\$135	\$2,227,500	\$500	\$8,250,000
Office	15,000		2032	\$150	\$2,250,000	\$0	\$0
					<b>\$96,977,500</b>		<b>\$8,250,000</b>
<b>Total</b>					<b>\$350,070,000</b>		<b>\$27,375,000</b>



# PROJECT COSTS

- There are a number of improvements within TIRZ #2 that will be financed by in part by incremental real property tax generated within the TIRZ.
- The PFP lists the following menu of eligible projects:

Proposed Project Costs		
Water Facilities and Improvements	\$ 10,253,040	7.5%
Sanitary Sewer Facilities and Improvements	\$ 13,670,720	10.0%
Storm Water Facilities and Improvements	\$ 13,670,720	10.0%
Transit/Parking Improvements	\$ 20,506,080	15.0%
Street and Intersection Improvements	\$ 27,341,440	20.0%
Open Space, Park and Recreation Facilities and Improvements	\$ 20,506,080	15.0%
Economic Development Grants	\$ 27,341,440	20.0%
Administrative Costs	\$ 3,417,680	2.5%
	<b>\$ 136,707,199</b>	<b>100.0%</b>

The costs illustrated in the table above are estimates and may be revised. Savings from one line item may be applied to a cost increase in another line item.

*\* Since 2005, Chapter 311 of the Tax Code allows economic development grants in TIFs consistent with Section 380 of the Local Government Code*

# NEXT STEPS

November 9<sup>th</sup>

- TIRZ Board Recommend Amended Boundary and Plan

November 16<sup>th</sup>

- City Council Public Hearing
- Ordinance Amending Creation Ordinance

December 7<sup>th</sup> and 13<sup>th</sup>

- Matagorda County Consider Amended Participation Agreement

December 14<sup>th</sup>

- Matagorda Regional Medical Center County Consider Amended Participation Agreement

December 21<sup>st</sup>

- TIRZ Board Recommend of Final Project and Financing Plan (PFP) and Development Agreement
- City Council Ordinance Approving Final PFP
- City Council Approval of Development Agreement