

CITY OF DRIPPING SPRINGS

RESOLUTION NO. 2022-R___

A RESOLUTION OF THE CITY OF DRIPPING SPRINGS, TEXAS, APPROVING REIMBURSEMENT TO THE CITY FROM TAX INCREMENT REINVESTMENT ZONES NO. 1 AND NO. 2, INCLUDING BUT NOT LIMITED TO, LEGAL FEES, CONSULTANT FEES, OTHER COSTS INCURRED BY THE CITY, INCLUDING PROJECT MANAGEMENT AGREEMENTS, IN ANTICIPATION OF REIMBURSEMENT BY CURRENT AND FUTURE TIRZ FUNDS AS APPROVED BY THE CITY COUNCIL AND SUBMITTED TO THE TIRZ BOARD FOR REIMBURSEMENT IN ACCORDANCE WITH THE FINAL PROJECT AND FINANCE PLAN.

WHEREAS, as authorized by Chapter 311 of the Texas Tax Code (the “Statute”) and pursuant to Ordinance Nos. 1110.15 and 1110.16, adopted by the City Council of the City of Dripping Springs, Texas, (the “City”) on November 29, 2016, creating the Tax Increment Reinvestment Zones No. 1 and No. 2, City of Dripping Springs (the “Zone”); and

WHEREAS, in compliance with Texas Tax Code Sections 311.010(i) and 311.014, Ordinance Nos. 1110.15 and 1110.16, the City has incurred costs prior to the accumulation of funds within the Tax Increment Funds (the “TIRZ Costs”); and

WHEREAS, in order to accelerate the benefits of development which are likely to occur as a result of creation and management of the Zones and the Zones’ Projects, the City desires to pay and has paid for certain upfront TIRZ Costs (the “Initial Costs”) from other legally appropriated non-TIRZ funds approved by the City as described in the Preliminary Project and Finance Plan and the Final Project and Finance Plan, and at the direction of the TIRZ boards and the City Council; and

WHEREAS, any funds spent on TIRZ No. 1 and TIRZ No. 2 are to be considered a loan from the City to TIRZ No. 1 and TIRZ No. 2, and as such, the City shall prepare a list of costs to be submitted to the TIRZ Boards for review and updated as costs are incurred; and are intended to be repaid as funds are deposited in the Tax Increment Funds for each TIRZ.

NOW, THEREFORE, BE IT RESOLVED by the City of Dripping Springs City Council:

1. Eligible Costs, such as legal costs, consultant costs, and Project Manager agreements, for which the City shall seek reimbursement will be enumerated by City staff and presented to the TIRZ No. 1 and No. 2 Boards and the City Council for review and approval for inclusion in the reimbursement request from the Tax Increment Funds.
2. As TIRZ No. 1 and TIRZ No. 2 revenues are deposited into the TIRZ Funds and funds become available, the TIRZ Boards shall review and approve requests from the City for

reimbursement of Initial Costs as enumerated in the requests for reimbursement.

3. That this resolution shall take effect from its date of passage and is accordingly so ordered.

PASSED & APPROVED this, the 17th day of May 2022, by a vote of ____ (ayes) to ____ (nays) to ____ (abstentions) of the City Council of Dripping Springs, Texas.

CITY OF DRIPPING SPRINGS:

Bill Foulds, Jr. Mayor

ATTEST:

Andrea Cunningham, City Secretary