

TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF MANOR

RESOLUTION NO. 2026-01-TIRZNO.2

A RESOLUTION OF THE TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF MANOR BOARD APPROVING THE TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF MANOR FINAL PROJECT AND FINANCE PLAN; MAKING CERTAIN FINDINGS; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the Tax Increment Reinvestment Zone Number Two, City of Manor Board (the “Board”) has been duly appointed in accordance with State law; and

WHEREAS, the City of Manor, Texas (the “City”) City Council (the “City Council”) previously approved the creation of the Tax Increment Reinvestment Zone Number Two, City of Manor (the “Zone”) via City Council Ordinance No. 700 on December 18, 2024 (the “Creation Ordinance”); and

WHEREAS, the City Council previously approved the *Tax Increment Reinvestment Zone Number Two, City of Manor Preliminary Project and Finance Plan* via the Creation Ordinance; and

WHEREAS, the *Tax Increment Reinvestment Zone Number Two, City of Manor Final Project and Finance Plan* (the “Final Project and Finance Plan”) has been prepared for the Zone; and

WHEREAS, upon full review and consideration of the Final Project and Finance Plan and all matters attendant and related thereto, the Board is of the opinion that the terms and conditions thereof are in the best interests of the City and its citizens and should be approved; and

WHEREAS, all constitutional, statutory and legal prerequisites for the passage of this Resolution have been met, including but not limited to the Open Meetings Act.

NOW THEREFORE BE IT RESOLVED BY THE TAX INCREMENT REINVESTMENT ZONE NUMBER TWO, CITY OF MANOR BOARD, THAT:

SECTION 1. The recitals set forth in the preamble to this Resolution are true and correct and are incorporated as part of this Resolution.

SECTION 2. The Board approves the Final Project and Finance Plan, attached hereto as **Exhibit “A”**.

SECTION 3. It is hereby found, determined, and declared that sufficient written notice of the date, hour, place and subject of the meeting of the Board at which this Resolution was adopted was posted at a place convenient and readily accessible at all times to the general public at the City

Hall of the City for the time required by law preceding its meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter hereof has been discussed, considered and formally acted upon. The Board further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 4. This Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED by the City of Manor Tax Increment Reinvestment Zone, Number Two Board on this the _____ day of June 2026.

THE CITY OF MANOR, TEXAS

Dr. Christopher Harvey,
Board Chair

ATTEST:

Lluvia T. Almaraz,
Board Secretary

APPROVED AS TO FORM:

Veronica Rivera,
Assistant City Attorney

Exhibit "A"

**Final Project and Finance Plan for
Tax Increment Reinvestment Zone Number Two, City of Manor
[see attached]**

City of Manor, Texas
Tax Increment Reinvestment Zone No. Two
Project & Financing Plan

June 17, 2026



Prepared by



TXP, Inc.
1310 South 1st Street, Suite 105
Austin, Texas 78704
(512) 328-8300 phone
www.txp.com

Table of Contents

Section 1 – Introduction	1
Background.....	1
Purpose of a Tax Increment Reinvestment Zone	1
Purpose of this Document.....	2
TIRZ #2 Board of Directors.....	2
Section 2 – Project Plan	3
Description of Tax Increment Reinvestment Zone #2	3
Existing Zoning and Land Use Guidelines Applicable to a TIRZ #2	5
Taxing Jurisdictions Applicable to TIRZ.....	5
Proposed Changes in Master Plans, Zoning Ordinances, and Building Codes	5
Relocation of Displaced Persons	5
Estimated Non-Project Costs.....	5
Section 3 – Financing Plan	6
Compliance & Reporting.....	6
Public Sector Entities Participating in TIRZ #2	6
Financial Forecast Assumptions	7
Financial Forecast Summary Results	7
Section 4 – TIRZ #2 Projects	9
Project Overview & Costs	9
Duration of the Zone	Error! Bookmark not defined.
Method of Financing Project Costs	9
Estimated Time when Related Costs or Monetary Obligations Incurred.....	9
Estimated Amount of Bonded Indebtedness	9
Economically Feasible.....	9
Implementation of the Project Plan.....	10
Eligible Project Costs & Categories.....	10
Appendix 1 – City of Manor Ordinance 2024-770	12
Legal Disclaimer	13





List of Figures

Figure 1: How the Tax Increment is Calculated	1
Figure 2: Downtown TIRZ #2 Geographic Boundary	4
Figure 3: Land Use within the Downtown TIRZ #2	4

List of Tables

Table 1: Existing Land Use within TIRZ #2	3
Table 2: Participating Taxing Jurisdictions within the TIRZ #2	6
Table 3: Projected TIRZ #2 Revenue – City of Manor	8
Table 4: Estimated TIRZ #2 Project Descriptions and Estimated Costs	11



Section 1 – Introduction

Background

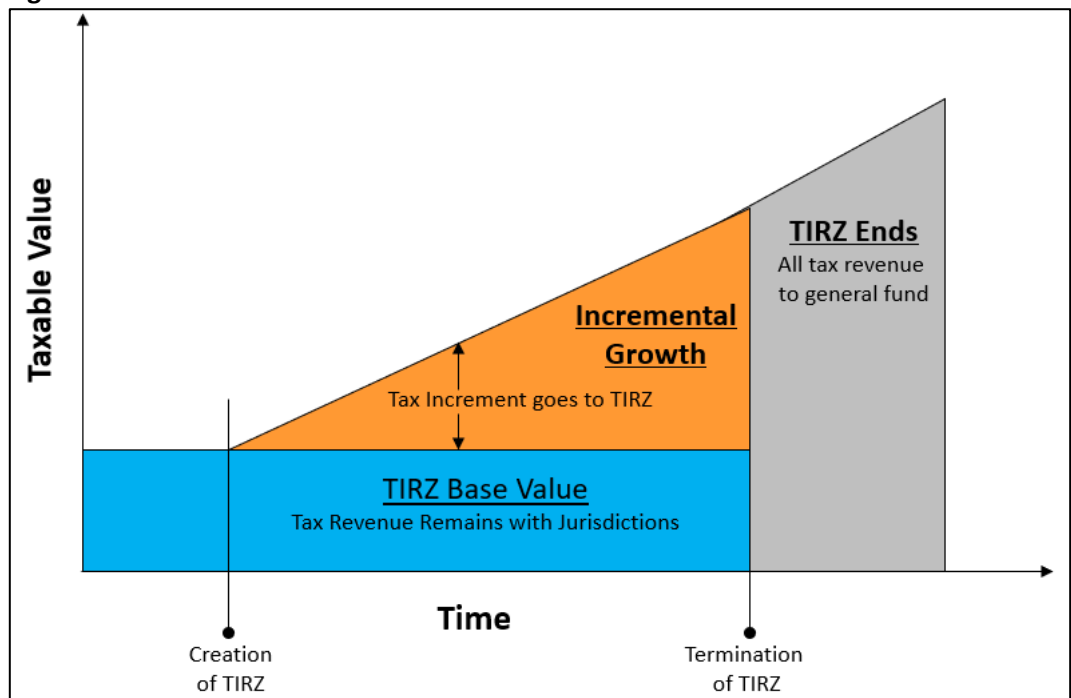
In December 2024, the City of Manor, Texas (City), by Ordinance No. 2024-770, approved the creation of the Tax Increment Reinvestment Zone Number Two, City of Manor, Texas (TIRZ #2). TIRZ #2 was established to finance a portion of the infrastructure, project, and maintenance costs associated with the redevelopment of Downtown Manor.

Purpose of a Tax Increment Reinvestment Zone

A tax increment reinvestment zone (“TIRZ”) is a financing tool used by local governments to fund public improvements and infrastructure within a defined geographic area. These improvements are typically intended to support the viability of existing businesses and encourage new commercial development. Eligible project costs are repaid through the dedication of future property tax revenues from participating taxing units. The increase in property tax revenue generated by rising taxable values within the zone is known as the tax increment.

Each taxing unit may elect to contribute all, a portion, or none of the tax revenue attributable to increases in property value resulting from improvements within a TIRZ. Each taxing unit determines the percentage of its tax increment, if any, that it will dedicate toward repayment of eligible public improvement costs. The statutory framework governing tax increment financing is set forth in Chapter 311 of the Texas Tax Code.

Figure 1: How the Tax Increment is Calculated





Purpose of this Document

This document is intended to satisfy the statutory requirements for adoption of the Final Project and Financing Plan for TIRZ #2. It also serves as a guiding document for the TIRZ Board, which has been established to administer and oversee TIRZ #2. The organization of this report, including its sections and subsections, corresponds to the required components set forth in Chapter 311 of the Texas Tax Code.

Pursuant to Chapter 311 of the Texas Tax Code, the governing body of a municipality or county that designates a tax increment reinvestment zone may amend the project and financing plan and extend the term of the zone after notice and public hearing conducted in the same manner as required for the original designation of the zone. Any amendments to this plan must be documented and approved by the TIRZ Board and City of Manor.

TIRZ #2 Board of Directors

The TIRZ #2 Board of Directors shall consist of 7 members.

Section 2 – Project Plan

Description of Tax Increment Reinvestment Zone #2

There is one existing TIRZ in Manor. According to state law, cities with less than 100,000 residents may not create a new TIRZ if the total appraised value of taxable real property in the proposed reinvestment zone and in the existing reinvestment zones would exceed 50.0 percent of the total appraised value of taxable real property within the city and its industrial districts. In addition, a TIRZ may not be created if more than 30.0 percent of the property in the proposed new TIRZ (excluding publicly-owned property) is used for residential purposes at the time of designation. TIRZ #2 complies with these state rules.

TIRZ #2 covers approximately 927.5 acres (including roads and right of way) and 716 parcels. The 2024 baseline city taxable property value of the TIRZ is \$377,688,869.

Table 1: Existing Land Use within TIRZ #2

Land Use	Parcels	Acres
Single-Family	383	83.3
Multifamily	22	40.3
Farm & Ranch Land Qualified	167	116.4
Farm & Ranch Land	1	14.1
Farm & Ranch Improvements	19	276.6
Commercial & Industrial	104	217.4
Residential Inventory	1	0.1
Blank	19	0.0
Total	716	748.1

Source: Travis Central Appraisal District; TXP, Inc.

Figure 2: Downtown TIRZ #2 Geographic Boundary

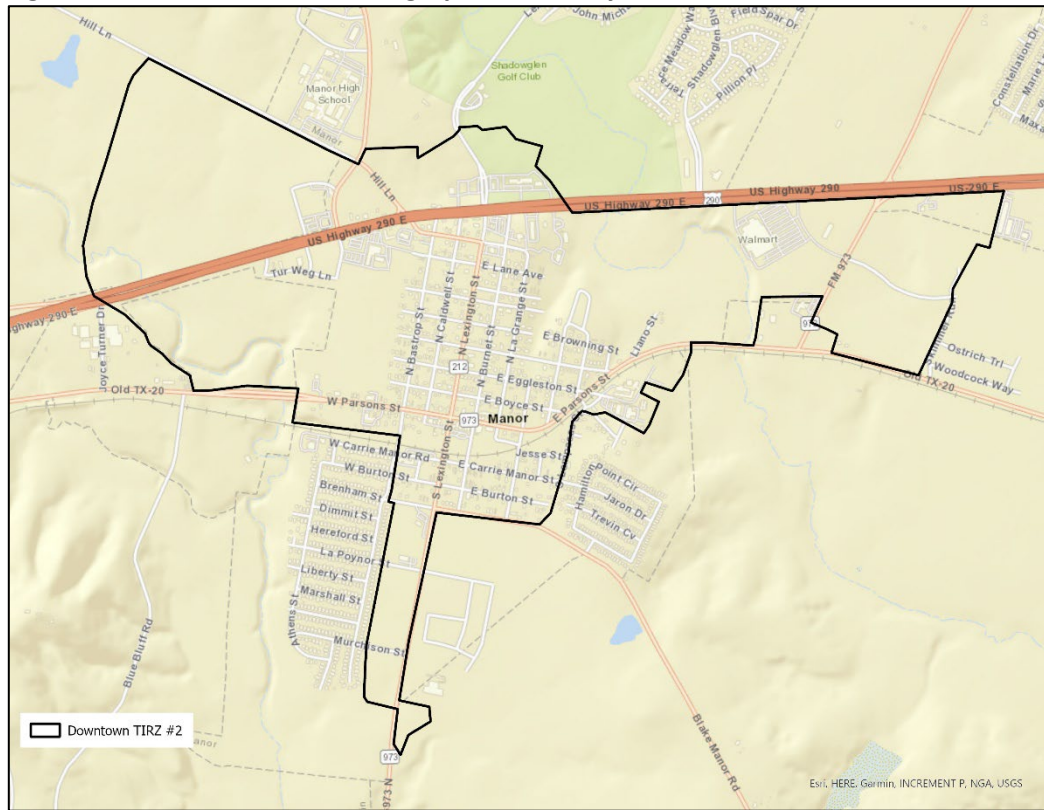
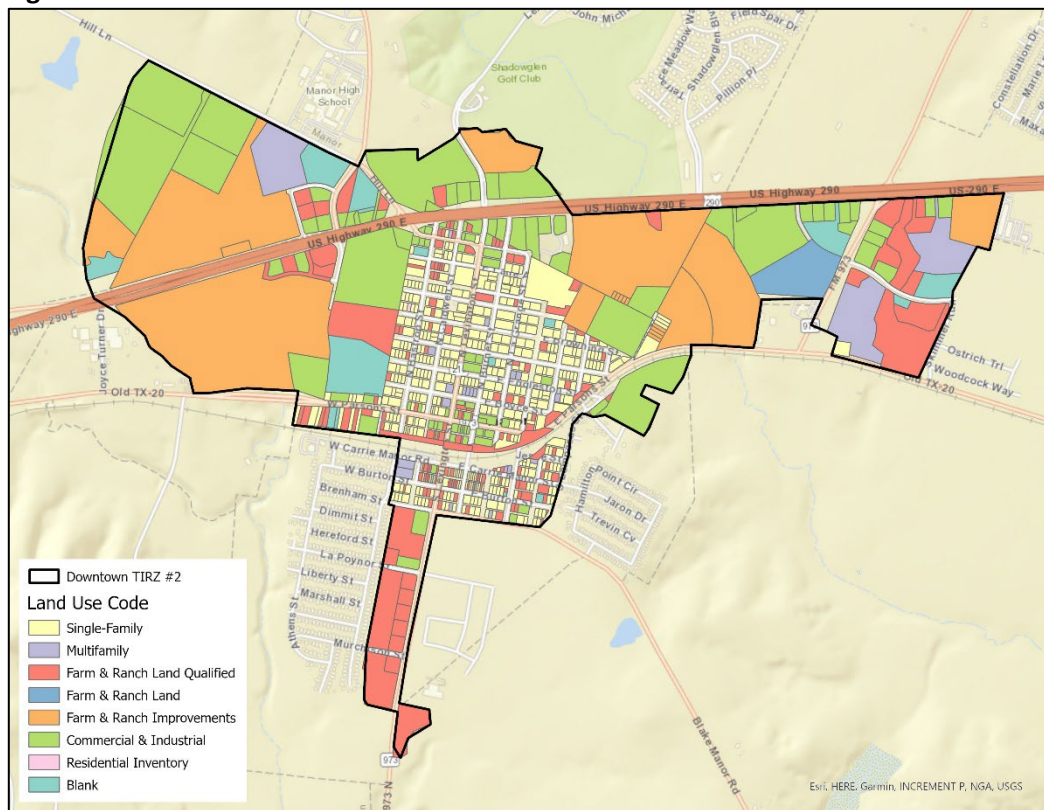


Figure 3: Land Use within the Downtown TIRZ #2



.....

Existing Zoning and Land Use Guidelines Applicable to a TIRZ #2

Existing City of Manor land use, zoning guidelines, and policies would apply to all properties within the city limits.

Taxing Jurisdictions Applicable to TIRZ

The proposed expanded TIRZ #2 is located within the following taxing jurisdictions:

- City of Manor
- Travis County
- Travis County Healthcare District
- Austin Community College District
- Manor Independent School District
- Travis County ESD #12

Proposed Changes in Master Plans, Zoning Ordinances, and Building Codes

There are no immediate changes to the master development and zoning ordinances.

Relocation of Displaced Persons

This plan currently does not call for or anticipate the displacement and relocation of persons for the proposed projects.

Estimated Non-Project Costs

Non-project costs are estimated costs to be incurred by developers, the City of Manor, and other governmental entities to construct and provide public utilities and facilities that will not be paid for by TIRZ #2.

Section 3 – Financing Plan

Tax increment financing is a public financing mechanism used by local governments to fund needed infrastructure and other public improvements within a defined geographic area. These improvements are typically undertaken to support the viability of existing businesses and to attract new commercial development. Tax increment financing is authorized and governed by Chapter 311 of the Texas Tax Code.

The costs of eligible improvements within a reinvestment zone are repaid through the dedication of future property tax revenues generated within the zone by participating taxing units. Each taxing unit may elect to contribute all, a portion, or none of the tax revenue attributable to increases in property value resulting from improvements within the zone. The additional property tax revenue generated by these increases in taxable value is referred to as the tax increment. Each taxing unit independently determines the percentage of its tax increment, if any, that it will dedicate toward the repayment of public improvement costs.

Compliance & Reporting

The TIRZ Board shall conduct its activities in compliance with all applicable federal, state, and local laws, rules, and regulations. The TIRZ Board shall prepare and submit project status reports and financial reports as required by state law.

Public Sector Entities Participating in TIRZ #2

All project costs will be paid through the contribution of incremental property tax collections. The City of Manor will contribute 50.0 percent of its maintenance and operations (M&O) and interest and sinking (I&S) ad valorem tax rate.

Table 2: Participating Taxing Jurisdictions within the TIRZ #2

Entity	% Contribution
City of Manor	50.0%

Source: TXP, Inc.

Financial Forecast Assumptions

- **Duration** – The TIRZ will have a 25-year lifespan.
- **TIRZ Allocation** – For this analysis, it has been assumed:
 - The City of Manor will contribute 50.0 percent of its M&O & I&S rates.
- **Tax Rate** – While tax rates do change over time, the 2025 tax rates were held constant for the duration of the TIRZ.
- **Real Property** – Only taxable real property values are included in the tax increment calculations. By law, business personal property values are excluded from TIRZ.
- **Inflation & Appreciation Rate** – The inflation rate used for construction costs and the value of improvements is 3.0 percent per year.
- **Future Development Patterns** – TXP assumed that approximately \$5,000,000 in new taxable real property value will be added annually starting in 2027.

Financial Forecast Summary Results

The following table depicts the anticipated revenue generated over 25 years. The first TIRZ increment will occur in 2025 (total 2025 value less the 2024 baseline value). Note: 2025 taxes are not due until January 2026.

Table 3: Projected TIRZ #2 Revenue – City of Manor

Period	Year	Fiscal Year	Taxable Value	Increment Value	Tax Rate	TIRZ Revenue @ 50%
0	2024	2025	\$377,688,869	\$0	\$0.85370	\$0
1	2025	2026	\$437,786,153	\$60,097,284	\$0.85370	\$256,525
2	2026 (P)	2027	\$450,399,968	\$72,711,099	\$0.85370	\$310,367
3	2027	2028	\$469,061,967	\$91,373,098	\$0.85370	\$390,026
4	2028	2029	\$488,438,326	\$110,749,457	\$0.85370	\$472,734
5	2029	2030	\$508,555,110	\$130,866,241	\$0.85370	\$558,603
6	2030	2031	\$529,439,308	\$151,750,439	\$0.85370	\$647,747
7	2031	2032	\$551,118,857	\$173,429,988	\$0.85370	\$740,286
8	2032	2033	\$573,622,685	\$195,933,816	\$0.85370	\$836,343
9	2033	2034	\$596,980,734	\$219,291,865	\$0.85370	\$936,047
10	2034	2035	\$621,224,007	\$243,535,138	\$0.85370	\$1,039,530
11	2035	2036	\$646,384,593	\$268,695,724	\$0.85370	\$1,146,928
12	2036	2037	\$672,495,713	\$294,806,844	\$0.85370	\$1,258,383
13	2037	2038	\$699,591,753	\$321,902,884	\$0.85370	\$1,374,042
14	2038	2039	\$727,708,310	\$350,019,441	\$0.85370	\$1,494,058
15	2039	2040	\$756,882,228	\$379,193,359	\$0.85370	\$1,618,587
16	2040	2041	\$787,151,644	\$409,462,775	\$0.85370	\$1,747,792
17	2041	2042	\$818,556,030	\$440,867,161	\$0.85370	\$1,881,841
18	2042	2043	\$851,136,243	\$473,447,374	\$0.85370	\$2,020,910
19	2043	2044	\$884,934,569	\$507,245,700	\$0.85370	\$2,165,178
20	2044	2045	\$919,994,771	\$542,305,902	\$0.85370	\$2,314,833
21	2045	2046	\$956,362,144	\$578,673,275	\$0.85370	\$2,470,067
22	2046	2047	\$994,083,565	\$616,394,696	\$0.85370	\$2,631,081
23	2047	2048	\$1,033,207,545	\$655,518,676	\$0.85370	\$2,798,081
24	2048	2049	\$1,073,784,288	\$696,095,419	\$0.85370	\$2,971,283
25	2049	2050	\$1,115,865,749	\$738,176,880	\$0.85370	\$3,150,908
						\$37,232,181

Source: TXP, Inc.

Section 4 – TIRZ #2 Projects

Project Overview & Costs

Downtown TIRZ #2 will support catalytic infrastructure and economic development projects intended to facilitate the redevelopment of properties within Downtown Manor. The City of Manor’s Comprehensive Plan *Destination 2050* developed by Freese and Nichols outlines some of the needed improvements for this area of the city.

Public infrastructure investment is necessary to catalyze redevelopment in the Downtown area and represents the primary focus of TIRZ #2. Additional infrastructure and enhancement projects may be undertaken as resources allow, and other projects may be added to the project list as future development opportunities arise.

Duration of the Zone

TIRZ #2 has a total duration of 25 years, with a baseline year of 2024. The zone is scheduled to terminate on December 31, 2049, inclusive of the collection of the 2049 tax increment during calendar year 2050 and the completion of any related administrative matters in 2050.

Method of Financing Project Costs

All project costs will be funded through the contribution of incremental property taxes.

Estimated Time when Related Costs or Monetary Obligations Incurred

The TIRZ will reimburse developers and fund eligible projects as incremental tax revenues become available. In some cases, it may take multiple years for the TIRZ to accumulate sufficient revenues to fund a project or to fully reimburse a developer.

Estimated Amount of Bonded Indebtedness

It is anticipated that TIRZ #2 financial transactions will be conducted on a cash-flow basis, and only to the extent that funds are available in the Tax Increment Fund. However, should sufficient resources become available, the TIRZ #2 Board may recommend to the Manor City Council the issuance of TIRZ-supported debt, provided that the Tax Increment Fund is able to meet all associated payment obligations. The TIRZ Board is under no obligation to issue notes or incur debt.

Economically Feasible

The TIRZ Board reviewed the financial forecasts and underlying model assumptions and determined that projected revenues are sufficient to fund the Project Plan. Accordingly, the financial forecasts are considered reasonable, the assumptions are deemed sound, and the Project Plan is economically feasible.

Implementation of the Project Plan

The Manor City Council at all times shall have and retain paramount authority to direct the actions of the TIRZ #2 Board in connection with the administration of the Plans.

Eligible Project Costs & Categories

1. Parks, Streetscape, and Open Space Enhancements

This category includes improvements to parks, streetscapes, and open spaces intended to enhance the public realm and support redevelopment within the TIRZ. Eligible improvements may include pedestrian amenities, sidewalks, streetscape furnishings, landscaping, street trees, lighting, signage, public plazas, trails, gateways, and related aesthetic or functional enhancements within public rights-of-way or publicly accessible areas. Related land acquisition is also allowable under this category. Eligible expenditures under this category may include planning, design, engineering, and construction costs.

2. Infrastructure Improvements

This category includes street and roadway improvements, public utilities, drainage infrastructure, water retention ponds, levees, stormwater improvements, and public parking facilities, including surface parking and parking garages. The locations of public works and improvements funded by the Zone are documented in the City's downtown plan, CIP, and related planning documents. Related land acquisition is also allowable under this category. Eligible expenditures include costs associated with planning, design, engineering, and construction. Related land acquisition is also allowable under this category.

3. Economic Development Grants

It is anticipated that economic development loans and/or grants authorized under Chapter 380 of the Texas Local Government Code may be utilized to assist in implementing the Project Plan. Any such loans or grants would be provided for the public purposes of promoting and diversifying the economy, reducing unemployment or underemployment, and supporting the development or expansion of transportation, business, and commercial activity within the TIRZ.

4. Developer Reimbursement for Public Improvements

The TIRZ Board may enter into agreements to reimburse eligible infrastructure costs that benefit the Zone, including streets, utilities, open space, landscaping, flood control, and other public improvements. Developers typically fund and construct authorized improvements and may be reimbursed from available TIRZ revenues following completion and City acceptance, subject to the terms of a development agreement. Reimbursement priorities and allocation of available increment will be established on a case-by-case basis, and TIRZ participation may change as the Zone develops.

5. Municipal Services Fee (MSF)

The TIRZ Board may enter into a Municipal Services Agreement with the City of Manor to fund the incremental cost of municipal services attributable to development within TIRZ #2. Such an agreement would specify eligible services, cost calculation methods, and payment terms, and would be subject to available tax increment revenues and approval by the TIRZ Board and the City.

6. Administrative Support

The City of Manor may provide administrative support to the TIRZ through the use of City staff. Such support may include maintaining and safeguarding official records of the Zone, providing accounting and financial management services as requested by the TIRZ Board, and performing other administrative functions necessary for the effective operation of TIRZ #2.

In addition, eligible operating costs within this project category may include the procurement of professional services at the request of the TIRZ Board. Such services may include, but are not limited to, engineering, land planning, legal, financial, or other technical and professional support necessary to administer the Project Plan and Financing Plan.

7. Non-Project Costs

Private sector entities will be responsible for the development and redevelopment of properties within the TIRZ. Non-project costs are those costs necessary to support development within the TIRZ that are funded by parties other than the TIRZ, such as private developers or other entities. The TIRZ will not fund non-project costs.

8. Future Eligible Projects

The TIRZ Board may determine that additional public improvements are necessary to support development within the TIRZ. If such improvements are identified, they shall be incorporated into the Project Plan through formal amendments adopted in accordance with applicable law and subject to approval by the Manor City Council.

Table 4: Estimated TIRZ #2 Project Descriptions and Estimated Costs

Category	Project	Estimated Cost
1	Parks, Streetscape, and Open Space Enhancements	\$10,000,000
2	Infrastructure Improvements	\$15,000,000
3	Economic Development Grants	\$5,000,000
4	Developer Reimbursement for Public Improvements	\$5,000,000
5	Municipal Services Fee (MSF)	\$2,000,000
6	Administration & Implementation	\$3,000,000
Total		\$40,000,000

Source: TXP

Appendix 1 – City of Manor Ordinance 2024-770

See Attached



Legal Disclaimer

TXP, Inc. (TXP) reserves the right to make changes, corrections, and/or improvements at any time and without notice. In addition, TXP disclaims any and all liability for damages incurred directly or indirectly as a result of errors, omissions, or discrepancies. TXP disclaims any liability due to errors, omissions, or discrepancies made by third parties whose material TXP relied on in good faith to produce the report.

Any statements involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that such opinions or estimates will be realized. The information and expressions of opinion contained herein are subject to change without notice, and shall not, under any circumstances, create any implications that there has been no changes or updates.