

Montgomery Economic Development Corporation  
**AGENDA REPORT**

<b>Meeting Date: May 16, 2022</b>	<b>Budgeted Amount:</b>
<b>Prepared By:</b>	<b>Exhibits: TIRZ examples</b>
<b>Date Prepared:</b>	

### Subject

Consideration and possible action to authorize MEDC Board Members to begin presenting the Tax Income Reinvestment Zone (TIRZ) concept to City Council, MISD, and Montgomery County and approve up to \$20,000 in expenditures for professional services to create a TIRZ.

### Description

Over the last few months, MEDC has discussed the creation of a TIRZ mechanism to encourage development along the 149/105 corridors that is in keeping with the City's historical nature as well as to provide a funding mechanism to encourage improvements to existing structures that are in-line with this goal.

The creation of a TIRZ will be something that City Council will need to approve, since it can only be funded via property taxes. However, MEDC can spearhead this effort by paying for the legal and filing fees required for the creation of the district as well as presenting the item to Council and other taxing authorities (MISD and Montgomery County).

MEDC will need to create a presentation with a compelling argument for the creation of the district as well as a timeline for rolling it out to the other taxing authorities.

MEDC should base its filing upon the McKinney TIRZ, which is very similar to what is envisioned for the City – desired growth along specific corridors, revitalizing a historic downtown, maintaining/promoting buildings of a historic nature, etc. It is also envisioned that the Montgomery TIRZ will promote entrepreneurship and sales tax generating businesses.

For further information, McKinney TIRZ documents and an informational document about TIRZ generally (but from Flower Mound) are attached.

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**Recommendation**

Authorize MEDC Board Members to begin presenting the TIRZ concept to City Council, MISD, and Montgomery County and approve up to \$20,000 expenditure for professional services to create a TIRZ district when approval is gained from City Council for a TIRZ district. It is likely that these funds will not be spent until the new fiscal year – but should be allocated from Professional Services via a budget amendment if needed prior to the end of September.

**Approved By**

City Administrator

Richard Tramm

Date: May 12, 2022