

PRELIMINARY DRAFT

Proposed Tax Increment Reinvestment
Zone No. 1,
City of Port Lavaca

September 22, 2025

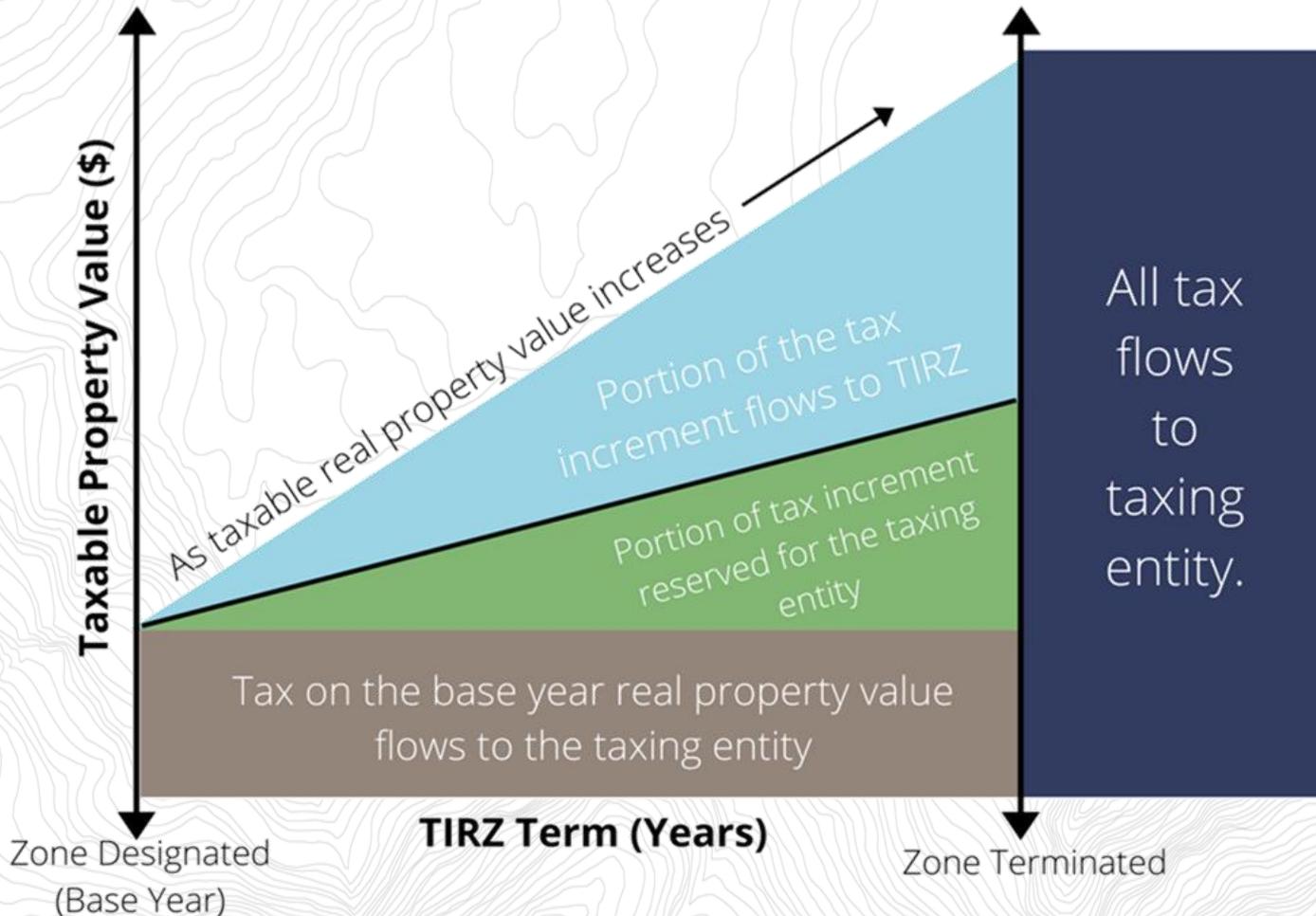
PURPOSE

- Tax Increment Financing Concept
- Initial Boundaries
- Preliminary Numbers

Tax Increment Financing

Tax Increment Reinvestment Zones (TIRZ)

- Not a new tax on development
 - Redirects a portion of tax generated from new development within TIRZ



TIRZ REVENUES

Two ways to create new tax increment:

1. New construction/investment; and/or
2. Annual appreciation of real property (i.e. “organic growth”)

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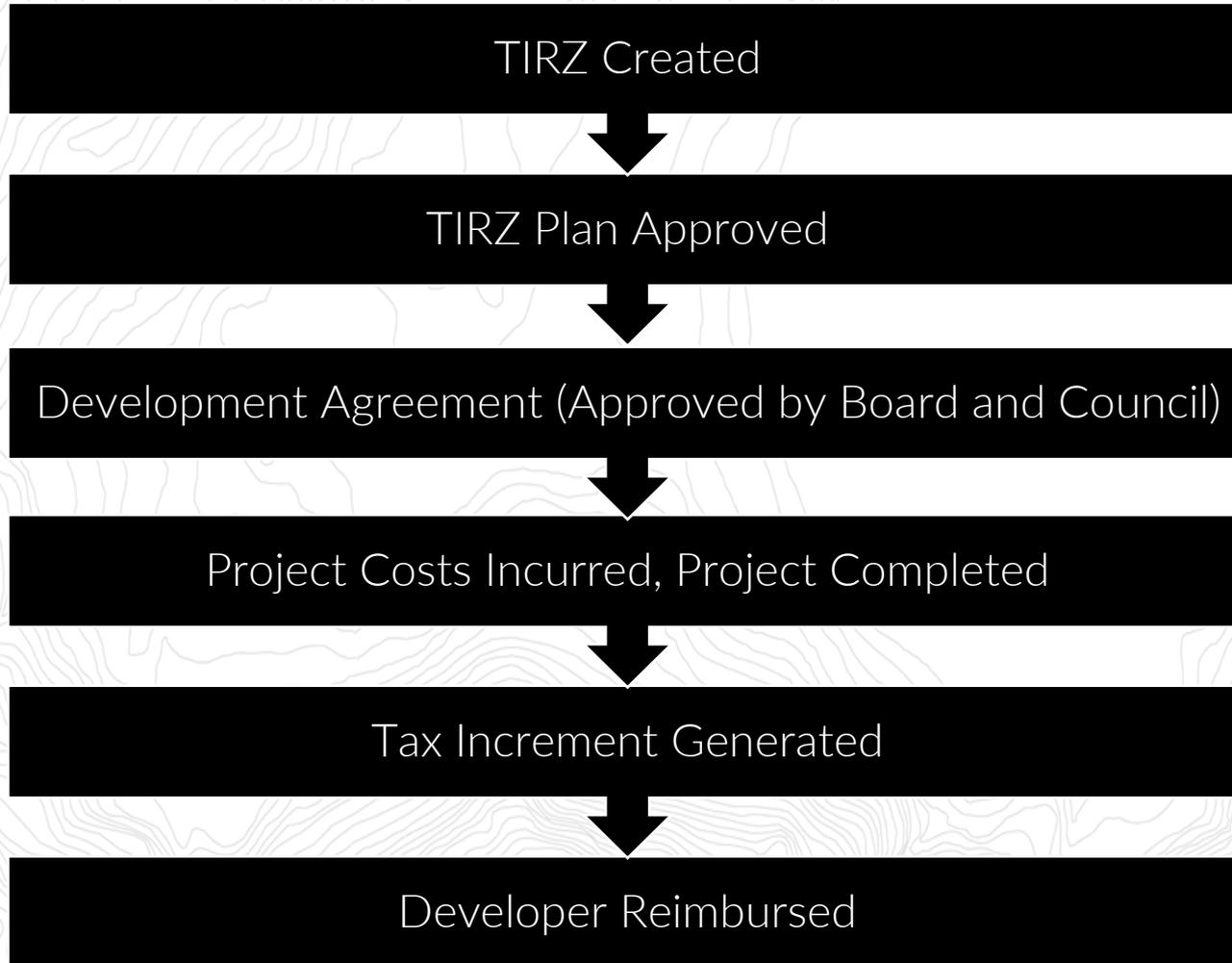


TIRZ FINANCING AND FUNDING PROCESS*



*COMPTROLLER.TEXAS.GOV

PROCESS



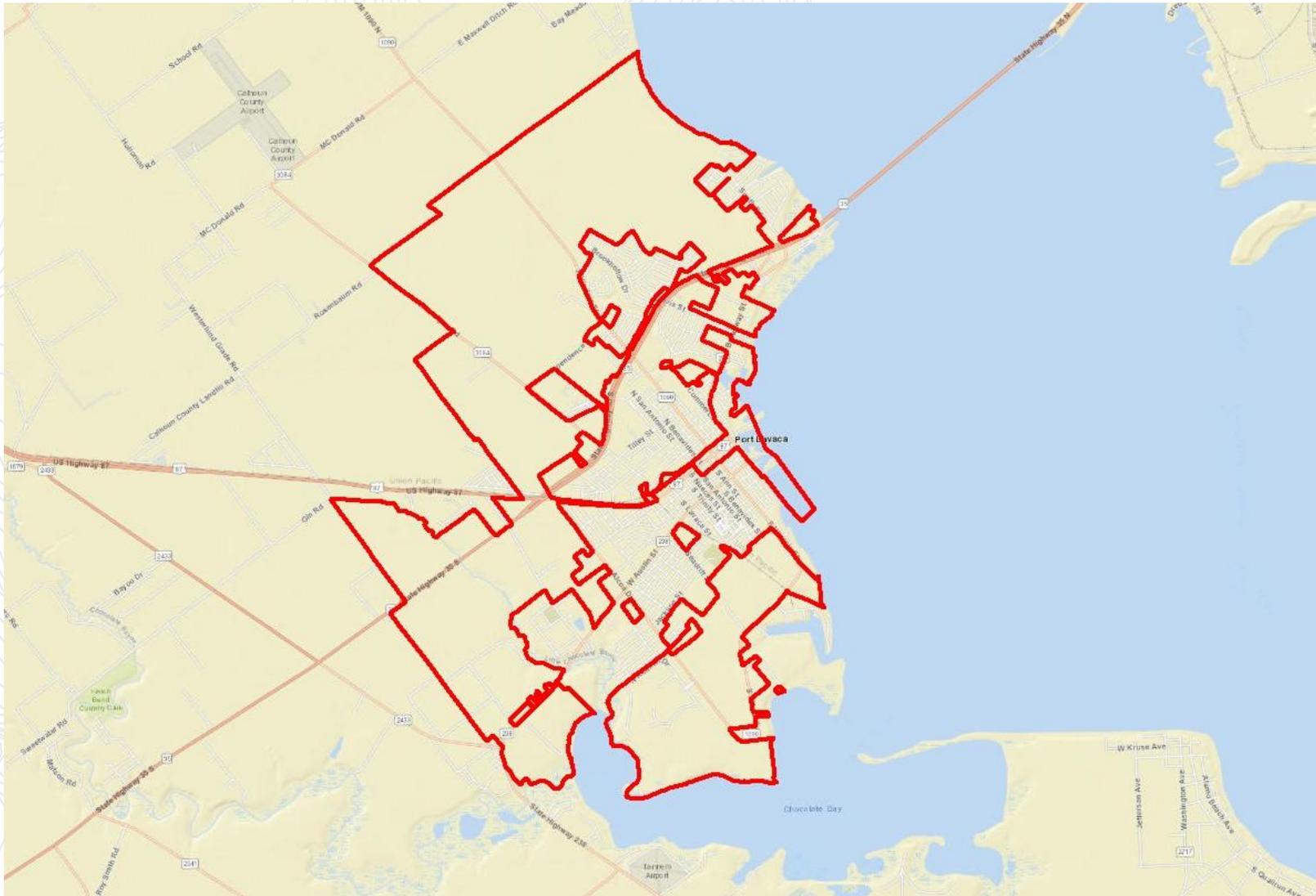
TIRZ CREATION PROCESS

- Chapter 311 outlines the various procedures for creating and amending a TIRZ. Two main documents:
 1. Creation ordinance; and
 2. TIRZ Project and Financing Plan
- Creation ordinance establishes five key elements:
 - Boundary;
 - Term;
 - City Participation
 - TIRZ Board; and
 - Preliminary 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

PROPOSED BOUNDARIES



PROPOSED BOUNDARIES



CITY TAXABLE VALUE BASE: \$101,490,177

TIF Assumptions

	SF/Units	Projected Completion Date	Taxable Value PSF/Unit	Incremental Value
TIRZ #1				
Car Wash	7,500	2025	\$200	\$1,500,000
Commercial	3,393	2025	\$200	\$678,600
Hotel	61	2025	\$125,000	\$7,625,000
QSR	4,000	2025	\$225	\$900,000
Gas Station	13,500	2025	\$225	\$3,037,500
Restaurant	3,500	2026	\$225	\$787,500
Restaurant	5,000	2027	\$225	\$1,125,000
Single Family	8	2028	\$295,000	\$2,360,000
Light Industrial	300,000	2028	\$50	\$15,000,000
Multifamily	105	2028	\$100,000	\$10,500,000
QSR	3,500	2028	\$225	\$787,500
QSR	3,500	2030	\$225	\$787,500
Single Family	187	2030	\$295,000	\$55,066,667
Hotel	85	2030	\$125,000	\$10,625,000
Single Family	250	2032	\$295,000	\$73,750,000
Multifamily	325	2032	\$100,000	\$32,500,000
Light Industrial	250,000	2034	\$50	\$12,500,000
Total				\$229,530,267

POTENTIAL PARTICIPATION

Real Property Tax - 2024 Rates		Participation	
City of Port Lavaca	0.80000000	50%	0.40000000
Calhoun County	0.62220000	50%	0.31110000
Calhoun Port Authority	0.00050000	0%	0.00000000
Farm to Market & Lateral Road	0.00000000	0%	0.00000000
Calhoun County GWD	0.00670000	0%	0.00000000
Calhoun County ISD	0.77010000	0%	0.00000000
	2.19950000		0.71110000

Personal Property Tax - 2024 Rates		Participation	
City of Port Lavaca	0.80000000	0%	0.00000000
Calhoun County	0.62220000	0%	0.00000000
Calhoun Port Authority	0.00050000	0%	0.00000000
Farm to Market & Lateral Road	0.00000000	0%	0.00000000
Calhoun County GWD	0.00670000	0%	0.00000000
Calhoun County ISD	0.77010000	0%	0.00000000

Sales Tax		Participation	
City	0.0150000	0.00%	0.0000000
County	0.0050000	0.00%	0.0000000
	0.0200000		0.0000000

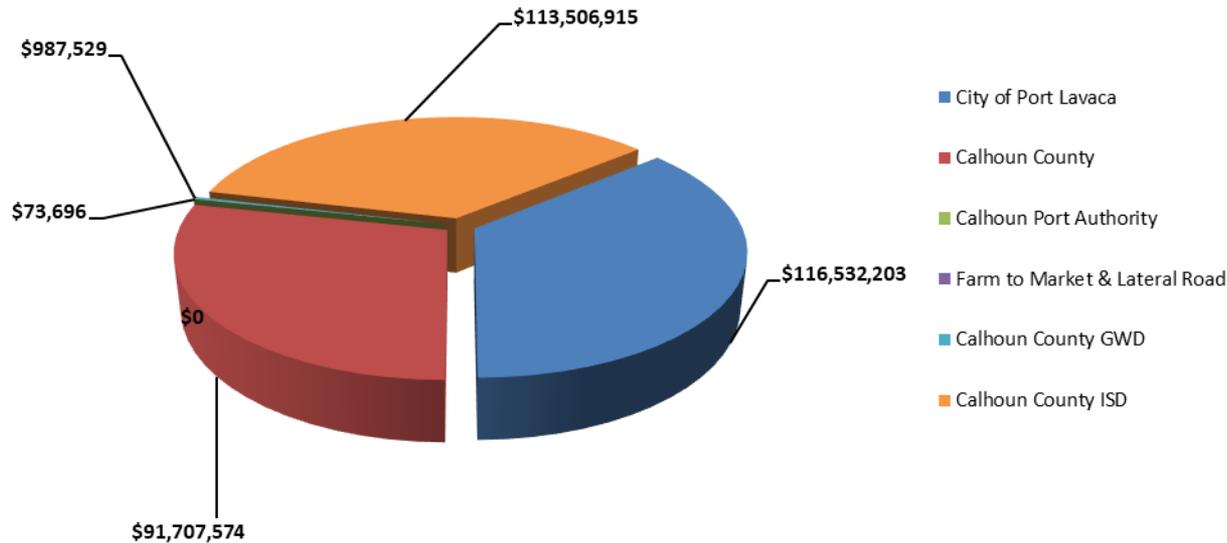
30-Year TIRZ with 50% City and County Participation

POTENTIAL PARTICIPATION

Revenue Summary

Taxing Jurisdictions	Total Taxes Generated	Participation	Net Benefit
City of Port Lavaca	\$116,532,203	\$52,750,614	\$63,781,589
Calhoun County	\$91,707,574	\$41,571,406	\$50,136,168
Calhoun Port Authority	\$73,696	\$0	\$73,696
Farm to Market & Lateral Road	\$0	\$0	\$0
Calhoun County GWD	\$987,529	\$0	\$987,529
Calhoun County ISD	\$113,506,915	\$0	\$113,506,915
Total	\$322,807,917	\$94,322,020	\$228,485,897

Gross Economic Impact



POTENTIAL PROJECT COST ALLOCATION

Potential Project Costs - TIRZ #1		
Water Facilities and Improvements	\$ 9,432,202	10%
Sanitary Sewer Facilities and Improvements	\$ 9,432,202	10%
Storm Water Facilities and Improvements	\$ 9,432,202	10%
Transit/Parking Improvements	\$ 2,829,661	3%
Street and Intersection Improvements	\$ 23,580,505	25%
Open Space, Park and Recreation Facilities and Improvements	\$ 4,716,101	5%
Economic Development Grants	\$ 33,012,707	35%
Administrative Costs	\$ 1,886,440	2%
Total	\$ 94,322,020	100.0%

All items above are eligible per the Statute and serve as a menu of potential expenses. City Council has final authority of specific allocations; however, the total dollar amount serves as a cap.