

# **TIRZ No. 3 Board Appointments & Annual Report**

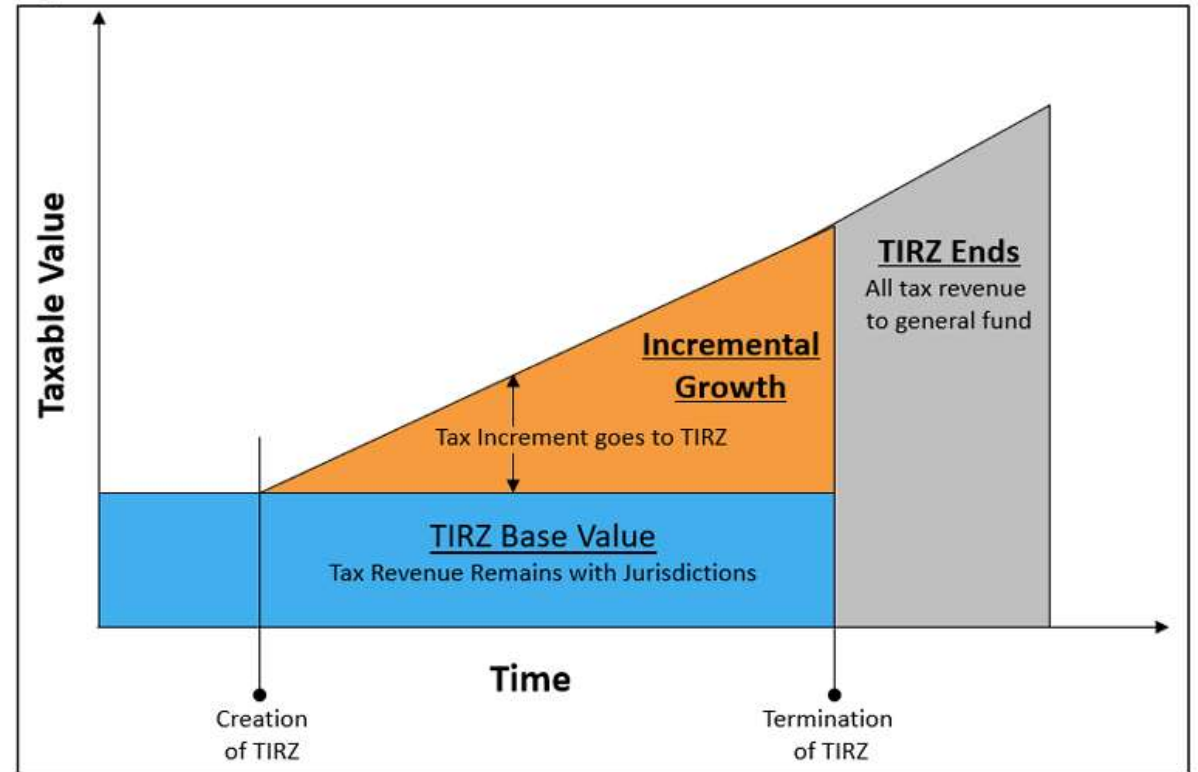
**May 20, 2024**



# Background

- Tax Increment Reinvestment Zones (TIRZ) are types of discretionary “development districts” that cities can create.
- TIRZs function by dedicating incremental tax revenue to eligible projects via tax increment financing (TIF).
- Governed by Texas Tax Code, Chapter 311.

Figure 1: How the Tax Increment is Calculated



# TIRZ No. 3

- Tomball TIRZ No. 3 was created on Dec. 6, 2021.
  - Size: 240.1 acres
  - Term: 30 years or until debt is retired.
- The City of Tomball is the only participating jurisdiction.
  - Contribution: 75% of City's portion of tax increment.
- Final Project & Finance Plans and TIRZ bylaws were adopted in November 2023.



# TIRZ No. 3 Board of Directors

- **Ord. No. 2021-39:** Establishes board of 5 directors, serving alternating terms.
- **Texas Tax Code 311.009(f):** Board chair must be appointed by governing body that created TIRZ; 1 year term.
- Council provided direction in Nov. 2023 to have council members concurrently serve as TIRZ board.
  - Council drew lots at the initial meeting to assign TIRZ board terms.

Director	Term Ending
Randy Parr (2023 Chair)	December 31, 2024
Dane Dunagin	December 31, 2024
John Ford	December 31, 2025
Mark Stoll*	December 31, 2025
Derek Townsend*	December 31, 2025



# TIRZ No. 3 Board of Directors

- Staff recommends appointment of Paul Garcia and Lisa A. Covington as TIRZ No. 3 board members.
- Council will also need to select a board member to serve as Chair for 2024.

Director	Term Ending
Randy Parr (2023 Chair)	December 31, 2024
Dane Dunagin	December 31, 2024
John Ford	December 31, 2025
<b>Paul Garcia</b>	December 31, 2025
<b>Lisa A. Covington</b>	December 31, 2025



# TIRZ No. 3 Annual Report

- **Texas Tax Code 311.016:**

- The governing body that created the zone shall submit to the chief executive officer of each taxing unit that levies property taxes on real property in a reinvestment zone created by the municipality or county a report on the status of the zone.
- A copy of the report must also be submitted to Texas Comptroller of Public Accounts.

Fiscal Year	Tax Year	Base Value	Tax Year Value	Increment	TIRZ Revenue	TIRZ Expenditures
2021-2022	2021	\$7,843,320	---	---	---	---
2022-2023	2022	\$7,843,320	\$7,843,320	\$0	\$0	\$0





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# Questions?



# TIRZ No. 3 Annual Report

## Draft 2023-2024

Fiscal Year	Tax Year	Base Value	Tax Year Value	Increment	City Tax Rate	TIRZ Contr. %	TIRZ Revenue Collected	TIRZ Fund Interest	TIRZ Expenditures	TIRZ Fund Balance
2021-2022	2021	\$7,843,320	---	---	---	---	---	---	---	---
2022-2023	2022	\$7,843,320	\$7,843,320	\$0	\$0.28725	75%	\$0	\$0	\$0	\$0
2023-2024	2023	\$7,843,320	\$152,166,850	\$144,323,530	\$0.29332	75%	\$317,497	TBD	TBD	\$317,497
Total Increment Revenue							\$317,497			

Fiscal Year	Tax Year	Base Value	Tax Year Value	Increment	City Tax Rate	City %	City Revenue Collected from Base	City Revenue Collected from Increment
2021-2022	2021	\$7,843,320	---	---	---	---	---	---
2022-2023	2022	\$7,843,320	\$7,843,320	\$0	\$0.28725	25%	\$0	\$0
2023-2024	2023	\$7,843,320	\$152,166,850	\$144,323,530	\$0.29332	25%	\$23,006	\$105,832
Total City Revenue								\$128,838

