



## AGENDA ITEM COMMENTARY

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<b>MEETING NAME:</b>	City Council Meeting
<b>MEETING DATE:</b>	02/03/2025
<b>ITEM TITLE:</b>	Consider and take appropriate action on discussion pertaining to the Tax Increment Reinvestment Zone (TIRZ) including possible boundary changes and board appointments
<b>STAFF INITIATOR:</b>	Randy Criswell – City Manager Danielle Sweat - EDC Director

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### BACKGROUND:

We'd like to lead some discussion on Wolfforth's TIRZ (Tax Increment Reinvestment Zone). As you know, a Tax Increment Reinvestment Zone (TIRZ) is a strategic tool established by municipalities or counties to stimulate investment in targeted areas. It uses property tax revenue generated within the designated zone to finance redevelopment costs and support growth in areas that might otherwise struggle to attract sufficient market activity. TIRZ agreements are made on a case-by-case basis. Wolfforth's TIRZ was originally created in 2008, then expanded in 2014. A copy of the current TIRZ plan is included for your reference.

Currently, our TIRZ includes certain residential areas (see attached), and notably *excludes* Main Street and portions of US 62/82 frontage, both areas that hold significant potential for revitalization and economic activity. We discussed this with the TIRZ board several months ago, and the board reached a consensus that residential areas should be removed from the zone, and the boundaries should further be amended to include Main Street and the highway frontage. Since the purpose of a TIRZ is to spur development and redevelopment that likely wouldn't occur otherwise, the modifications to the boundaries seem appropriate and reasonable.

Secondly, we want to have a philosophical discussion with you about the makeup of the TIRZ Board. Since the TIRZ was created as an economic development tool, we wanted to introduce the notion of perhaps amending the makeup of the board and creating a more interactive partnership between the TIRZ Board and the EDC Board. ((As a reminder, the TIRZ Board members are Julie Levy (term expires May 2025), Aubrey Brockman, Brandon Tyler, and David Cooper (terms expire in May 2026). There is one vacancy, created when Mr. Corey Layman elected to step down.)) I've consulted with the City Attorney about this concept, and he tells me it's not prohibited. Is this a direction the Council would like to pursue at some point? The benefit is we could get economic development done as a "one stop shop" since going forward it's likely that most of our large economic development projects will include both a TIRZ component and an EDC component.

If Council has an interest in this concept, staff can begin working in that direction. In the meantime, we need to fill the vacancy on the TIRZ Board. Staff will attempt to be prepared with suggestions at the time of the meeting.

**EXHIBITS:**

2014 TIRZ Project and Financing Plan

**COUNCIL ACTION/STAFF RECOMMENDATION:**

Appoint someone to fill the vacancy on the TIRZ Board.