



## AGENDA ITEM COMMENTARY

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<b>MEETING NAME:</b>	Tax Increment Reinvestment Board
<b>MEETING DATE:</b>	2/19/2025
<b>ITEM TITLE:</b>	Consider and take appropriate action on amendment of TIRZ boundaries.
<b>STAFF INITIATOR:</b>	Danielle Sweat-EDC Director

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### **BACKGROUND:**

In April 2023, this board agreed that it was necessary to amend the TIRZ boundaries to exclude residential areas and include properties with potential for commercial development. Currently, the TIRZ encompasses certain residential areas (see attached), while notably excluding key sections such as Main Street and portions of the US 62/82 frontage—both of which have significant potential for revitalization and economic growth.

Since the purpose of a TIRZ is to encourage development and redevelopment that would otherwise be unlikely to occur, these boundary modifications seem both appropriate and beneficial.

Recently, we approached the city council to ensure they supported this direction. They agreed and gave us approval to move forward. This next step will require an amendment to the creation ordinance to expand the boundaries, as well as an update to the project and financing plan.

The steps in the process are outlined below:

#### City Council Approval of Boundary Expansion:

City Council must approve an ordinance amending the creation ordinance to expand the TIRZ boundaries.

This requires a public hearing, with notice published at least seven days in advance.

#### TIRZ Board Approval of the Amended Project and Financing Plan:

The TIRZ Board must review and recommend approval of the amended project and financing plan.

#### City Council Approval of the Amended Project and Financing Plan

City Council must adopt an ordinance approving the amended project and financing plan.

We consulted with a third-party expert to explore handling this process, and I've attached their proposal for your reference. However, Randy and I feel the proposed cost is too high. That said, we still wanted to provide it for your consideration, as it outlines the process clearly.

**EXHIBITS:**

Proposal, Map

**COUNCIL ACTION/STAFF RECOMMENDATION:**