

**Notice of Meeting for the
Wolf Lakes TIRZ Board
of the City of Georgetown
July 31, 2020 at 2:15 PM
at Virtual**

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

Legislative Regular Agenda

- A Consistent with Governor Greg Abbott's suspension of various provisions of the Open Meetings Act, effective August 1, 2020 and until further notice, to reduce the chance of COVID-19 transmission, all City of Georgetown Advisory Board meetings will be held virtually. Public comment will be allowed via teleconference; no one will be allowed to appear in person.

To participate, please copy and paste the following weblink into your browser:

Weblink:

[Join Microsoft Teams Meeting](#)

+1 512-672-8405 United States, Austin (Toll)

Conference ID: 540 912 481#

Citizen comments are accepted in three different formats:

- 1 . Submit written comments to shirley.rinn@georgetown.org by noon on the date of the meeting and the Recording Secretary will read your comments into the recording during the item that is being discussed.
2. Log onto the meeting at the link above and "raise your hand" during the item
3. Use your home/mobile phone to call the toll-free number

To join a Teams meeting, click on the link provided and join as an attendee. You will be asked to enter your name and email address (this is so we can identify you when you are called upon). To speak on an item, click on the "Raise your Hand" option at the bottom of the Teams meeting webpage once that item has opened. When you are called upon by the Recording Secretary, your device will be remotely unmuted by the Administrator and you may speak for three minutes. Please state your name clearly, and when your time is over, your device will be muted again.

Use of profanity, threatening language, slanderous remarks or threats of harm are not allowed and will result in you being immediately removed from the meeting.

- B Discussion on how this virtual conference will be conducted, to include options for public comments and how the public may address the Commission – Mayor Dale Ross, Chair
- C Approval of the December 16, 2019 Wolf Lakes TIRZ Board Meeting minutes - Mayor Dale Ross, Chair
- D Presentation of the annual financial report for the Wolf Lakes Tax Increment Reinvestment Zone – Laurie Brewer, Assistant City Manager

Adjournment

Certificate of Posting

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public as required by law, on the _____ day of _____, 2020, at _____, and remained so posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Robyn Densmore, City Secretary

City of Georgetown, Texas
Downtown TIRZ Board
July 31, 2020

SUBJECT:

Consistent with Governor Greg Abbott's suspension of various provisions of the Open Meetings Act, effective August 1, 2020 and until further notice, to reduce the chance of COVID-19 transmission, all City of Georgetown Advisory Board meetings will be held virtually. Public comment will be allowed via teleconference; no one will be allowed to appear in person.

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ITEM SUMMARY:

FINANCIAL IMPACT:

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SUBMITTED BY:

Danella Elliott

City of Georgetown, Texas
Downtown TIRZ Board
July 31, 2020

SUBJECT:

Discussion on how this virtual conference will be conducted, to include options for public comments and how the public may address the Commission – Mayor Dale Ross, Chair

ITEM SUMMARY:

FINANCIAL IMPACT:

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SUBMITTED BY:

Danella Elliott

City of Georgetown, Texas
Downtown TIRZ Board
July 31, 2020

SUBJECT:

Approval of the December 16, 2019 Wolf Lakes TIRZ Board Meeting minutes - Mayor Dale Ross, Chair

ITEM SUMMARY:

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Danella Elliott

ATTACHMENTS:

Description		Type
	Wolf Lakes TIRZ Minutes 12.16.19	Backup Material

**Minutes of the
WOLF LAKES
TAX INCREMENT REINVESTMENT ZONE (TIRZ) BOARD
City of Georgetown, Texas
December 16, 2019**

The WOLF LAKES TAX INCREMENT REINVESTMENT ZONE (TIRZ) Board of Directors met December 16, 2019 at 3:30 PM in the CITY HALL COMMUNITY ROOM, LOCATED AT 808 MARTIN LUTHER KING JR STREET, GEORGETOWN, TX.

Board Members Present

Dale Ross, Chair
Valerie Nicholson
Steve Bohnenkamp
David Morgan
Sofia Nelson
Valerie Covey

City Staff Present

Laurie Brewer, Assistant City Manager
Wayne Reed, Assistant City Manager
Paul Diaz, Budget Manager
Michaela Dollar, Economic Dev Director

Board Members Absent

Others Present

Steve Fought

Mayor Ross called the meeting to order at 3:30 p.m.

Legislative Regular Agenda

A Overview of the Wolf Lakes TIRZ Preliminary Project Plan – Laurie Brewer, Assistant City Manager

Laurie noted that the Wolf Lakes Tax Increment Reinvestment Zone (TIRZ) was created around this time last year. There has not been any financial activity, but it is a state requirement to hold an annual meeting.

She gave background on the TIRZ. The Wolf Lakes TIRZ Board of Directors includes the Mayor, Councilmember District 2, City Manager, City Planning Director, Member of City's 4A Board and 2 representatives to be appointed by WILCO. Commissioner Val Covey will be one of the members, and they will appoint another at a later date.

The purpose of the Zone is to provide economic and qualitative benefits by facilitating a program of public improvements that provide for the development of a mixed-use development with business/corporate offices, retail, entertainment, and enhanced quality of life features for residents. The location is at the NW corner of IH35 and its intersection with University Avenue (SH29), bounded by Wolf Ranch Parkway west and the River Hills subdivision to the north.

Laurie explained how Tax Increment Financing (TIF) works, noting that it is a tool used by local governments to finance public improvements within an area that has unique challenges or opportunities. The creation of a TIRZ sets a base from which any additional taxes on increases in appraised value are set aside as a source to reimburse the developer for public improvement. Council set this TIF up as a reimbursement only, so the developer has to create that value, put in improvements and then get reimbursed at that time. Council felt that Wolf Lakes had strong corporate use opportunities and that retail will support office and residential and that mixed use provides additional sustainability. The Planned Unit Development (PUD) process provided a higher level of development standards that the developer was actually driving. They wanted to create an environment where they felt the assessed values would be higher. The developer estimates \$1.7B in overall value after the buildout, vs. \$460M from a previous plan for development. The City staff tends to be more conservative and projects from \$900M to \$1.4B. We agree that it will be an enhanced development, but not quite at the same place as the developer is. The TIF provides framework for performance-based reimbursement, so if the increment is not there, the developer doesn't get reimbursed.

Commissioner Covey asked if any of this has changed from the original discussions on what would go there, and what the final decisions were. Laurie said that it hasn't at this point. David said that so far, what has been active on the site (from the comments reviewed) is that we will likely start with some multi-family off of Wolf Ranch Parkway with the higher development standards and also working on very active interest in relation to office and retail. He said that there was some really hot interest for a while, and that has now cooled off some. One thing that was discussed is that this is a decade-long project and a great benefit is that the developer agreed to be structured into a PUD that requires more density and allows for a greater opportunity for stronger employment.

Wolf Lakes TIRZ Summary:

Infrastructure Summary - Reimbursable	
• Onsite infrastructure	\$45.6M
– Roads, utilities, drainage	
• Parking structures (5)	\$35M
• Electric onsite and offsite	\$6.2M
• Gas and fiber optic lines	\$2M
• Offsite water and wastewater	\$1M
• Memorial Drive and Traffic Impact off-site	\$3.5M
• Common areas/open space/trails	\$8.2M
• Total	\$102M
• Interest/carrying costs also eligible for reimb. up to revenue cap	

Paul Diaz, Budget Manager presented the following slide information on the financials:

Summary – Property Taxes/TIF	
• Financials- TIF reimbursements	
– City TIF = estimated \$91M over 30 years (70%)	
• City's increment capped at \$100M	
– County TIF = estimated \$19M over 20 years (50%)	
• County's capped at \$30M for road and drainage only	
– Total TIF reimbursement - \$130M	
• Cash generated through additional annual tax revenue	
• Base Year of 2018	
• Reimbursement only – developer reimbursed as tax revenue is generated	

Laurie noted that the estimates include a mix of what the developer proposed and some of our experience factor in what we have seen in the past TIFs. To date, we haven't seen 100% of what the developer says, so a projected number somewhere in the middle will give the developer a realistic view of what they will get reimbursed. There is also a cap due to the interest costs that accrue that could cause the TIF to go on indefinitely. David explained that the onsite infrastructure reimbursable estimate (\$45.6M) includes County (for transportation, roads and stormwater) and City combined. We are just trying to be realistic on our expectations of the revenue.

David addressed Commissioner Covey's question about the structure and members of the TIRZ. David explained that from a Best Practices standpoint, it is cleaner if the developer represented is not a member of the board, as they would have to recuse themselves during voting.

Discussion on questions and clarification of various items.

Adjournment

Motion to adjourn at 3:26 p.m. by Dale Ross; second by David Morgan. Approved 6-0

Mayor Dale Ross
Board Chair

Date

Danella Elliott (for Amy Mertink)
Board Liaison

Date

City of Georgetown, Texas
Downtown TIRZ Board
July 31, 2020

SUBJECT:

Presentation of the annual financial report for the Wolf Lakes Tax Increment Reinvestment Zone – Laurie Brewer, Assistant City Manager

ITEM SUMMARY:

An annual meeting of the TIRZ board is required by the by-laws. This is traditionally completed in late Summer, so that the board can review the previous year's financial activity, as well as have a preview of the upcoming budget proposal for the TIRZ.

SPECIAL CONSIDERATIONS:

Council is scheduled to act on all components of the FY2021 budget in August 2020.

ATTACHMENTS:

Presentation, including fund schedule, history, zone map, history

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Danella Elliott

ATTACHMENTS:

Description		Type
<input type="checkbox"/>	Wolf Lakes TIRZ Presentation and Financial Report	Presentation

Wolf Lakes TIRZ

Fiscal Year 20 and 21 Budget Update

What is TIF Financing?

- Tax Increment Financing (TIF) is a tool local governments may use to finance public improvements within defined areas that have unique challenges or opportunities for economic development.
 - A municipality may make an area eligible for tax increment financing by designating a reinvestment zone (TIRZ).
 - Taxes on the appraised value of the zone in the year the zone was designated (the “base” year) continue flowing to the general funds of taxing units, but, for participating government units, all or part of the increased tax revenue due to greater real property values in TIF zone flows to a tax increment financing fund (“TIF or TIRZ”) for a specified maximum term of years.
- Authorized by Texas Constitution and Chapter 311 of Tax Code

Role of Board

- Advisory to the Council
 - Council is final decision point for TIRZ activity
- Board approves/recommends the project and funding plans
- Annual meetings required to review financial activity



Purpose:

- The purpose of the Zone is to provide economic and qualitative benefits by facilitating a program of public improvements that provide for the development of a mixed-use development with business/corporate offices, retail, entertainment, and enhanced quality of life features for residents.

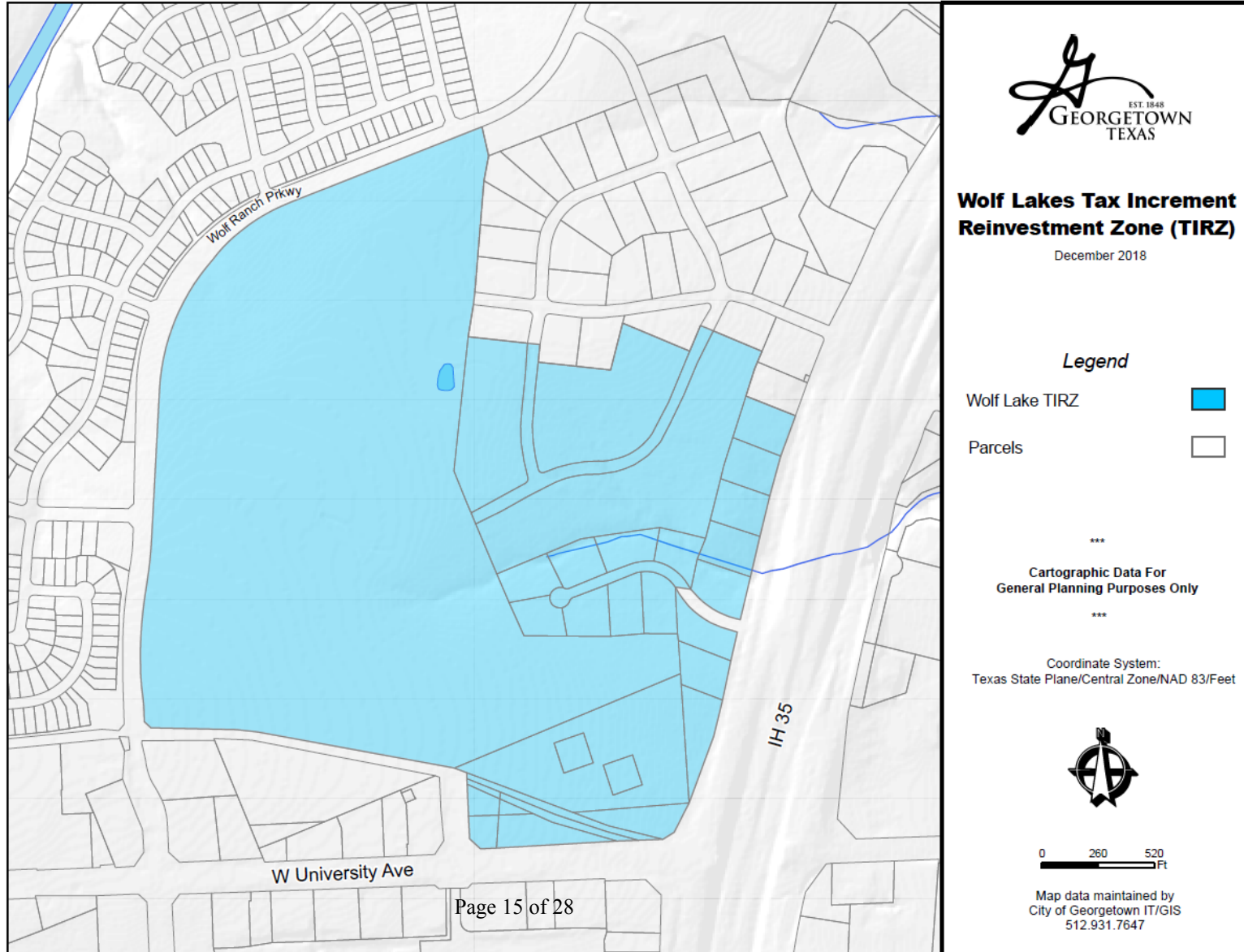
Wolf Lakes TIRZ Background

- NW corner of IH35 and its intersection with University Avenue (SH29), bounded by Wolf Ranch Parkway to the west and the River Hills subdivision to the north.

WOLF LAKES VILLAGE Georgetown



Wolf Lakes TIRZ Boundaries



Wolf Lakes TIRZ –Guiding Documents

- Planned Unit Development
- City TIRZ Ordinance
 - Project and financing plan
- County TIF agreement
- Developer Reimbursement Agreement (not yet developed)

Why TIF for Wolf Lakes?

- Strong corporate use opportunities
 - Retail will support office and residential
- Mixed use provides additional sustainability
- PUD provides higher level of development standards
- Additional tax base generated due to design and density
- Non-reimbursable project costs estimated at \$978M
 - Developer estimates \$1.7B versus \$460M traditional – value at year 2050
- TIF provides framework for performance based reimbursement

Infrastructure Summary - Reimbursable

- Onsite infrastructure
\$45.6M
 - Roads, utilities, drainage
 - Parking structures (5)
\$35M
 - Electric onsite and offsite \$6.2M
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\$1M
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 - Total \$102M
- *Interest/carrying costs also eligible for reimbursables up to revenue cap*

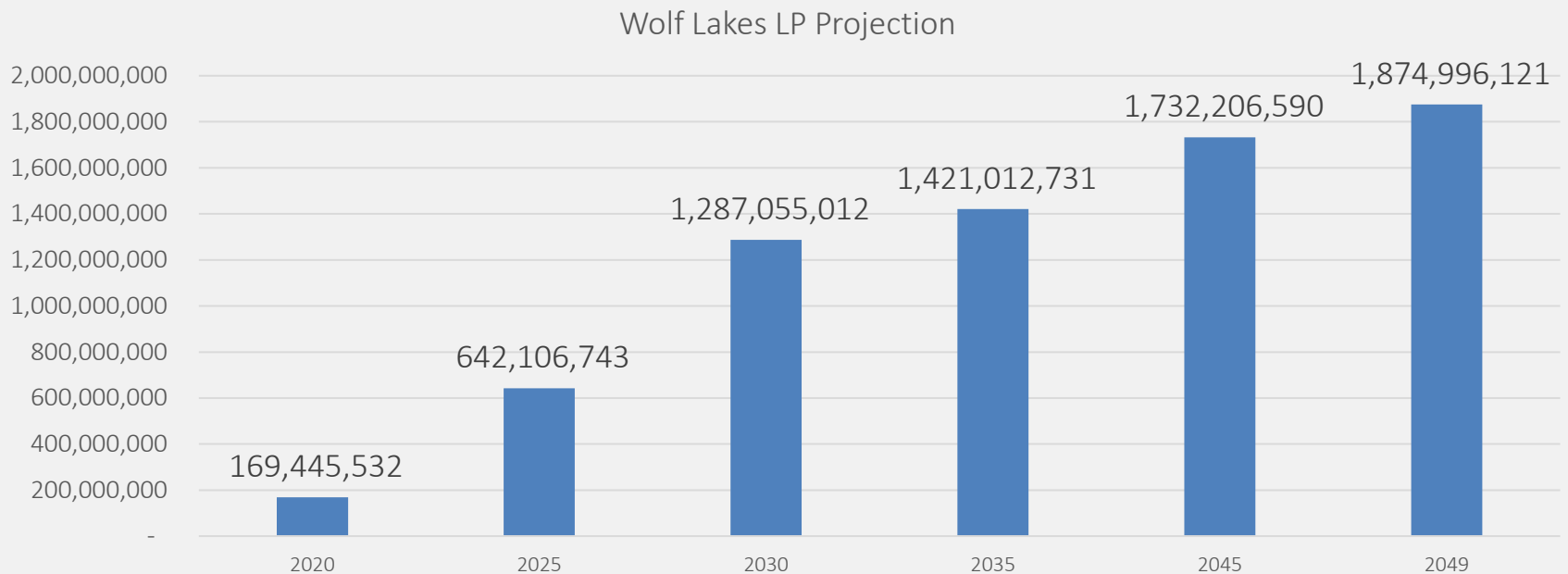
Summary – Property Taxes/TIF

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 - City TIF = estimated \$91M over 30 years (70%)
 - City's increment capped at \$100M
 - County TIF = estimated \$19M over 20 years (50%)
 - County's capped at \$30M for road and drainage only
 - Total TIF reimbursement - \$130M
 - Cash generated through additional annual tax revenue
- Base Year Value of 2018 = \$4,627,127.
- Reimbursement only – developer reimbursed as tax revenue is generated

Summary – Property Taxes/TIF

- Reimbursement
 - Developer not eligible for reimbursement until 150,000 of commercial improvements are made
- Developer reimbursement agreement will be forthcoming once phasing plan is updated
- If residential units increase above 2,500, additional county approval

Assessed Value – Wolf Lakes LP Projection



FY2021 Budget

- FY2021 revenues total \$6,583
 - City's 70% increment is \$3,845
 - County's 50% increment is \$2,738
- Significant increases expected as property develops

FY2021 Budget

- FY2021 expenses total \$5,000
 - \$10,000 for administrative costs
 - Fees for appraisal district, tax collection, accounting/finance, legal and city management

Fund Schedule

	FY2019 Actuals	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Beginning Fund Balance	-	-	-	-	-	-
	FY2019 Actual	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Revenue						
Allocated Interest	-	-	-	-		-
Misc Revenue	-	-	-	2,738		2,738
Property Taxes	-	-	-	3,845		3,845
Grand Total	-	-	-	6,583		6,583
	FY2019 Actual	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Expense						
Bond Issuance Cost	-	-	-	-	-	-
Administrative - Joint				2,500	-	2,500
Administrative - General	-	-	-	2,500		2,500
Grand Total	-	-	-	5,000	-	5,000
	FY2019 Actuals	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Ending Fund Balance	-	-	-	1,583	-	1,583
CAFR Adjustment	-	-	-	-	-	-
Available Fund Balance	-	-	-	1,583	-	1,583

Questions?

Next Steps

- Council reviews and adopts budget
 - August/September
- Developer reimbursement agreement will be developed
- New fiscal year begins October 1

Questions



City of Georgetown, Texas
Downtown TIRZ Board
July 31, 2020

SUBJECT:

ITEM SUMMARY:

FINANCIAL IMPACT:

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SUBMITTED BY:

Danella Elliott