

**Notice of Meeting for the
South Georgetown TIRZ Board
of the City of Georgetown
July 29, 2020 at 4:00 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.

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 (Toll)

Conference ID: 408 712 477#

Citizen comments are accepted in three different formats:

- 1 . Submit written comments to shirley.rinn@georgetown.org by 1:00 p.m. 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 un-muted 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.”

Legislative Regular Agenda

- A 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
- B Review the minutes from the July 19, 2019 South Georgetown Increment Reinvestment zone (TIRZ) Board Meeting – Mayor Dale Ross, Chair
- C Presentation of the annual financial report for the South Georgetown 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
South Georgetown TIRZ Board
July 29, 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:

.

SUBMITTED BY:

Danella Elliott

City of Georgetown, Texas
South Georgetown TIRZ Board
July 29, 2020

SUBJECT:

Review the minutes from the July 19, 2019 South Georgetown Increment Reinvestment zone (TIRZ)
Board Meeting – Mayor Dale Ross, Chair

ITEM SUMMARY:

FINANCIAL IMPACT:

N/A

SUBMITTED BY:

Danella Elliott

ATTACHMENTS:

Description	Type
 South Georgetown TIRZ Minutes 7.19.19	Backup Material

**Minutes of the
SOUTH GEORGETOWN
TAX INCREMENT REINVESTMENT ZONE (TIRZ) BOARD
City of Georgetown, Texas
July 19, 2019**

The SOUTH GEORGETOWN TAX INCREMENT REINVESTMENT ZONE (TIRZ) Board met on July 19, 2019 at 10:00 A.M. in the City Hall Community Room located at 808 Martin Luther King Jr Street, Georgetown, TX

Board Members Present

Mayor Dale Ross, Chair
Anna Eby, Councilmember
David Morgan, City Manager
Glenn Dishong, Utility Director
Jay Warren
Ed Pastor

City Staff Present

Leigh Wallace, Finance Director
Amy Mertink, Finance Admin
Laci Grobler, Sr Accountant
Paul Diaz, Budget Manager

Board Members Absent

Sofia Nelson, Planning Director

Others Present

Legislative Regular Agenda

A Call to Order

Mayor Ross called the meeting to order at 10:06 AM

B Review minutes from the July 19, 2018 South Georgetown TIRZ Board Meeting - Amy Mertink, Board Liaison

David Morgan motioned to approve, 2nd by Anna Eby, approved 6-0

C Presentation of the Annual Financial Report for the South Georgetown TIRZ - Paul Diaz, Budget Manager

Paul Diaz reviewed the FY2019 projections and explained the FY2019 mid-year amendment. He then showed the FY2020 proposed budget, including details on revenues and expenses, and the transfer that is done to the Electric Fund to reimburse for infrastructure projects. Paul also showed the detailed revenue and TIRZ value trends. David Morgan explained the reason the TIRZ was created and the reasons for the slower than anticipated growth pattern. David also explained the reason for the transfer to the Electric Fund.

Adjournment

Motion to adjourn at 10:18 a.m. by David Morgan; 2nd by Anna Eby. Approved 6-0

Mayor Dale Ross
Board Chair

Date

Amy Mertink
Board Liaison

Date

City of Georgetown, Texas
South Georgetown TIRZ Board
July 29, 2020

SUBJECT:

Presentation of the annual financial report for the South Georgetown 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
 South Georgetown Presentation and Financial Report	Presentation

South Georgetown TIRZ

Fiscal Year 19 Year End Balances
Fiscal Year 20 and 21 Budget Update

Tax Increment Reinvestment Zones

- Also called TIF – Tax Increment Financing
- Geographical area where property tax revenues are dedicated from incremental increase in assessed values towards improvements in the zone
 - Property would not develop otherwise
- Sets aside additional revenue accrued due to valuation increases after establishment of TIRZ
 - Improvement plan is approved
 - Revenues to be utilized towards improvements in the district
- 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

Zone Map – South GT TIRZ



Original assumptions

- Created in 2014
- Expires in 2044 or after debt and other obligations of zone have been met
- Zone
 - 37 properties
 - 594 acres
 - Base year of zone value - \$21.3M
- Projects paid from zone can not exceed \$50M
 - Expected private capital investment of \$500M
 - Value of \$745M projected at the end of life of TIRZ
 - Estimated \$35M of improvements needed

Revenue Estimates – Original Projections

- Original projections

Year	Comm/Retail (50MM)	Retail (98MM)	Office/Comm (166MM)	APTS(55MM)	Residential (174MM)	Residential (174MM)	Mixed use (30MM)	TOTAL VALUE	Taxable Above Increment	CITY PROPERTY TAX REVENUE
2014	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,474,613	\$0	\$0
2015	\$0	\$20,000,000	\$33,200,000	\$0	\$34,800,000	\$34,800,000	\$0	\$135,274,613	\$122,800,000	\$539,706
2016	\$0	\$46,000,000	\$66,400,000	\$0	\$69,600,000	\$69,600,000	\$0	\$264,074,613	\$251,600,000	\$1,105,782
2017	\$0	\$72,000,000	\$99,600,000	\$0	\$104,400,000	\$104,400,000	\$0	\$392,874,613	\$380,400,000	\$1,671,858
2018	\$0	\$98,000,000	\$132,800,000	\$55,000,000	\$139,200,000	\$139,200,000	\$5,000,000	\$581,674,613	\$569,200,000	\$2,501,634
2019	\$12,500,000	\$98,980,000	\$166,000,000	\$41,250,000	\$174,000,000	\$174,000,000	\$10,000,000	\$689,204,613	\$676,730,000	\$2,974,228
2020	\$25,000,000	\$99,969,800	\$167,660,000	\$41,662,500	\$175,740,000	\$175,740,000	\$15,000,000	\$713,246,913	\$700,772,300	\$3,079,894
2021	\$37,500,000	\$100,969,498	\$169,336,600	\$42,079,125	\$177,497,400	\$177,497,400	\$20,000,000	\$737,354,636	\$724,880,023	\$3,185,848
2022	\$50,000,000	\$101,979,193	\$171,029,966	\$42,499,916	\$179,272,374	\$179,272,374	\$25,000,000	\$761,528,436	\$749,053,823	\$3,292,092
2023	\$50,500,000	\$102,998,985	\$172,740,266	\$42,924,915	\$181,065,098	\$181,065,098	\$30,000,000	\$773,768,974	\$761,294,361	\$3,345,889
2024	\$51,005,000	\$104,028,975	\$174,467,668	\$43,354,165	\$182,875,749	\$182,875,749	\$30,300,000	\$781,381,918	\$768,907,305	\$3,379,348

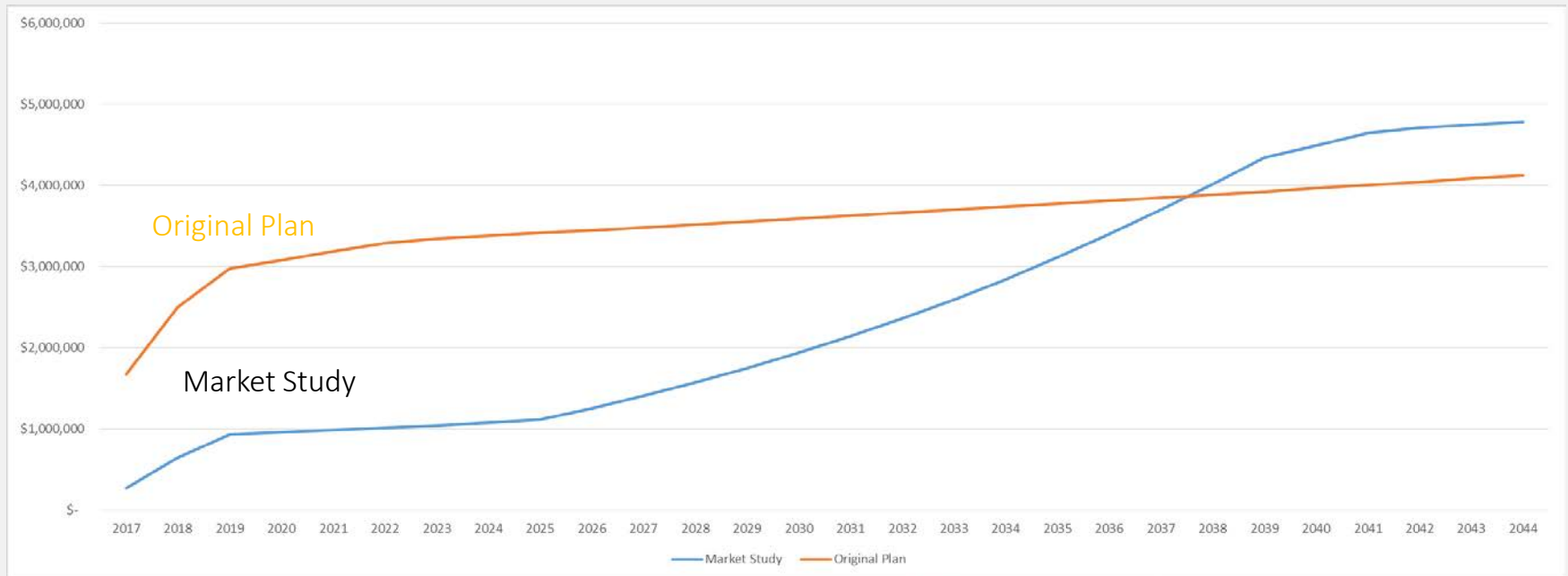
Project Plan

Improvement	Project Costs/ Debt Issuance	Projected Source	Estimated Date	Est. Debt Svc	% of Total
Lift Station	\$ 1,500,000	City (WW)	2014	\$ 123,975	4%
Force Main	\$ 900,000	City (WW)	2014	\$ 74,385	3%
Gravity Sewer	\$ 5,300,000	City (WW)	2016	\$ 438,045	15%
Elevated Storage Tank	\$ 1,800,000	City (Water)	2016	\$ 148,770	5%
Electric Utility Extensions	\$ 5,600,000	City (Electric)	2014	\$ 462,840	16%
Subtotal - Utility Improvements	\$ 15,100,000			\$ 1,248,015	43%
Oakmont/Mays	\$ 6,200,000	GTEC	2015	\$ 512,430	18%
Blue Springs Road	\$ 1,900,000	GTEC	2019	\$ 157,035	5%
Rabbit Hill Road	\$ 4,300,000	GTEC	2017	\$ 355,395	12%
westinghouse Road Repair & Main	\$ 7,500,000	GTEC	2017	\$ 619,875	21%
Subtotal - Road Improvements	\$ 19,900,000			\$ 1,644,735	57%
Total - TIRZ Estimated Project Costs	\$ 35,000,000			\$ 2,892,750	100%

Updates

- Professional market study conducted in 2018 to update assumptions
 - Previous calculations completed in-house based upon development assumptions
- Development activity did not prove to be as soon or in the values that were expected

Tax Revenue – Plan versus Market



Adjustments being implemented

- GTEC will fund road/transportation projects that positively impact economic development city-wide
 - Does not always have to be “repaid” for infrastructure improvements
- Utilities – we will evaluate improvements that were previously in the impact fee calculation and revenue impacts
 - Electric Fund will be completely paid
- Potentially close TIRZ or reduce the % (50% or less) earlier than anticipated so that future tax revenues pay for services delivered

FY2020 Projections

- After the audit and CAFR process, the FY2019 ending balance totaled \$0
- FY2020 property tax revenues are projected to finish the year 6% higher than budget
- FY2020 expenses are projected to finish at budget.
 - \$500,000 transfer to the Electric Fund to reimburse for infrastructure constructed in the zone

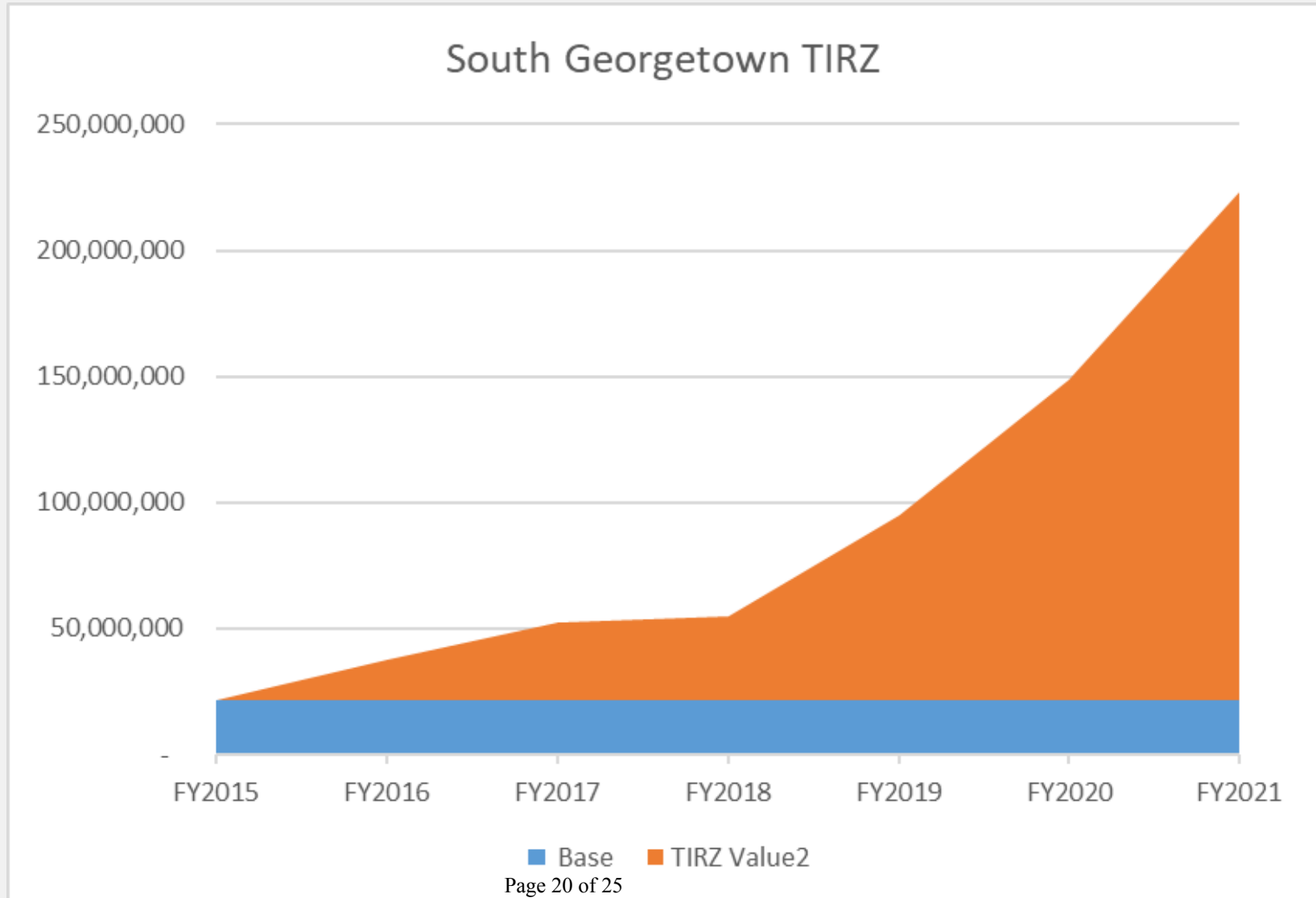
FY2021 Budget

- FY2021 revenues total \$809,470, which represents an increase of 49% over FY2019 projections
 - Continue to see growth in assessed value in the TIRZ.

TIRZ Value and Revenue - History

Year	Total AV	Tax Rate	TIRZ Value	TIRZ Revenue	Base	TIRZ Value2
FY2015	21,374,069	0	-	-	21,374,069	-
FY2016	37,892,054	0.434	16,517,985	71,688	21,374,069	16,517,985
FY2017	52,187,438	0.424	30,813,369	130,649	21,374,069	30,813,369
FY2018	54,745,320	0.42	33,371,251	140,159	21,374,069	33,371,251
FY2019	95,044,923	0.42	73,670,854	309,418	21,374,069	73,670,854
FY2020	148,520,578	0.42	127,146,509	534,015	21,374,069	127,146,509
FY2021	223,190,149	0.42	201,816,080	847,628	21,374,069	201,816,080

TIRZ Value



FY2021 Budget

- FY2021 expenses total \$389,308
 - Transfer out to Electric for CIP reimbursement.
 - Completes the payment for infrastructure for the Electric Fund for investment over the past five years
 - Administrative Expense - \$10,000
 - Includes fees for appraisal district, tax collection, accounting/finance, legal and city management

Fund Schedule

Row Labels	FY2019 Actuals	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Beginning Fund Balance	237,186	-	0	42,148	-	42,148
Revenues	FY2019 Actual	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Interest Income	6,610	1,500	500	500		500
Property Taxes	389,713	509,463	541,648	809,470		809,470
Grand Total	396,323	510,963	542,148	809,970		809,970
Expenses	FY2019 Actual	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Transfers Out	633,509	500,000	500,000	379,308	-	379,308
Administrative Expense		-	-	10,000	-	10,000
Grand Total	633,509	500,000	500,000	389,308	-	389,308
Row Labels	FY2019 Actuals	FY2020 Budget	FY2020 Projected	FY2021 Base Budget	FY2021 Changes	FY2021 Budget
Ending Fund Balance	(1)	10,963	42,148	462,810	-	462,810
CAFR Adjustment	1	-	-	-	-	-
Contingency	-	-	-	-	-	-
Reserved for Capital	-	-	-	-	-	-
Available Fund Balance	0	10,963	42,148	462,810	-	462,810

Next Steps

- Council reviews and adopts budget
 - August/September
- Continue to analyze long term plan for this TIRZ
 - Possible dissolving of this TIRZ
 - Electric Fund is reimbursed
 - GTEC funded roads as investment to expand economic opportunities
 - Many water projects are in the impact fee calculation
- New fiscal year begins October 1

Questions



City of Georgetown, Texas
South Georgetown TIRZ Board
July 29, 2020

SUBJECT:

ITEM SUMMARY:

FINANCIAL IMPACT:

.

SUBMITTED BY:

Danella Elliott