

REINVESTMENT ZONE NUMBER ONE

MARCH 6, 2012

The Reinvestment Zone Number One of the City of McKinney, Texas met in regular session in the Council Chambers, 222 N. Tennessee Street, McKinney, Texas on March 6, 2012 at 3:00 p.m.

Board members Present: Chairman Don Day, Council member Geralyn Keever, Don Day, Council member Ray Ricchi, Robbie Clark, Council member Travis Ussery. Brian Loughmiller arrived at 3:09 p.m. Absent: David Brooks, Joe Jaynes, and Roger Harris.

Staff Present: City Manager Jason Gray; Deputy City Manager Joe Williams; City Attorney Mark Houser; City Secretary Sandy Hart; Finance Director Rodney Rhoades; Assistant to the City Manager Aretha Harvey; Finance - Alex Casey and Karen Watkins.

There was one guest present.

Chairman Day called the meeting to order at 3:07 p.m. after determining a quorum present.

12-132 Chairman Day called for Consideration/Discussion/Action on the Minutes of the Reinvestment Zone Number One Meeting of April 19, 2011. Board members unanimously approved the motion by Vice Chairman Ussery, seconded by Board member Clark, to the Minutes of the Reinvestment Zone Number One Meeting of April 19, 2011.

12-133 Chairman Day called for Consideration/Discussion/Action on the 2011 Annual Report for Tax Increment Reinvestment Zone Number One. Finance Director Rodney Rhoades presented the 2011 Annual Report. The established base year for TIRZ No.1 reporting was 2010; however an appraisal dispute judgment filed in October 2011 reduced the base year value by \$21,871,394. The ad valorem increment for the current reporting year totals \$4,875, with \$3,914 coming from the City of McKinney and \$961 coming from Collin County. The sales tax increment for the current reporting year totals \$438,176, all of which comes from the City of McKinney. Mr. Rhoades stated that if the Board wanted to

change the financing model for the Reinvestment Zone, it would require redrawing the boundaries, redo the project plan, and resubmit the plan to all entities for approval. Board members unanimously approved the motion by Chairman Day, seconded by Board member Loughmiller, to approve the 2011 Annual Report for Tax Increment Reinvestment Zone Number One.

12-134 Chairman Day called for Consideration/Discussion/Action on General and Administration Costs for the Tax Increment Reinvestment Zone Number One. Finance Director Rodney Rhoades staff is requesting General and Administrative Costs associated for the time spent by City employees in connection with the monitoring the zone. An annual requirement exists to report to the State of Texas and to the local taxing units. Currently, over 2100 businesses in zip code 75069 need to be physically located and identified as participating in the zone. Staff is recommending \$15,000 per year to be allocated for general and administrative costs for Reinvestment Zone Number One. Board members unanimously approved the motion by Board member Loughmiller, seconded by Board member Ricchi, to approve an \$15,000 annual transfer to the general fund for general and administration costs for administering the Tax Increment Reinvestment Zone Number One.

Board members unanimously approved the motion by Board member Keever, seconded by Board member Vice Chairman Ussery, to adjourn. Chairman Day adjourned the meeting at 3:22 p.m.

DON DAY
Chairman

ATTEST:

Sandy Hart, TRMC, MMC
City Secretary