

TIRZ #1 Project Plan, Policy and Administration Discussion

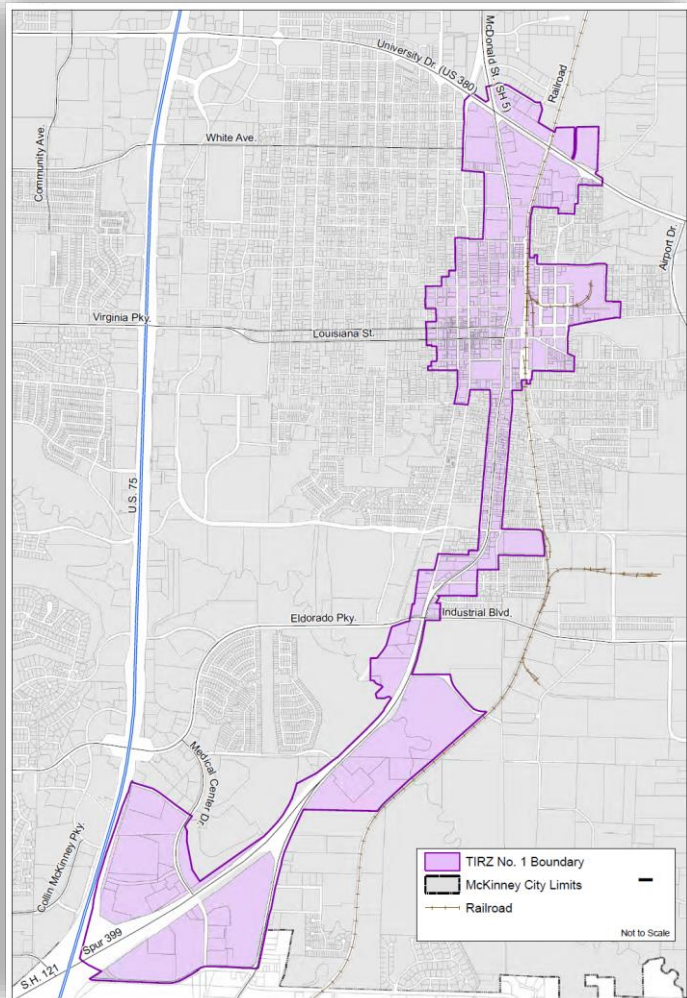
TIRZ No. 1 Meeting

August 27, 2024

Why We're Here...

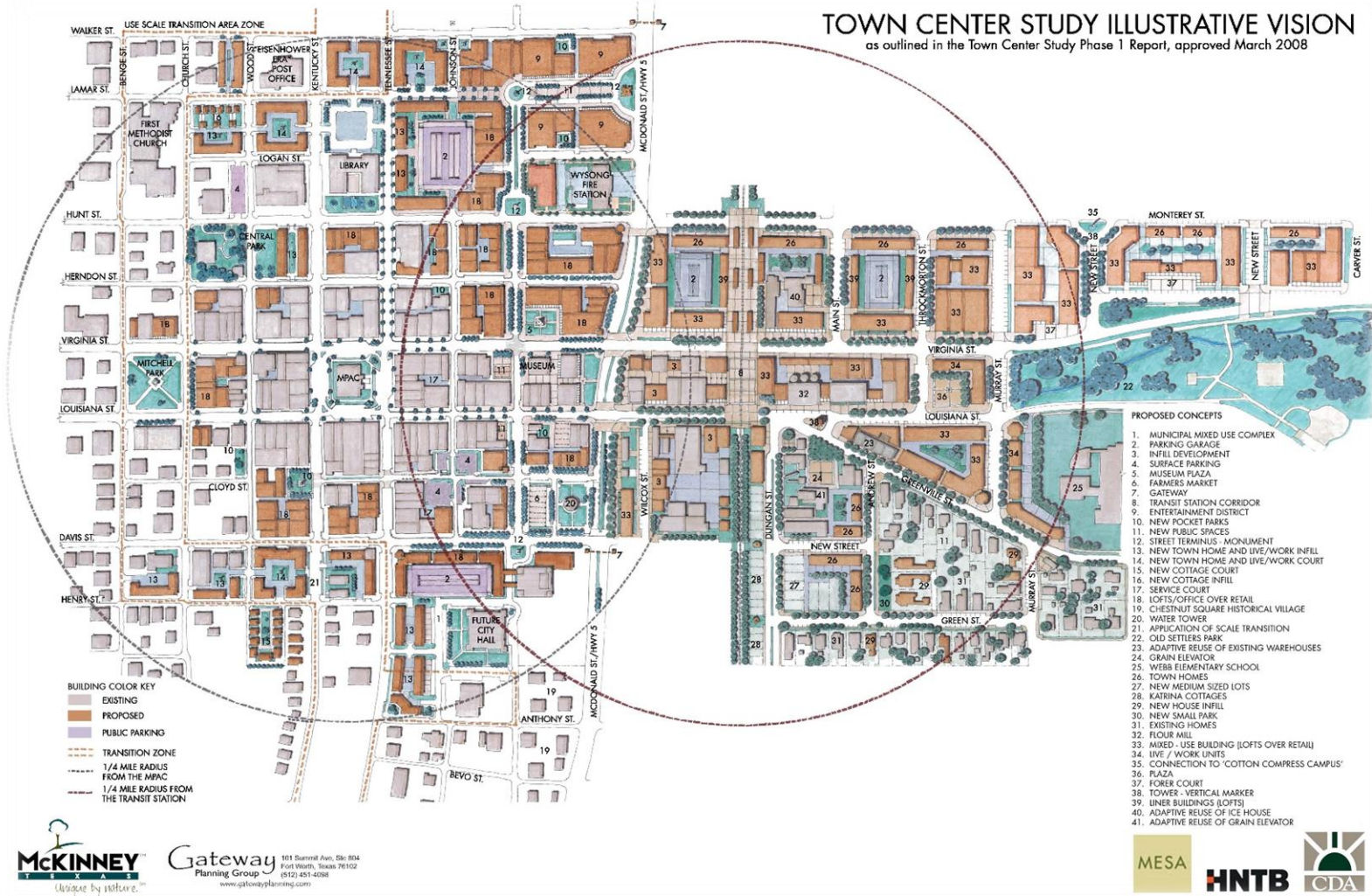
- TIRZ Project Plan Goals
- Existing TIRZ Project Categories
- Existing TIRZ Administrative Policies
- Opportunities to Improve TIRZ Project Categories and Administrative Policies

Tax Increment Reinvestment Zone No.1



- Tool that captures projected increase in tax revenue created by development within a defined area (ad valorem & sales tax)
- Reinvests funds into public improvements and development projects that benefit the zone

TIRZ Project Plan Goals



Support catalyst projects that help revitalize the Historic Town Center • create linkages across SH 5 • support street and other improvements • provide other support

TIRZ: Project Categories

I. Catalyst Projects

“significant projects”; \$5M investment or greater

II. Vacant/Underutilized Sites/Buildings

“smaller projects”; under \$5M investment

III. Mixed-Income Housing

Creation of new affordable, workforce and mixed-income housing inside or outside the Town Center TIRZ.

TIRZ: Project Categories / Eligible Expenses

I. Catalyst Projects

“significant projects”; \$5M investment or greater

II. Vacant/Underutilized Sites/Buildings

“smaller projects”; under \$5M investment

III. Mixed-Income Housing

Creation of new affordable, workforce and mixed-income housing inside or outside the Town Center TIRZ.

Eligible Expenses for Category I & II:

- (a) environmental remediation; interior/exterior demolition; historic façade restoration improvements/easements; and fire safety;
- (b) street, utility, and streetscape improvements;
- (c) land acquisition;
- (d) critical maintenance; and
- (e) fire suppression

TIRZ: Administration and Funding Policy

I. Catalyst Projects

TIRZ-eligible expenses	TIRZ Funding Policy
Façade/Environmental • Acquisition/Restoration of Historic Sites • Street, Utility & Streetscape Improvements • Land Acquisition • Critical Maintenance • Fire Suppression	None, funding on case-by-case basis

II. Vacant and Underutilized Site Projects

TIRZ-eligible expenses	TIRZ Funding Policy
Façade/Environmental	\$25,000 reimbursement grant; \$100,000 annual cap
Acquisition/Restoration of Historic Sites	None, funding on case-by-case basis
Street, Utility & Streetscape Improvements	None, funding on case-by-case basis
Land Acquisition	None, funding on case-by-case basis
Critical Maintenance	\$50,000 reimbursement grant; 50/50 match
Fire Suppression	\$50,000 reimbursement grant; 50/50 match

III. Mixed-Income Housing Projects

TIRZ: Financial Performance

Fund Balance FY23

	2019	2020	2021	2022	2023
Revenues	3,029,685	2,971,502	3,775,819	21,469,368	6,639,208
Expenditures	(3,999,128)	(4,401,153)	(4,708,443)	(328,724)	(1,249,064)
Net Income (Loss)	(969,443)	(1,429,651)	(932,623)	21,140,644	5,390,145
Ending Fund Balance	8,232,003	6,802,352	5,869,729	27,010,373	32,400,517

Proposed Improvements

- **Economic Development Grants.** Broaden the reach of eligible expenses to explicitly include the use of funding for broader economic development purposes at both small and larger scales.
 - *Small Business Support Grants. small business support loans or grants that provide gap financing for projects that further implement the Project Plan and for the public purpose of developing and diversifying the economy.*
 - *Economic Development Grants. economic incentives and investments in catalyst projects that provide substantial benefit to the TIRZ and further implement the Project Plan*
- **District Enrichment.** Broaden the reach of eligible expenses to include public programming and improvements for the betterment of the district; including things such as public safety, public parking

Discussion and Questions