

Tax Increment Reinvestment Zone (TIRZ) Board Meeting
Thursday, July 27, 2017 - 4:00 p.m.

The TIRZ Board met in the Conference Room of Belton City Hall, 333 Water Street, with the following members present: Chair David K. Leigh and Board Members Craig Pearson, Jon Burrows and Richard Cortese. Board Member Blair Williams was absent. Also present were Mayor Marion Grayson, City Manager Sam Listi, City Attorney John Messer, City Clerk Amy Casey, Director of Finance Brandon Bozon, Director of Public Works Angellia Points, Director of Planning Erin Smith, Grants and Special Projects Coordinator Bob Van Til, CVB and Tourism Manager Judy Garrett, Director of Library Services Kim Kroll, and Public Information Officer Paul Romer.

1. **Call to order.** Chair David K. Leigh called the meeting to order at 4:05 p.m.
2. **Consider minutes of the TIRZ Board Meeting held on March 27, 2017.**

Board Member Jon Burrows made a motion to approve the minutes as presented. The motion was seconded by Board Member Richard Cortese and carried unanimously upon a vote of 4-0.

Items 3 and 4 were discussed together.

3. **Discuss TIRZ FY 2017 project update.**
4. **Consider the proposed budget for FY 2018 and consider forwarding a recommendation to the City Council.**

Director of Finance Brandon Bozon provided a summary of how the TIRZ Fund monies are used. He presented the FY2018 proposed budget to include revenues and expenditures. Mr. Bozon said that the Board recommends an operating budget to the City Council each year.

The FY2018 TIRZ Operating Fund:

Projected Beginning Fund Balance		\$ 190,698
Projected Revenues		
City	\$ 781,460	
County	\$ 498,865	
Interest	\$ 5,000	
Total Revenues		\$1,285,325
Proposed Expenditures		
<i>Personnel</i>		
Retail Dev. Coordinator	\$ 66,384	
<i>Debt Service</i>		
Principal, Interest & Fees	\$ 357,955	
<i>Downtown Revitalization</i>		
Downtown Façade Grants	\$ 90,000	

Other Public Improvements

Sixth Avenue Beautification	\$ 100,000
South Belton Trail	\$ 300,000
Connell Street Engineering Report	\$ 500,000
Library Study	\$ 10,000
Contingency	<u>\$ 27,805</u>

Total Expenditures **\$(1,452,144)**

Net Impact of Budget on Fund Balance **\$ (166,819)**

Projected Ending Fund Balance **\$ 23,879**

Mr. Bozon commented that the tax base growth in the TIRZ was approximately 11.62%. This puts the actual taxes collected trending at a higher amount than what the TIRZ Study had estimated.

In discussing expenditures, Mr. Bozon outlined the \$40,000 that was spent on Façade Grants during FY2017 and recommended budgeting \$90,000 for Façade Grants in FY2018. He reviewed TIRZ Debt Service, and said it is projected to be \$356,555 in FY2018.

Bozon pointed out that Retail Development Coordinator Judy Garrett serves a dual role as a point of contact for retail development and as Tourism Manager. He discussed two studies that are underway: (1) The Retail Coach is creating a retail development plan, and FY2018 includes recruiting and plan implementation at a cost of \$27,000; and (2) Hunden Strategic Partners is developing a feasibility study for a Hotel/Conference Center, and FY2018 includes \$5,000 for evaluation of the results and recruitment plan development, if needed.

Mr. Bozon reviewed the Sparta Road project which is fully funded and under construction.

Funding:

Bond Proceeds	\$1,680,073
Contribution – TIRZ Capital Projects	\$1,136,926
Contribution – BEDC	\$ 500,000
Contribution – Water & Sewer Cap Projects	\$ 215,129
Contribution – Drainage Capital Projects	\$ 252,077
Interest Income	<u>\$ 20,049</u>
	<u>\$3,804,255</u>

Expenditures:

Bond Issue Costs	\$ 1,700
Engineering Costs	\$ 353,340
Right-of-Way	\$ 8,221

Repavement, Wal-Mart to Main	\$ 402,642
Construction, Loop to Wal-Mart	\$3,006,756
Construction, Industrial/Main Intersection	\$ 26,292
Contingency	<u>\$ 5,303</u>
	\$3,804,255

A list of TIRZ Capital Projects from FY2012 – FY2017 was summarized by Mr. Bozon. He also reviewed TIRZ capital projects on the horizon for FY2018 including the South Belton Hike/Bike Trail Linkage. The grant match of \$300,000 is proposed to be funded by TIRZ, which led to an adjustment of the TIRZ Boundary by Bell County and the City of Belton. The boundary adjustment included only publicly owned properties.

Mr. Bozon said the FY2018 budget also includes the Southwest Traffic Circulation project. He stated that Connell Street remains a very high priority for reconstruction, and that the Huey to Connell connection will be included as part of the study. City Manager Sam Listi said that the entire corridor between IH-35 and Connell is ready with utilities, so it would be a prime location for development. He explained that this study and potential design would allow the City to move quickly should development occur. Board Member Cortese said where Connell meets the IH-35 Frontage Road is very confusing, and the traffic signal that was installed causes a lot of traffic congestion. Director of Public Works Angellia Points said that she has contacted TxDOT, and they have informed her they are studying the issue.

Bozon said the E. 6th Avenue Beautification project is also a high priority, and will make E. 6th Avenue look more like Central Avenue. He added that utilities will have to be placed underground, so Director of Planning Erin Smith and Director of Public Works Angellia Points have been meeting with the utility companies and developing costs.

Mr. Bozon explained that these projects may be part of a FY2019 bond issue depending on what funds are available.

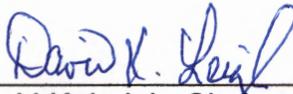
Mr. Bozon briefly discussed the TIRZ Allocation Policy. The policy was adopted in 2012. He stated that funding was being allocated as equitably as possible throughout the TIRZ. He said that the Sparta Road project makes the North appear to be a little higher than the others, but most of the FY2018 projects are in the South, so it should even out the allocation.

Board President David K. Leigh asked if the contingency in the budget will be zero unless a project is cancelled or if a project comes in under budget. Mr. Bozon said that is true. Mr. Leigh said he would prefer to take have money out of the façade grants which did not get constructed during FY2017, and payoff the contingency out of the same year rather than carrying that negative contingency over to FY2018. Mr. Listi said that up to \$100,000 could be taken from the Connell project as an alternative, since that project will most likely not be completed in FY2018. Mr. Bozon

said Staff could definitely make a budget adjustment in some area to prevent the negative carry forward, and he explained how the budget would look after the adjustment.

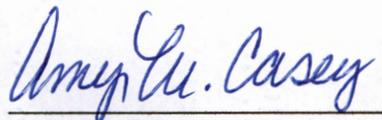
Board Member Richard Cortese made a motion to approve the budget with the adjustment as recommended. The motion was seconded by Board Member Jon Burrows and carried unanimously upon a vote of 4-0.

5. **Board or staff comments.** City Attorney John Messer said that the TIRZ has made downtown Belton what it is today. Board Member Richard Cortese said TIRZ funds have definitely changed the face of Belton. He added that as the Board moves toward the end of the TIRZ in 2024, we might want to interview businesses that have come to Belton over the last ten years, asking them “what brought you to Belton,” to find what impact the TIRZ has had on economic development. He added that it may be possible to get a UMHB economics class or a graduate student to complete the project at no cost.
6. **Adjourn.** There being no further business, the meeting was adjourned at 4:39 p.m.



David K. Leigh, Chair

Attest:



Amy M. Casey, City Clerk