

## **A G E N D A**

### **LEWISVILLE TAX INCREMENT REINVESTMENT ZONE, NUMBER FOUR AUGUST 7, 2023**

**LEWISVILLE CITY HALL  
CITY COUNCIL CONFERENCE ROOM  
1ST FLOOR  
151 WEST CHURCH STREET  
LEWISVILLE, TEXAS**

**IMMEDIATELY FOLLOWING THE COMPLETION OF THE LEWISVILLE  
TAX INCREMENT REINVESTMENT ZONE, NUMBER THREE BOARD  
MEETING THAT FOLLOWS THE COMPLETION OF THE LEWISVILLE TAX  
INCREMENT REINVESTMENT ZONE, NUMBER TWO BOARD MEETING  
SCHEDULED AT 6:00PM.**

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- 1. Call to Order and Announce that a Quorum is Present**
- 2. Approval of the Minutes from the August 29, 2022 Meeting**
- 3. Approval of the 2022 Annual Report for Tax Increment Reinvestment Zone, Number Four**
- 4. Approval of the FY 23-24 Budget for Tax Increment Reinvestment Zone, Number Four**
- 5. Adjournment**

#### **NOTICE OF ASSISTANCE AT THE PUBLIC MEETINGS**

The Lewisville City Hall & City Council Conference Room are wheelchair accessible. Access to the building and special parking are available at the front entrance along Church Street. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the Economic Development Office at (972) 219-3455 or by FAX (972) 219-3698 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

**TAX INCREMENT REINVESTMENT ZONE, NUMBER FOUR  
BOARD OF DIRECTORS MEETING**

**AUGUST 29, 2022**

**Present:**

Ronni Cade, Co-Chair  
TJ Gilmore  
Bob Troyer  
Kristin Green  
Brandon Jones  
William Meredith, Chair (Absent)

**City Staff:**

Claire Powell, City Manager  
Liz Plaster, City Attorney  
Lauren Crawford, Sr Assistant City Attorney  
Julie Worster, City Secretary  
Marichelle Samples, Economic Development Director  
Christina Williams, ED Manager  
Christina Barrera, ED Coordinator  
D'Ann Tompkins, Budget Manager  
Gina McGrath, Assistant City Manager  
David Erb, Director of Finance

With a quorum of the Board of Directors present, the meeting of the Tax Increment Reinvestment Zone, Number Four, Board of Directors was called to order by Chairperson Kristin Green at 5:30 p.m. on Monday, August 29, 2022, in the City Council Conference Room of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas.

**Oaths of Office and Certificates of  
Appointment Administered to New and  
Reappointed Board Members**

**(Agenda Item 2)**

Due to the oaths of office already being handled for the New and Reappointment Members, this item was not necessary.

**Election of Officers – Chair & Co-Chair**

**(Agenda Item 3)**

**MOTION:** Upon a motion made by Board Member Kristin Green and seconded by Board Member Brandon Jones, the Board of Directors voted five (5) “ayes” and no (0) “nays” to reappoint Board Member William Meridith as the Chairperson of the TIRZ #4. The motion carried.

**MOTION:** Upon a motion made by Board Member Kristin Green and seconded by Board Member Brandon Jones, the Board of Directors voted five (5) “ayes” and no (0)

“nays” to reappoint Board Member Ronni Cade as the Co-Chairman of the TIRZ #4. The motion carried.

**Approval of Approval of the Minutes From  
the August 2, 2021 Meeting**

**(Agenda Item 4)**

**MOTION:** Upon a motion made by Board Member Kristin Green and seconded by Board Member Bob Troyer, the Board of Directors voted five (5) “ayes” and no (0) “nays” to approve the Minutes From the August 2, 2021 Meeting. The motion carried.

**Approval of the 2021 Annual Report for  
Lewisville Tax Increment Reinvestment  
Zone, Number Four**

**(Agenda Item 5)**

Economic Development Director Marichelle Samples reviewed the 2021 Annual Report for Lewisville Tax Increment Reinvestment Zone, Number Four for the Board.

**MOTION:** Upon a motion made by Board Member Kristin Green and seconded by Board Member Bob Troyer, the Board of Directors voted five (5) “ayes” and no (0) “nays” to approve the 2021 Annual Report for Lewisville Tax Increment Reinvestment Zone, Number Four. The motion carried.

**Approval of the FY 22-23 Budget for Tax  
Increment Reinvestment Zone, Number Four**

**(Agenda Item 6)**

Budget Manager D’Ann Tompkins reviewed the FY 22-23 Budget for Lewisville Tax Increment Reinvestment Zone, Number Four for the Board.

**MOTION:** Upon a motion made by Board Member Brandon Jones and seconded by Board Member TJ Gilmore, the Board of Directors voted five (5) “ayes” and no (0) “nays” to approve the FY 22-23 Budget for Tax Increment Reinvestment Zone, Number Four. The motion carried.

**Adjournment**

**(Agenda Item 7)**

**MOTION:** Upon a motion made by Board Member Kristin Green and seconded by Board Member Brandon Jones, the Board of Directors voted five (5) “ayes” and no (0) “nays” to adjourn the meeting of the Lewisville Tax Increment Reinvestment Zone Number Four Board of Directors at 5:35 p.m. on Monday, August 29, 2022. The motion carried.

**TAX INCREMENT REINVESTMENT ZONE,  
NUMBER FOUR, BOARD OF DIRECTORS  
AUGUST 29, 2022**

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These minutes approved by the Tax Increment Reinvestment Zone, Number Four, Board of Directors on August 7, 2023.

APPROVED

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William Meridith  
CHAIRMAN

ATTEST:

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Thomas Harris III  
CITY SECRETARY



2022 TAX INCREMENT REINVESTMENT ZONE  
NUMBER FOUR  
ANNUAL REPORT  
CITY OF LEWISVILLE



**LEWISVILLE**  
Deep Roots. Broad Wings. Bright Future.

This report is prepared and submitted to comply with the statutory requirement that an annual report be supplied to the Texas Comptroller's Office and all taxing jurisdictions within the Zone.

# Introduction

## About Tax Increment Reinvestment Zones

A tax increment reinvestment zone (TIRZ) is an infrastructure financing tool made possible by Chapter 311 of the Texas Tax Code to assist cities in developing or redeveloping blighted and substandard areas within their boundaries. Cities may create a TIRZ where an area's sound development is impaired and where growth is not likely to occur without public infrastructure improvements financed by the zone. By passing an ordinance, a city may establish a TIRZ and set guidelines for the composition and appointment of a board of directors for the zone.

The total appraised value of real property in the zone at the time the TIRZ is established creates the base year value. Additional property value growth beyond the base year value is known as the TIRZ increment. The success of the TIRZ depends on increased real property values in the zone as a result of better infrastructure and new development.

Other taxing jurisdictions, such as a county, may contribute to the TIRZ by approving a participation agreement with the City that allocates a portion of the entity's property tax revenue from the incremental value to the TIRZ fund. Once all projects are completed, or after a defined period of time, the TIRZ is dissolved.

During the life of the Zone, the City and other participating taxing jurisdictions collect tax revenue on the base value of the Zone as well as sales tax and franchise fee revenue generated by new development. When the zone is dissolved, the city and other participating taxing jurisdictions also collect tax revenue on the incremental value created by new development.

## Lewisville Tax Increment Reinvestment Zone, Number Four

The City of Lewisville created the Lewisville Tax Increment Reinvestment Zone, Number Four (TIRZ #4) on December 16, 2019.

The purpose of the tax increment reinvestment zone (the "Zone") is to finance infrastructure improvements necessary to catalyze residential and commercial development within the Zone boundaries. Expenditures associated with the design and construction of infrastructure, as well as other specific project-related costs, will be funded by tax increment revenues derived from increases in property values following new residential and commercial development.

Prior to creation of a TIRZ, the statute requires preparation of a Preliminary Project and Reinvestment Zone Financing Plan ("Preliminary Plan") and for the City to hold a public hearing and receive comments on the creation of the Zone. The Preliminary Plan detailed the projects proposed to address existing conditions in the area as well as the method and means to finance them. This hearing was held on December 16, 2019 and the Preliminary Plan was approved as well as the Zone being created. The final Project and Reinvestment Zone Financing Plan has yet to be approved because vacant tracts of land are currently being considered for development, which may affect the final Project and Reinvestment Zone Financing Plan. City Staff expects to bring the final Project and Reinvestment Zone Financing Plan to the board upon finalized plans of development and upon conclusion of our discussions with the County.

# Term & Boundary

The duration of the Zone is 20 years. The TIRZ base year was established as January 1, 2019 and the TIRZ will terminate on December 31, 2040, or earlier, if all project cost and debt service has been funded. The Zone consists of approximately 276.93 acres of land. The boundary of the Zone is bounded by McGee Lane on the West, I-35E on the East, Bogard Lane on the North, and Kansas City Southern Railroad on the South, as shown in the following map.



# 2022 in Review

## Development Activity

With new residential projects, property value in Lewisville's TIRZ #4 continued to grow in 2022, increasing the Zone's increment and adding to the fund balance. Construction was completed in 2021 for Norra, a 347-unit multifamily development on the east side of Summit Avenue. Construction continued for Heritage Trails and Heritage Towers. Heritage Trails is a 250-unit townhome development on the west side of Summit Avenue. 65 building permits were issued in 2022. Heritage Towers is a 282-unit multifamily development with trails and a private dog park. Building permits were issued for all three towers in 2022. An overview of the major projects are shown in Attachment A – Private Projects. In December of 2021, the City of Lewisville entered into an agreement with Russell Glen, LLP to act as master developer for the site at FM 407 and Summit Ave to include uses such as office, retail, hotel, grocery store, and/or restaurant space.

In July of 2015, prior to creation of TIRZ #4, the City of Lewisville adopted the Lewisville 2025 plan, laying out concrete strategies for creating a green centerpiece, extending the green, creating new neighborhood choices and establishing identity focal points, among others. Success of these strategies depends tremendously on the success of the property within TIRZ #4. In 2020, after receiving significant public involvement, the City updated the Lewisville 2025 plan and extended it out to 2035. The City's Northern Gateway, which falls within the Zone, remained a top priority.

A list of public and institutional investments and certificates of occupancy obtained within TIRZ #4 are provided in Attachments B-C for 2022





## Financials

### Incremental Growth & Projections

In 2022, the TIRZ #4 taxable value grew to \$183,093,888, which is \$113,328,390 greater than the base year value, generating a total of \$401,908.71 in City contributions to TIRZ #4 in 2022. Attachment D details TIRZ #4 revenues for 2020-2022.

### Budget

Attachment E details the actual FY 2022 budget for TIRZ #4 (Fund 796) as well as the anticipated revenue and expenditures, if any, for FY 2023 which will be presented to the TIRZ #4 board for approval.

### Debt Summary

At this time, TIRZ #4 has not incurred any debt to be secured by the revenue from the zone. At such time as any debt is issued, an overview of the term and the elements of the project plan to be financed will be detailed in this section.

### Increment Participation

The City allocates 80 percent of the increment captured by the district within the boundaries of the Zone to the TIRZ #4 fund. Denton County currently does not participate in the Zone but may join at a future time.

# Attachments

Attachment A – Private Projects – New Development

Attachment B – Public and Institutional Investment

Attachment C – Certificates of Occupancy

Attachment D - TIRZ #4 Incremental Growth

Attachment E – Proposed Budget FY 23-24

# Attachment A

## Private Projects- New Development

PROJECT NAME	PROJECT TYPE	INVESTMENT	STATUS
Lakeside Crossing	Mixed Use Multi-family, Townhome Residential and Commercial	\$14,364,646	In Design
Heritage Trails	Townhome Development	\$63,651,000	Under construction
Heritage Towers	Multi-family Development	\$35,156,098	Under Construction
Norra	Mixed Use Multi-Family Residential and Commercial	\$52,186,062	Completed

# Attachment B

## Public and Institutional Investment

PROJECT NAME	PROJECT TYPE	INVESTMENT	STATUS
<i>No projects have been completed as of yet</i>			

# Attachment C

## Certificates of Occupancy

DATE ISSUED	NAME	ADDRESS	SQ FT.
5/11/2022	Modern Legacy Lifestyle	1865 MCGEE LN SUITE B	1,600
8/15/2022	Near Vape and CBD Shop	1297 FM 407 SUITE 314	2000
10/5/2021	Finders Keepers	1278 FM 407 Suite 103	1,611
10/6/2021	G A M Torres	2225 S. I35 E	6,800
11/11/2021	The Holt Agency LLC	1301 FM 407 Suite 210	807
12/14/2021	Lovey's Homemade Ice Cream	1297 FM 407 Suite 316	1,250

# Attachment D

## TIRZ #4 Incremental Growth

	Base Value 2019	Lewisville Net Taxable Value	Lewisville Captured Increment	Lewisville Current Tax Rate	Increment Participation	City Revenue to the TIRZ
	\$69,765,498					
2020		\$ 94,514,677	\$ 24,749,179	\$ 0.443301	80%	\$ 87,770.69
2021		\$ 120,062,375	\$ 50,296,877	\$ 0.443301	80%	\$ 178,373.25
<b>2022</b>		<b>\$ 183,093,888</b>	<b>\$ 113,328,390</b>	<b>\$ 0.443301</b>	<b>80%</b>	<b>\$ 401,908.71</b>
	Base Value	Denton Certified Value	Denton Captured Increment	Denton Current Tax Rate	Increment Participation	County Revenue to the TIRZ
	Not participating at this time					
2020		\$ 0	\$ 0	\$ 0.224985	0%	\$ 0
2021		\$ 0	\$ 0	\$ 0.224985	0%	\$ 0
<b>2022</b>		<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0.217543</b>	<b>0%</b>	<b>\$ 0</b>
<b>2022 TIRZ #4 City Revenue</b>		<b>\$ 401,908.71</b>				

# Attachment E

## Proposed Budget FY 23-24

### Tax Increment Reinvestment Zone4

(#796)

Tax Increment Fund No. 4 is a special taxing district that was created on December 16, 2019 to capture the City and County portions of increased property tax revenue. The district does not levy a tax but only dedicates future increased revenue from the district back to projects within the district. The boundary of the district is bounded by McGee to the West, I-35E to the East, Bogard Lane to the North, and Kansas City Southern Railroad to the South. The TIRZ will terminate on December 31, 2040, or earlier, if all project costs and debt service have been funded.

	FY 2019-2020 ACTUAL	FY 2020-2021 ACTUAL	FY 2021-2022 ACTUAL	FY 2022-2023 ORIGINAL BUDGET	FY 2022-2023 ADJUSTED BUDGET	FY 2022-2023 YTD	FY 2023-2024 PROPOSED BUDGET
<b>BEGINNING FUND BALANCES</b>	-	-	88,224	110,310	251,122	251,122	550,088
<b>REVENUES</b>							
Taxes	-	87,771	178,373	361,718	361,718	401,909	401,909
Investment Earnings and Contributions	-	454	1,241	681	681	4,738	6,000
<b>Total Revenues</b>	-	88,224	179,614	362,399	362,399	406,646	407,909
<b>Total Resources</b>	-	88,224	267,838	472,709	613,521	657,769	957,997
<b>EXPENDITURES</b>							
Economic Development	-	-	-	-	-	-	10,000
Non-Departmental	-	-	1,578	10,000	10,000	130	-
Parks & Recreation	-	-	15,138	53,433	53,433	-	42,250
<b>Total Expenditures</b>	-	-	16,716	63,433	63,433	130	52,250
<b>Current Rev. - Current Exp.</b>	-	88,224	162,898	298,966	298,966	406,516	355,659
<b>ENDING FUND BALANCE</b>	-	88,224	251,122	409,276	550,088	657,639	905,747
<b>OPERATING RESERVE: NONE</b>	-	-	-	-	-	-	-
<b>UNDESIGNATED RESERVE</b>	-	88,224	251,122	409,276	550,088	657,639	905,747