

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF DENTON, TEXAS, APPROVING THE 2023 – 2024 TAX INCREMENT REINVESTMENT ZONE NUMBER ONE (TIRZ #1) ANNUAL REPORT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Denton recognizes the importance of its role in local economic development initiatives and programs; and

WHEREAS, the City has established Tax Increment Reinvestment Zone Number One (TIRZ #1) and established a Board of Directors for the District to promote development or redevelopment in the Downtown area pursuant to Ordinance No. 2010-316, authorized by the City Council on December 7, 2010, as provided by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on December 7, 2010, the City Council authorized the Project and Finance Plans for the TIRZ #1; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on May 28, 2025, the TIRZ #1 Board reviewed and recommended approval of the 2023/2024 Annual Report for Tax Increment Reinvestment Zone Number One to the City Council. NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. That the 2023/2024 Annual Report for Tax Increment Reinvestment Zone Number One, City of Denton, Texas, as of June 17, 2025, a copy of which is attached here to as Exhibit A, is hereby accepted.

SECTION 2. That the City Manager or their designee is hereby authorized to submit the 2023/2024 Annual Report for Tax Increment Financing Reinvestment Zone Number One to the Chief Executive Officer of each taxing jurisdiction that levies tax on real property in the District; and to the State Comptroller, as required by state law.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Denton, and it is accordingly so resolved.

The motion to approve this Resolution was made by _____ and seconded by _____, the Resolution was passed and approved by the following vote [____ - ____]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  _____
Scott Bray
Deputy City Attorney

Exhibit A



Tax Increment Reinvestment Zone Number One 2023 - 2024 ANNUAL REPORT

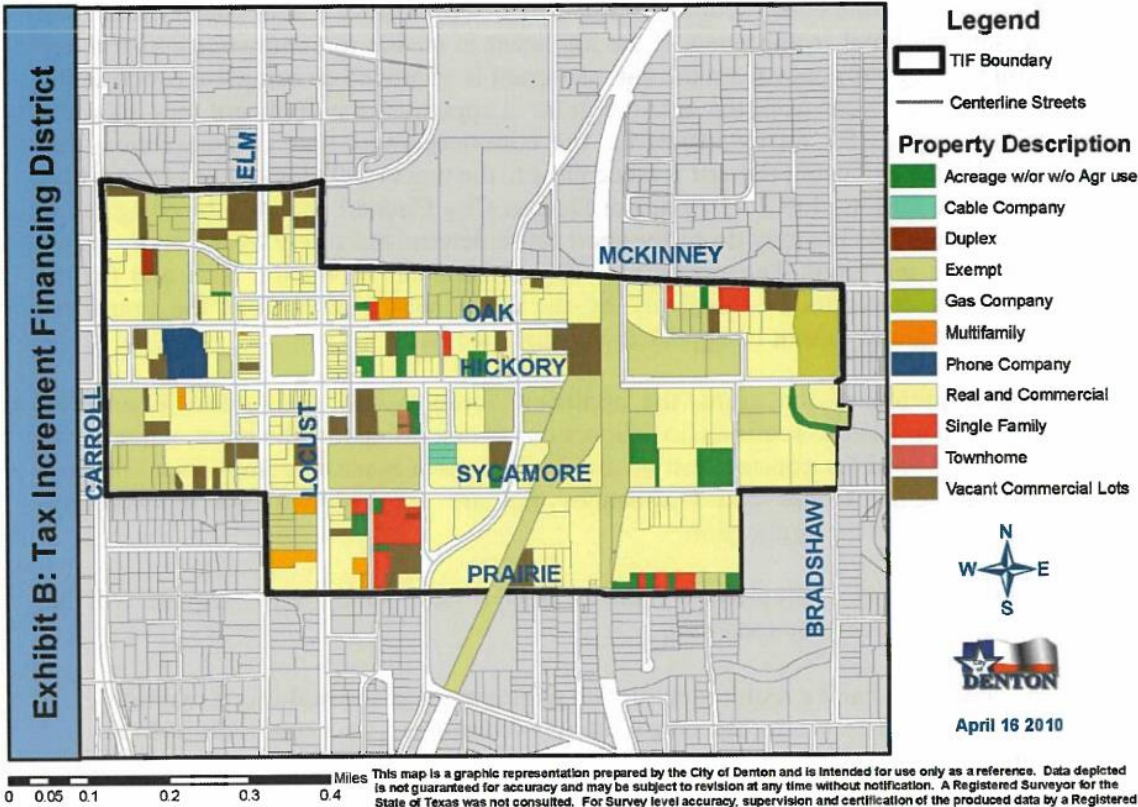
Reporting Period: Oct. 1, 2023, to Sep. 30, 2024

Table of Contents

Map.....	3
Mission Statement	4
District Accomplishments.....	4
Development Within the District	
<i>Project Descriptions: Private Investment.....</i>	<i>5</i>
<i>Project Description: Public Investment.....</i>	<i>5</i>
Summary of TIRZ Board Activity.....	6
Downtown Reinvestment Grant Program.....	7
Expense Summary.....	7
Value and Increment Summary.....	7
Certified and Supplement Summary.....	7
Appendix A: TIRZ One Balance Sheet.....	8

Tax Increment Reinvestment Zone Number One

DISTRICT MAP



Mission Statement

The Mission of the Downtown Tax Increment Reinvestment Zone Number One (TIRZ #1) is to provide a source of funding for public infrastructure improvements to encourage and accelerate necessary development and redevelopment within the Downtown TIRZ District Area.

The TIRZ #1 took effect on January 11, 2011, and will terminate on December 31, 2039, or when the budget of \$24.8 million has been collected.

The City of Denton is the sole participating jurisdiction. The City's participation is as follows:

Year	Participation
1-5	100%
6- 10	95%
11 - 20	90%
21 -30	85%

District Accomplishments

This report represents October 1, 2023, through September 30, 2024 (FY 2023-24). During FY 2023-24, \$917,616 was collected after the end of the supplemental period determined by the City of Denton. An additional \$201,092 in interest brings the total contribution in FY 2023-24 to \$1,118,708.

Downtown saw increased investment with the TIRZ #1 area in FY 2023-2024. Identified below are private/public partnership projects supported by the TIRZ #1 and public investment projects that will support future development within the district.

On September 17, 2024, City Council approved the Design Downtown Plan which proposed the expansion of the Downtown Tax Increment Reinvestment Zone One (TIRZ #1) boundary.

Development Within the District

Project Descriptions: Private/Public Investment

Project Name	Location	Square Feet	Status	Total Investment	TIRZ Investment
Robert Moses	115-117 W. Hickory	Façade	Complete	\$8,044	\$3,695
Bullseye Bike	108 W. McKinney	2,800	Complete	\$142,800	\$50,000
Little d Property	104-106 W. Oak	14,692	Complete	\$1,078,269	\$50,000
Little d Property	104-106 W. Oak	Fire	*Reimbursed 2025	\$115,000	\$50,000
Green Eggs and Ham	116 W. Oak	Façade	*Reimbursed 2025	\$138,529	\$50,000
Green Eggs and Ham	116 W. Oak	Fire	In Progress		\$50,000
Eagle Surveying	212 W. Sycamore	5,650	*Reimbursed 2025	\$1,465,727	\$50,000
*Axis Realty/Fine Arts Theater	113 N. Elm	11,000	In Progress		\$1,076,366.00
*Axis Realty/Fine Arts Theater	113 N. Elm		In Progress		\$544,503.00

Project Descriptions: Public Investment

Project	Location	Status	Investment
Downtown TXDoT Project	Locust & Elm Streets (Eagle to McKinney)	Complete	\$3,800,000

Summary of TIRZ #1 Board Activity

Board Member list and attendance

Downtown Tax Increment Reinvestment Zone #1									
PLACE NO.	MEMBER NAME		MEETING DATE PERIOD COVERED IS OCTOBER 2023 THROUGH SEPTEMBER 2024						
	Last	First	11/22/2023 CANCELLED	1/24/2024 CANCELLED	2/28/2024	3/27/2024	5/22/2024 CANCELLED	7/24/2024	9/25/2024
1	Reinke Doyle	Marybeth			P	P	NQ-NS	P	P
2	Byrd	Vicki			P	P	P	P	P
3	Johnson	Suzanne			P	P	NQ-NS	P	P
4	Beck	Brian							P
5	Watts (VACANCY)	Chris (VACANCY)			A-NA	P			
6	Abasolo	Daniel			P	P	P		A
7	Brakefield	Taylor					A-NA	P	P
TOTAL					5	5	3	5	5
*Chris Watts was replaced by Councilman Brian Beck									
*Ben Esely was replaced by Tim Stolfus									

Members serve a two-year term, which begin in October and end in September of each year, depending on their current position.

FY 2023 – 2024 Activity of the TIRZ #1 Board

City Council approved seven items recommended by the TIRZ #1 Board

- Approved the 2022 – 2023 Downtown Tax Increment Reinvestment Zone Number One Annual Report
- Approved recommendation to City Council regarding an economic development incentive request for 113-115 N. Elm Street by the Fine Arts Theater of Denton LLC in an amount not to exceed \$1,620,869
- Approved Downtown Reinvestment Grant Applications for the following projects:
 - 104-106 W. Oak, Fire Suppression, in an amount not to exceed \$50,000
 - 104-106 W. Oak, Façade/Interior Improvements, in an amount not to exceed \$50,000
 - 116 W. Oak, Fire Suppression, in an amount not to exceed \$50,000
 - 116. W. Oak, Façade, in an amount not to exceed \$50,000
 - 212 W. Sycamore, Façade/Building Rehab, in an amount not to exceed \$50,000

Downtown Reinvestment Grant Program

In FY 2023-24, the Grant Program's beginning budget was \$200,000, funded by the TIRZ #1. Three projects reached completion, creating expenditures of \$103,695, and four projects were approved but still in progress at the end of FY 2023-24.

Grant Project Activity

Completed Grant Projects

- A Downtown Reinvestment Grant in the amount of \$3,695 was paid to the property located at 115-117 W. Hickory for Beth Marie's.
- A Downtown Reinvestment Grant in the amount of \$50,000 was paid to the property located at 108 W. McKinney for Bullseye Bikes.
- A Downtown Reinvestment Grant for Façade in the amount of \$50,000 was paid to the property of 104-106 W. Oak for Little d Property.

Approved Grant Project in Progress

- 104-106 W. Oak St. in the amount of \$50,000 for Little d Property LLC (Fire Suppression) *Reimbursed 2025
- 116 W. Oak St. in the amount of \$50,000 for Green Eggs and Ham LLC (Façade) *Reimbursed 2025
- 116 W. Oak St. in the amount of \$50,000 for Green Eggs and Ham LLC (Fire Suppression)
- 212 W. Sycamore in the amount of \$50,000 for Eagle Surveying LLC *Reimbursed 2025
- 113 – 115 N. Elm in the amount of \$1,620.869 for Fine Arts Theater of Denton LLC.

Expense Summary

During FY 2023-24, expenses for TIRZ #1 totaled \$103,695.

Value and Increment Summary

According to Denton Appraisal District Certified figures, the FY 2023-24 total appraised valuation of taxable and real property in TIRZ #1 was \$261,579,433. This represents a \$12,429,869 increase from the previous certified tax value of \$249,149,564. Since its inception, the final value with supplements of the TIRZ #1 has increased by an estimated \$181,845,165.

Certified and Supplement Summary

YEAR	FISCAL YEAR AS OF 9/30	TIRZ CERTIFIED TAX VALUE	SUPPLEMENT AL TIRZ TAX VALUE	INCREMENTAL INCREASE (DECREASE)	SUPPLEMENTAL CONTRIBUTION TO TIRZ	INTEREST	TOTAL TIRZ REVENUE
2010	2010-2011	79,356,854	79,356,854	N/A	N/A	N/A	N/A
2011	2011-2012	81,657,808	80,331,050	947,196	6,720	17	6,737
2012	2012-2013	89,605,635	93,040,263	13,683,409	94,381	297	94,678
2013	2013-2014	96,287,950	100,452,300	21,095,446	145,506	1,084	146,590
2014	2014-2015	114,885,073	116,769,435	37,412,581	258,053	2,821	260,874
2015	2015-2016	118,440,576	127,204,599	47,847,745	330,030	5,855	335,885
2016	2016-2017	136,021,478	150,021,979	70,665,125	458,739	11,439	470,178
2017	2017-2018	142,050,751	161,351,215	81,994,361	496,856	6,712	503,568
2018	2018-2019	167,000,575	170,678,753	91,321,899	538,300	11,589	549,889
2019	2019-2020	210,529,139	209,626,251	130,269,397	730,722	16,930	747,652
2020	2020-2021	232,747,807	234,054,363	154,697,509	867,747	10,870	878,617
2021	2021-2022	232,894,462	222,831,388	143,474,534	730,631	19,667	750,298
2022	2022-2023	249,149,564	248,865,857	169,508,993	855,366	120,323	975,689
2023	2023-2024	261,579,433	261,202,019	181,845,165	917,616	201,092	1,118,708
TOTALS					\$ 6,430,667.00	\$ 408,697.00	\$ 6,839,363.00
Fund Balance as of 9/30/24 is \$4,538,975							

Appendix A:

TIRZ One Balance Sheet

City of Denton Tax Increment Financing Reinvestment Zone (TIRZ) Number One

Tax Year	Certified Tax Value	Incremental Increase (Decrease)	Contribution	Adjusted Incremental Value	Tax Rate	Annual TIRZ Ad Valorem Revenue
2010	\$ 79,356,854	N/A	N/A	N/A		N/A
2011	81,657,808	2,300,954	100%	2,300,954	0.68975%	15,871
2012	89,605,635	10,248,781	100%	10,248,781	0.68975%	70,691
2013	96,287,950	16,931,096	100%	16,931,096	0.68975%	116,782
2014	114,885,073	35,528,219	100%	35,528,219	0.68975%	245,056
2015	118,440,576	39,083,722	100%	39,083,722	0.68975%	269,580
2016	136,021,478	56,664,624	95%	53,831,393	0.68334%	367,851
2017	142,050,751	62,693,897	95%	59,559,202	0.637856%	379,902
2018	167,000,575	87,643,721	95%	83,261,535	0.620477%	516,619
2019	210,529,139	131,172,285	95%	124,613,671	0.590454%	735,786
2020	232,747,807	153,390,953	95%	145,721,405	0.590454%	860,418
2021	232,894,462	153,537,608	90%	138,183,847	0.565823%	781,876
2022	249,149,564	169,792,710	90%	152,813,439	0.560682%	856,797
2023	261,579,433	182,222,579	90%	164,000,321	0.560682%	919,520
Totals						\$ 6,136,749

Fiscal Year as of 9/30	Supplemental Tax Value	Incremental Increase (Decrease)	Contribution	Adjusted Incremental Value	Tax Rate	Annual TIRZ Ad Valorem Revenue
2010-2011	\$ 79,356,854	N/A	N/A			N/A
2011-2012	80,331,050	974,196	100%	974,196	0.68975%	6,720
2012-2013	93,040,263	13,683,409	100%	13,683,409	0.68975%	94,381
2013-2014	100,452,300	21,095,446	100%	21,095,446	0.68975%	145,506
2014-2015	116,769,435	37,412,581	100%	37,412,581	0.68975%	258,053
2015-2016	127,204,599	47,847,745	100%	47,847,745	0.68975%	330,030
2016-2017	150,021,979	70,665,125	95%	67,131,869	0.68334%	458,739
2017-2018	161,351,215	81,994,361	95%	77,894,643	0.637856%	496,856
2018-2019	170,678,753	91,321,899	95%	86,755,804	0.620477%	538,300
2019-2020	209,626,251	130,269,397	95%	123,755,927	0.590454%	730,722
2020-2021	234,054,363	154,697,509	95%	146,962,634	0.590454%	867,747
2021-2022	222,831,388	143,474,534	90%	129,127,081	0.565823%	730,631
2022-2023	248,865,847	169,508,993	90%	152,558,094	0.560682%	855,366
2023-2024	261,202,019	181,845,165	90%	163,660,649	0.560682%	917,616
						\$ 6,430,667

Interest Income**	Total Revenue	Total Expenditures	Fund Balance*
N/A	N/A	N/A	N/A
17	6,737	-	6,737
297	94,678	-	94,678
1,084	146,590	-	146,590
2,821	260,874	-	260,874
5,855	335,885	76,000	259,885
11,439	470,178	76,000	394,178
6,712	503,568	1,542,845	(1,039,277)
11,589	549,889	156,000	393,889
16,930	747,652	139,587	608,065
10,870	878,617	24,988	853,629
19,667	750,298	51,507	698,791
120,323	975,689	129,767	845,923
201,092	1,118,708	103,695	1,015,013
\$ 408,697	\$ 6,839,363	\$ 2,300,389	\$ 4,538,975

REPORT CREATED BY:

City of Denton, Office of Economic Development
401 N. Elm Denton, TX 76201
940.349.7776
www.cityofdenton.com