



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Economic Development

ACM: Christine Taylor

DATE: November 18, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton adopting an updated Downtown Reinvestment Grant Program Policy for the Downtown Reinvestment Grant Program; providing a repealer; and providing an effective date. The Downtown Tax Increment Reinvestment Zone 1 Board recommends approval (6 – 0).

BACKGROUND

In 2024, the City Council adopted Ordinance No. 24-2390, approving an Amended Project and Financing Plan for the TIRZ 1 to expand the TIRZ 1 boundary as recommended by the Downtown Master Plan. The expanded boundaries include parcels to the north, west, and south of the existing boundaries, focused on parcels that are primarily used for commercial purposes or vacant, Public Rights-of-Way and areas zoned as Mixed-Use Neighborhood or Mixed-Use Downtown Core. The expanded boundaries include these parcels and will give TIRZ 1 additional opportunities to capture tax increment that could be used to fund TIRZ 1 projects in the future.

The new boundary has a 2024 base value (TIRZ 1A). Only the future increment accrues to the TIRZ, and any base value revenue goes toward the general fund.

TIRZ 1A projected costs include increased economic development grants, administrative costs, parks and recreation facilities and improvements, street and intersection improvements, transit/parking improvement and infrastructure improvements for a total of \$50,233,426.

The City is the only participating taxing entity in the TIRZ 1.

The existing Downtown Reinvestment Grant Policy included the original boundaries for the TIRZ. The proposed amended policy includes TIRZ 1A boundaries.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

April 12, 2023 - The TIRZ 1 Board reviewed and supported expanding the boundaries of the TIRZ 1.

May 16, 2023 – Staff presented to City Council a project plan to expand the TIRZ boundaries to an additional 81 acres. Direction was provided for staff to postpone the amendment until additional Project and Finance Plan questions were addressed.

September 17, 2024 – City Council approved the Downtown Master Plan which included to expand the TIRZ 1 boundary.

December 3, 2024 – City Council approved ordinance 24-2389 amending the term and boundaries of TIRZ 1.

December 4, 2024 – The TIRZ 1 Board approved the Amended Project and Financing Plan and boundary expansion.

December 17, 2024 – City Council adopted Ordinance No. 24-2390 approving an Amended Project and Financing Plan and boundary expansion for TIRZ 1.

September 24, 2025 – The Downtown TIRZ 1 Board reviewed and discussed the proposed inclusion of the expanded TIRZ 1A boundary for the Downtown Reinvestment Grant Program.

RECOMMENDATION

Staff recommends City Council adopt an ordinance amending the Downtown Reinvestment Grant Policy to include TIRZ 1A boundaries. The Downtown Tax Increment Reinvestment Zone 1 Board recommends approval (6 – 0).

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Downtown Reinvestment Grant Policy (Redline)

Exhibit 3 – Ordinance and Downtown Reinvestment Grant Program Policy

Respectfully submitted:
Brittany Sotelo
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