

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF DENTON, APPROVING THE 2024/2025 TAX INCREMENT REINVESTMENT ZONE NUMBER ONE (TIRZ 1) ANNUAL REPORT; AND DECLARING AN EFFECTIVE DATE. THE TIRZ 1 BOARD RECOMMENDS APPROVAL (4-0).

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 TIRZ 1; and

WHEREAS, on December 17, 2024, the City Council authorized the amended Project and Finance Plans for TIRZ 1 and 1A; 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 June 10, 2026, the TIRZ 1 Board reviewed and recommended approval of the 2024/2025 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 2024/2025 Annual Report for Tax Increment Reinvestment Zone Number One, City of Denton, Texas, as of July 14, 2026, 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 2024/2025 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 ordinance was made by _____ and seconded by _____, the ordinance was passed and approved by the following vote [___ - ___]:

	Aye	Nay	Abstain	Absent
Mayor Chris Watts:	_____	_____	_____	_____
Jordan Villarreal, District 1:	_____	_____	_____	_____
Nick Stevens, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
George Michael Ferrie Jr., At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2026.

CHRIS WATTS, MAYOR

ATTEST:
KRISTI FOGLE, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: Scott Bray Scott Bray
Deputy City Attorney

Exhibit A



**Tax Increment Reinvestment Zone Number One
2024 - 2025 ANNUAL REPORT**

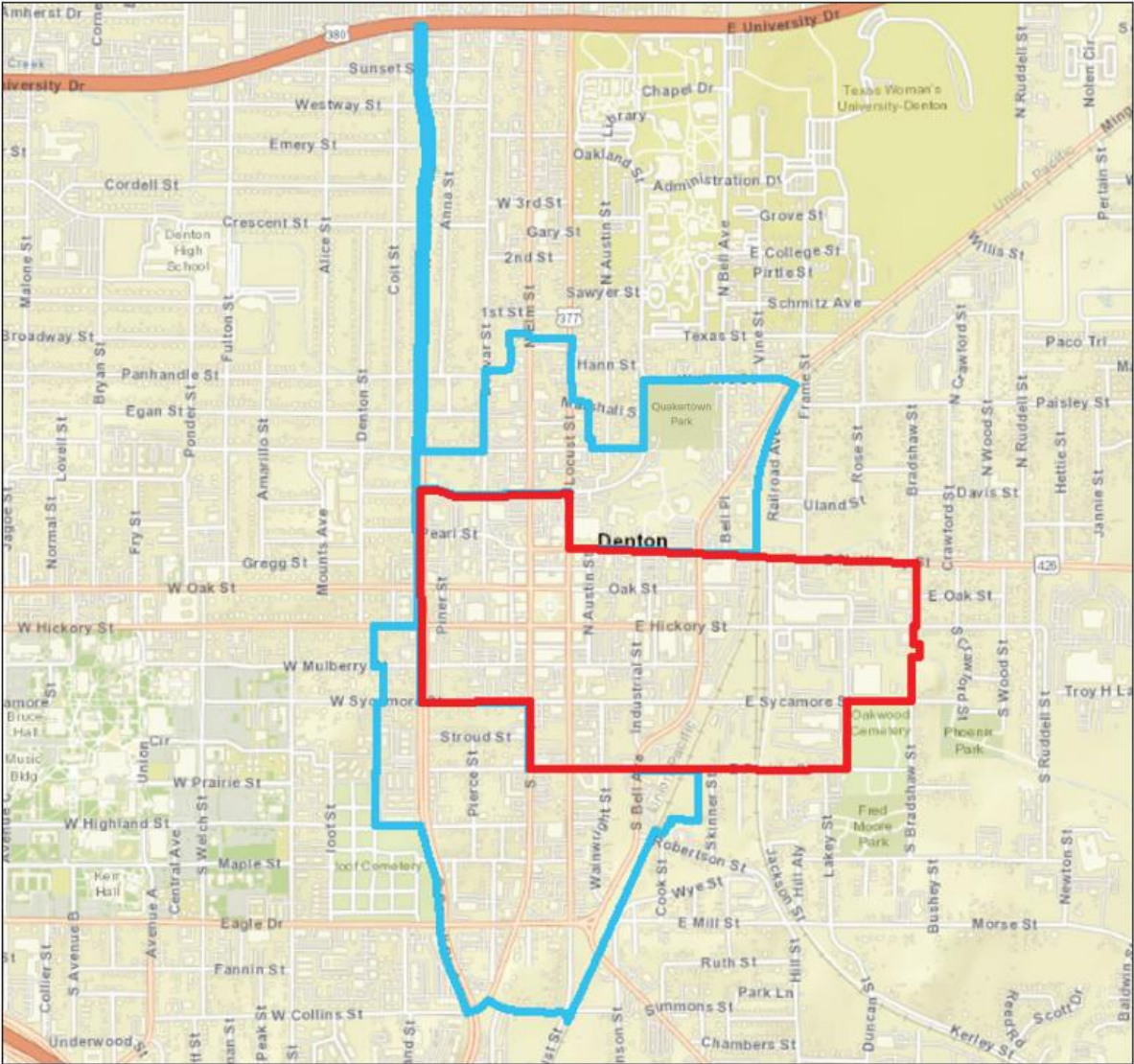
Reporting Period: Oct. 1, 2024, to Sep. 30, 2025



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>6</i>
Summary of TIRZ Board Activity.....	6
Downtown Reinvestment Grant Program.....	6/7
Summary of Expenses.....	8
Value and Increment Summary.....	8
Certified and Supplement Summary.....	8
Appendix A: TIRZ One Balance Sheet.....	9

Tax Increment Reinvestment Zone Number One

DISTRICT MAP



-  - TIRZ #1 Boundary
-  - TIRZ #1A Boundary

Mission Statement

The Mission of the Downtown Tax Increment Reinvestment Zone Number One (Downtown 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 1 District Area.

Downtown TIRZ 1 took effect on January 1, 2011, with an initial termination date of December 31, 2039, or when the budget of \$24.8 million has been collected.

TIRZ 1A took effect on January 1, 2025, and the life of both Downtown TIRZ 1 and 1A was extended to December 31, 2040, or when the budget of \$ 50,233,426 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, 2024, through September 30, 2025 (FY 2024-25). During FY 2024-25, \$796,685 was collected after the end of the supplemental period determined by the City of Denton. An additional \$212,180 in interest brings the total contribution in FY 2023-24 to \$1,008,865.

Downtown saw increased investment with the Downtown TIRZ 1 area in FY 2024-2025. Identified below are private/public partnership projects supported by the Downtown TIRZ 1 and public investment projects that will support future development within the district.

On December 4, 2024, the TIRZ Board approved the Amended Project and Financing Plan to amend the TIRZ boundaries and extend the term.

On December 17, 2024, City Council approved the expansion of the Downtown TIRZ 1 boundary.

Development Within the District

Project Descriptions: Private/Public Investment

Project Name	Location	Project	Status	Total Investment	TIRZ Investment
Little d Property	104-106 W. Oak	Fire	Reimbursed 2025	\$115,000	\$50,000
Green Eggs and Ham	116 W. Oak	Façade/Building Rehab	Reimbursed 2025	\$138,529	\$50,000
Eagle Surveying	212 W. Sycamore	Façade/Building Rehab	Reimbursed 2025	\$1,465,727	\$50,000
The Plot Twist	227 W. Oak	Utility Upgrades, Interior/Code Improvements, and Signage	Reimbursed 2025	\$49,605	\$27,148.96
Fine Arts Theater of Denton, LLC	113-115 N. Elm	Capital Incentive	In Progress	\$9,119,622	\$1,076,366.00
Fine Arts Theater of Denton, LLC	113-115 N. Elm	Operating Incentive	In Progress	\$9,119,622	\$544,503.00
Fine Arts Theater of Denton, LLC	113-115 N. Elm	Fire Suppression	In Progress	\$118,447.13	\$50,000
West Oak Coffee Bar	114 W. Oak	Fire Suppression	In Progress	\$171,751.16	\$50,000
West Oak Coffee Bar	114. Oak	Façade/Building Rehab, Impact Fees, Utility Upgrades, Interior Code Improvements	In Progress	\$362,132	\$50,000
Brakefield's Pool Service	520 S. Elm	Façade (paint only) and Sign	In Progress	\$32,833.65	\$10,000
Mister Red, LLC	122 N. Locust	Façade/Building Rehab, Impact Fees, Utility Upgrades	In Progress	\$102,137.27	\$50,000
McKarroll Partners, LLC	325 W. McKinney	Façade/Building Rehab & Utility Upgrades	In Progress	\$542,247	\$50,000

Project Descriptions: Public Investment

Project	Location	Status	Investment
Oak & Austin St. Crosswalk improvement	Oak and Austin Streets	Complete*	\$100,000

*Not Funded by the TIRZ

Summary of Downtown 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 2024 THROUGH SEPTEMBER 2025						
	Last	First	11/7/2024 CANCELED	12/4/2024	1/22/2025	3/26/2025	5/28/2025	7/23/2025 CANCELED	9/24/2025
1	Reinke Doyle	Marybeth		P	P	P	P		P
2	Stoltzfus	Tim		P	P	P	P		P
3	Byrd	Vicki		P	P	P	P		P
4	Johnson	Suzanne		P	NQ-NS	P	P		A-NA
5	Beck	Brian		P	P	P	P		P
6	Abasolo	Daniel		P	NQ-NS	P	A-NA		P
7	Brakefield	Taylor		A-NA	P	P	NQ-NS		P
TOTAL				6	5	7	5		6

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

FY 2024 – 2025 Activity of the Downtown TIRZ 1 Board

The TIRZ 1 Board recommended two items for City Council approval:

- Approved the 2023 – 2024 Downtown Tax Increment Reinvestment Zone Number One Annual Report
- Approved a Downtown Reinvestment Grant application for the following project:
 - 227 W. Oak St., Utility Upgrades, Interior/Code Improvements, and Signage, in an amount not to exceed \$35,000

Downtown Reinvestment Grant Program

In FY 2024-25, the Grant Program's beginning budget was \$200,000, funded by TIRZ 1. Four projects reached completion, creating expenditures of \$177,148.96.

Grant Project Activity

Completed Grant Projects

- A Downtown Reinvestment Grant for Façade/Building Rehab and Interior/Code Improvements in the amount of \$50,000 was paid to the property located at 212 W. Sycamore St. for Eagle Surveying, LLC.
- A Downtown Reinvestment Grant for Fire Suppression in the amount of \$50,000 was paid to the property located at 104-106 W. Oak St. for Little d Property, LLC.
- A Downtown Reinvestment Grant for Façade/Building Rehab in the amount of \$50,000 was paid to the property of 116 W. Oak St. for Green Eggs and Ham, LLC.
- A Downtown Reinvestment Grant for Utility Upgrades, Interior/Code Improvements and Signage in the amount of \$27,148.96 was paid to the property located at 227 W. Oak St. for The Plot Twist, LLC.

Approved Grant Project in progress at the end of FY 2024-2025.

- 113 – 115 N. Elm St., \$1,620.869, Fine Arts Theater of Denton LLC. Pending reimbursement. (Approved FY 2023-2024)

Approved Grant Projects in progress for FY 2025-2026.

- 113-115 N. Elm St., \$50,000, Fine Arts Theater of Denton LLC. (Fire Suppression) Pending reimbursement. (Approved FY 2025-2026)
- 114 W. Oak St., \$50,000, West Oak Coffee Bar GP, LLC. (Façade/Building Rehab, Impact Fees, Utility Upgrades, Interior/Code Improvements) Pending reimbursement. (Approved FY 2025-2026)
- 114 W. Oak St., \$50,000, West Oak Coffee Bar GP, LLC. (Fire Suppression) Pending reimbursement. (Approved FY 2025-2026)
- 520 S. Elm St., \$10,000, Brakefield's Pool Service, LLC. (Façade, Paint Only & Sign) Pending reimbursement. (Approved FY 2025-2026)
- 122 N. Locust St., \$50,000, Mister Red, LLC. (Façade/Building Rehab, Impact Fees, & Utility Upgrades) Pending reimbursement. (Approved FY 2025-2026)
- 325 W. McKinney St., \$50,000, McKarroll Partners, LLC. (Façade/Building Rehab and Utility Upgrades) Pending Reimbursement. (Approved FY 2025-2026)

Expense Summary

During FY 2024-25, expenses for Downtown TIRZ 1 totaled \$207,147.96.

Value and Increment Summary

According to Denton Central Appraisal District Certified figures, the FY 2024-2025 total appraised valuation of taxable and real property Downtown TIRZ 1 and 1A was \$230,565,487 and \$144,238,543.

For the original Downtown TIRZ 1 boundary, this represents a \$30,636,532 decrease from the previous supplement tax value of \$261,202,019.

Since its inception, the final value for FY 2024-2025, with supplements of the Downtown TIRZ 1 has increased by an estimated \$151,208,633.

Certified and Supplement Summary

YEAR	FISCAL YEAR AS OF 9/30	TIRZ CERTIFIED TAX VALUE	SUPPLEMENTAL 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	974,196	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	248,865,847	169,508,993	855,366	120,323	975,689
2023	2023-2024	261,579,433	261,202,019	181,845,165	917,616	235,968	1,153,584
2024	2024-2025	230,735,289	230,565,487	151,208,633	796,685	212,180	1,008,865
TOTALS					\$7,227,352.00	\$655,752.00	\$7,883,104.00

Fund Balance as of 9/30/25 is \$5,375,568

TIRZ 1A Certified Tax Value

2024-2025: \$144,238,543

Appendix A:

TIRZ One Balance Sheet

City of Denton Tax Increment Financing Reinvestment Zone (TIRZ 1)

FISCAL YEAR AS OF 9/30	SUPPLEMENTAL TIRZ TAX VALUE	INCREMENTAL INCREASE (DECREASE)	CONTRIBUTION	ADJUSTED INCREMENTAL VALUE	TAX RATE	ANNUAL TIRZ AD VALOREM REVENUE	INTEREST	TOTAL TIRZ REVENUE	TOTAL EXPENDITURES	FUND BALANCE
2010-2011	79,356,854	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A
2011-2012	80,331,050	974,196	100%	2,300,954	0.68975%	6,720	17	6,737	-	6,737
2012-2013	93,040,263	13,683,409	100%	10,248,781	0.68975%	94,381	297	94,678	-	94,678
2013-2014	100,452,300	21,095,446	100%	16,931,096	0.68975%	145,506	1,084	146,590	-	146,590
2014-2015	116,769,435	37,412,581	100%	35,528,219	0.68975%	258,053	2,821	260,874	-	260,874
2015-2016	127,204,599	47,847,745	100%	39,083,722	0.68975%	330,030	5,855	335,885	76,000	259,885
2016-2017	150,021,979	70,665,125	95%	53,831,393	0.68334%	458,739	11,439	470,178	76,000	394,178
2017-2018	161,351,215	81,994,361	95%	59,559,202	0.637856%	496,856	6,712	503,568	1,542,845	(1,039,277)
2018-2019	170,678,753	91,321,899	95%	83,261,535	0.620477%	538,300	11,589	549,889	156,000	393,889
2019-2020	209,626,251	130,269,397	95%	124,613,671	0.590454%	730,722	16,930	747,652	139,587	608,065
2020-2021	234,054,363	154,697,509	95%	145,721,405	0.590454%	867,747	10,870	878,617	24,988	853,629
2021-2022	222,831,388	143,474,534	90%	138,183,847	0.565823%	730,631	19,667	750,298	51,507	698,791
2022-2023	248,865,847	169,508,993	90%	152,813,439	0.560682%	855,366	120,323	975,689	129,767	845,923
2023-2024	261,202,019	181,845,165	90%	163,660,649	0.560682%	917,616	235,968	1,153,584	103,695	1,049,889
2024-2025	230,565,487	151,208,633	90%	136,087,770	0.585420%	796,685	212,180	1,008,865	207,148	801,717
TOTALS						\$ 7,227,352	\$ 655,753	\$7,883,104	\$ 2,507,537	\$ 5,375,568

REPORT CREATED BY:

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