

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Economic Development

AGENDA DATE: November 17, 2009

CONTACT PERSON NAME AND PHONE NUMBER: Kathryn Dodson, Ph.D., Director, 541-4872

DISTRICT(S) AFFECTED: 8

SUBJECT:

Discussion and action on a Resolution that the City Manager is hereby authorized to submit the TIRZ No. 5 Annual Report to the appropriate entities as required by Section 311.016 of the Texas Tax Code. (ALL DISTRICTS) [Economic Development, Kathryn B. Dodson, (915) 541-4760]

BACKGROUND / DISCUSSION:

The Tax Increment Financing Act, Chapter 311 of the Texas Property Tax Code, provides the statutory authority for municipalities to create a Tax Increment Reinvestment Zone (TIRZ). Municipalities that create TIRZ zones have several reporting requirements including an annual report that is to be provided to each taxing unit in which the TIRZ is located and to the state comptroller and state attorney general. Attached is the Annual Report. The report will be mailed to required entities by November 30, 2009.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

Council Resolution approved Nov 18, 2008 for acceptance of the FY 2008 annual report

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

TIRZ No. 5 Board approved the attached report at their meeting of November 12, 2009.

CITY CLERK DEPT.
NOV 12 PM 4:06

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager is hereby authorized to submit the attached TIRZ No. 5 Annual Report to the appropriate entities as required by Section 311.016 of the Texas Tax Code.

ADOPTED this ____ day of _____, 2009.

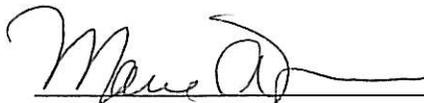
THE CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

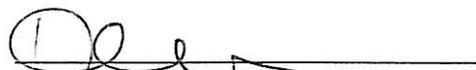
Richarda Duffy Momsen
Municipal Clerk

APPROVED AS TO FORM:



Marie A. Taylor
Assistant City Attorney

APPROVED AS TO CONTENT:



Kathryn B. Dodson, Ph.D., Director
Economic Development Department

**Tax Increment Reinvestment Zone No. 5
City of El Paso, Texas**

**ANNUAL REPORT
As of August 31, 2009**

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIRZ District. The City of El Paso established Tax Increment Reinvestment Zone No. 5 in 2006 for thirty years on 188.42 acres of primarily commercial property and in 2007 expanded the zone to add an additional 99.865 acres bringing the total acreage to 288.285. The proposed improvements to property in the TIRZ includes: construction of streets, sidewalks, streetscape improvements, drainage, sewer and water utilities, public parks, and other infrastructure.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$ 75,373.00 Beginning balance brought forward from FY08
 \$ 261,177.00 Total Revenue from incremental taxes
\$ 336,550.00 Total Revenue

2. Amount and purpose of expenditures from the fund:

\$ 75,000.00 Professional Services Phase II Study
 \$ 28,000.00 Projects – First Ave. Lofts (300 S. Florence)
 \$ 32,000.00 Projects – Façade Improvement Grant Program
\$135,000.00 Total Expenditures

3. Amount of Principal and Interest due on outstanding indebtedness is as follows:

- I. Contributions /Advances from developers—none.
- II. Bonds issued and payment schedule to retire bonds—none.

4. Tax Increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Net Taxable Fiscal Year Value 2008-2009	Base Year¹ Value Jan 1, 2006	Captured App. Fiscal Year Value 2008-2009
City of El Paso	\$218,411,644.00	\$68,981,202.00	\$ 261,177.00

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.

A. Captured appraised value shared by the municipality and other participating taxing jurisdictions to be received in Fiscal Year 2009-10:

Taxing Jurisdiction	Participation Per \$100/Value²	Amount of FY 2009-10 Increment
City of El Paso (100%)	\$ 0.633	\$ 262,000.00

B. Amount of tax increment received in 2009 from the municipality and the other taxing

Jurisdictions based on 2006 valuations: \$261,177.00

C. Other information: On December 18, 2007 the El Paso City Council approved an expansion of TIRZ No. 5 totaling 99.865 acres. The base year was not changed and remains FY 2006-07. For the additional acreage, the 2006 base value totals \$211,016,795 with the net taxable value at \$108,030,705. This annual report reflects the base value of the expanded TIRZ, \$177,151,502. For item A, the total next taxable value of all properties now in the TIRZ is \$218,411,644 and was used to calculate the expected FY 2009-10 Increment.

¹ Base Year Value as of January 1, 2006 is for Fiscal Year 2006-2007.

² FY 2008-2009 tax rate as adopted by the City of El Paso