CHAPTER 311 TAX INCREMENT REIMBURSEMENT AGREEMENT WITH PHILIP BOGHOSIAN LIVING TRUST, THE HOWARD SAGASER 401K PLAN, & THE SAGASER, WATKINS, & WIELAND 401K

RS-26-121

August 4, 2026

Background

- The City of Killeen has established a Chapter 311 Tax Increment Reinvestment Zone (TIRZ #2) to promote local economic development and stimulate business and commercial activity within the city.

- The proposed Santa Fe development is located within the boundaries of the TIRZ#2. The developer is therefore eligible for reimbursement of eligible infrastructure costs associated with the proposed development.

Background

- This proposed development will include approximately 115 acres of residential development, 131 acres of industrial, and 56 acres of open space.

Background

- At full build-out, the proposed development is expected to add approximately $657.8 million in real property ad valorem tax value.

- The applicant is requesting a reimbursement for construction costs related to road, water, sewer, and drainage improvements associated with the industrial portion of the development in an amount not to exceed $3,991,303.94

Exhibit A

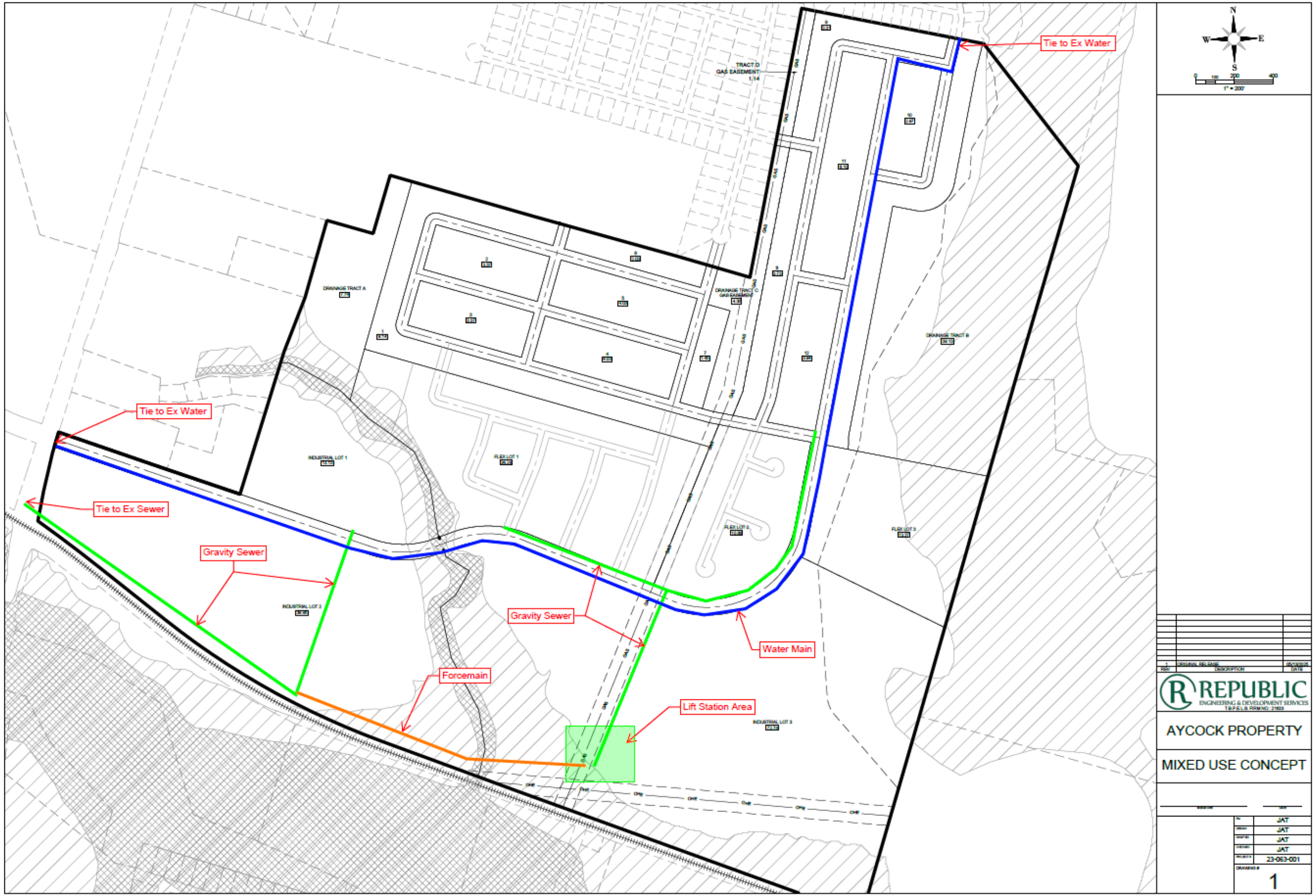
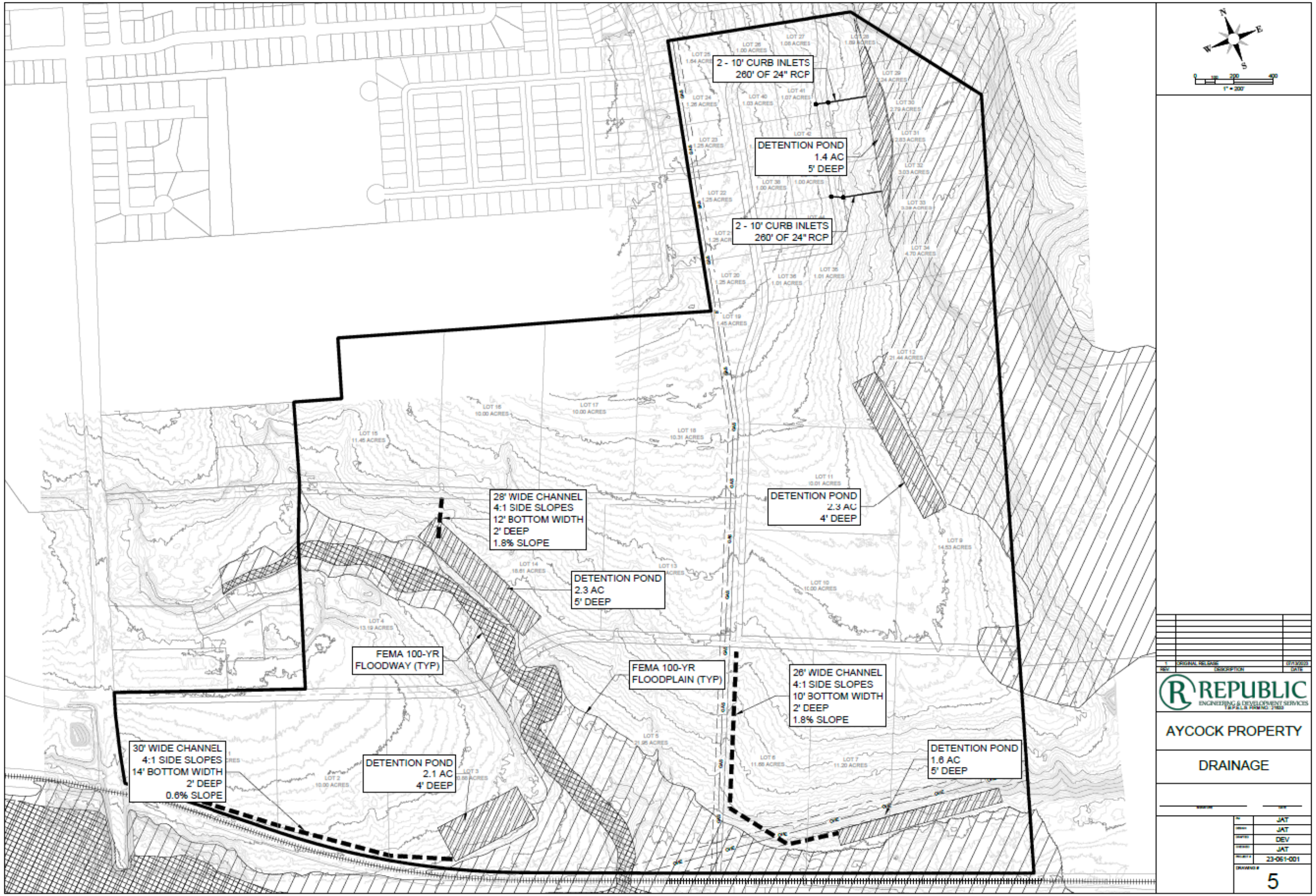

Tie to Ex Water
Tie to Ex Water
Tie to Ex Sewer
Gravity Sewer
Gravity Sewer
Water Main
Forcemain
Lift Station Area
REPUBLIC
ENGINEERING & DEVELOPMENT SERVICES
AYCOCK PROPERTY
MIXED USE CONCEPT
JAT
JAT
JAT
JAT
23-063-001
1

Exhibit A


2 - 10' CURB INLETS
260' OF 24" RCP
DETENTION POND
1.4 AC
5' DEEP
2 - 10' CURB INLETS
260' OF 24" RCP
DETENTION POND
2.3 AC
4' DEEP
28' WIDE CHANNEL
4:1 SIDE SLOPES
12' BOTTOM WIDTH
2' DEEP
1.8% SLOPE
DETENTION POND
2.3 AC
5' DEEP
FEMA 100-YR
FLOODWAY (TYP)
FEMA 100-YR
FLOODPLAIN (TYP)
26' WIDE CHANNEL
4:1 SIDE SLOPES
10' BOTTOM WIDTH
2' DEEP
1.8% SLOPE
30' WIDE CHANNEL
4:1 SIDE SLOPES
14' BOTTOM WIDTH
2' DEEP
0.6% SLOPE
DETENTION POND
2.1 AC
4' DEEP
DETENTION POND
1.6 AC
5' DEEP
REPUBLIC
ENGINEERING & DEVELOPMENT SERVICES
AYCOCK PROPERTY
DRAINAGE
JAT
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5

Chapter 311 TIF Agreement

- The proposed Agreement allows for the reimbursement of 100% of all real property tax increment generated by both the residential and potential industrial development up to $3,991,303.94.
- The Agreement prohibits the rezoning of the any property within the development that is currently zoned for manufacturing to a more restrictive zoning district.
- Construction must begin with 24 months and must be completed within 48 months.

TIRZ Finance & Project Plan

- The approved TIRZ Project Plan states:
  - **Killeen Business Park:** The existing Business Park is nearing full build-out. Expansion of the Business Park is critical to attracting new industrial development to Killeen. Investment of TIRZ #2 revenues will allow the Business Park to be expanded, thereby increasing the opportunities for job and economic growth.

- The TIRZ Financing Plan provides for $8,000,000 for the development related to the expansion of the Killeen Business Park.

Staff Recommendation

- Staff recommends approval of the Chapter 311 Tax Increment Reimbursement agreement with the Philip Boghosian Living Trust, the Howard Sagaser 401K Plan, & the Sagaser, Watkins, & Wieland 401K for public infrastructure costs, in an amount not to exceed $3,991,303.94.

TIRZ #2 Board Recommendation

- The TIRZ#2 Board met on July 15, 2026 and recommend approval of the Chapter 311 real property tax reimbursement by a vote of 6 to 0.