



City of Killeen

Legislation Text

File #: PH-23-028, **Version:** 1

HOLD a public hearing and consider an ordinance amending Ordinance No. 22-097 to change the Bell County dedicated tax rate for TIRZ #2.

DATE: April 18, 2023

TO: Kent Cagle, City Manager

FROM: Edwin Revell, Executive Director of Development Services

SUBJECT: TIRZ #2 Ordinance Update

BACKGROUND AND FINDINGS:

A Tax Increment Reinvestment Zone, also known as a TIRZ, is an economic development tool authorized by Chapter 311 of the Texas Tax Code, through which governments can designate a portion of tax increment to finance improvements to promote the development of a defined area, called a "Reinvestment Zone."

Killeen's TIRZ #2 was established on November 4, 2008. On December 6, 2022, City Council approved Ordinance No. 22-097 making the following amendments:

- Updated the TIRZ #2 Project and Financing Plan.
- Expanded the TIRZ #2 boundary.
- Extending the duration of the TIRZ #2 to December 31, 2048.

The adopted ordinance includes the tax rate for each of the taxing units within the zone (City of Killeen, Bell County, and Central Texas College). The tax rate for Bell County referenced in the ordinance (\$0.3626) inadvertently included the Road and Bridge District tax. The correct Bell County tax rate is \$0.3160.

Therefore, staff recommends that the Council adopt an ordinance amending Ordinance No. 22-097 to reflect the correct Dedicated Tax Rate for Bell County of \$0.3160.

THE ALTERNATIVES CONSIDERED:

The City Council has three (3) alternatives:

- Do not approve the ordinance;
- Approve the ordinance with amendments; or
- Approve the ordinance as presented.

Which alternative is recommended? Why?

Staff recommends approval of the ordinance as presented.

CONFORMITY TO CITY POLICY:

The proposed ordinance conforms to all City policy and requirements of State law.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

This is not applicable.

Is this a one-time or recurring expenditure?

This is not applicable.

Is this expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by Development Services, Finance, and Legal staff.

ATTACHED SUPPORTING DOCUMENTS:

Ordinance
Presentation