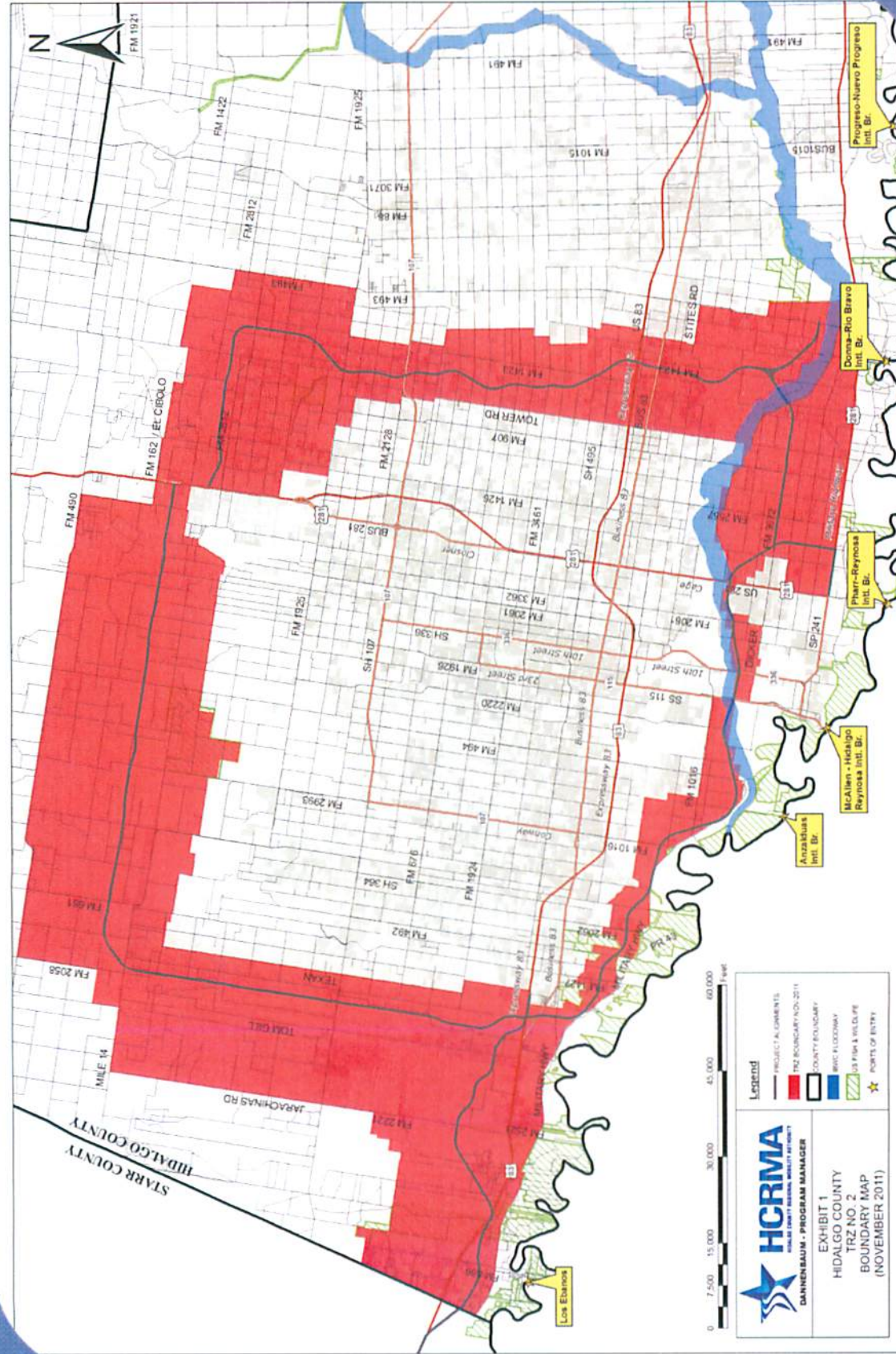


Item 10A

Hidalgo County Reinvestment Zone Number 2

**NOVEMBER 22, 2011
PUBLIC HEARING**

- Creation of the Zone
- Benefits to the County and to property in the Zone



**HIDALGO COUNTY TRANSPORTATION REINVESTMENT ZONE
NUMBER 2**

Transportation Reinvestment Zone

- Texas Transportation Code, § 225.107 permits County TRZ
 - Public Safety
 - Improve, develop, or redevelop property
 - Move traffic
- Any transportation project
 - HCRMA Roadway System projects
 - Roadways
 - Air quality initiatives
 - Pedestrian / bicycle facilities
 - Parking facilities
 - Other improvements in the Zone

Hidalgo County TRZ Number 2

- Contiguous geography
- 2011 Base year
- Interlocal Agreement with RMA
- TxDOT Development Agreement
 - No requirement for pass-through agreement

Tax Increment

- Calculation of Increment
 - Amount of ad valorem taxes collected each year, less the appraised value of all real property for 2011 (the base year)
- Establish Ad Valorem Increment Account
 - County pays into Account: Amount equal to the increment, less any amounts allocated under previous agreements
- Pledge funds from Increment Account to HCRMA for transportation projects

Steps for Creation

- **Public Hearing: November 22, 2011**
 - Notice published 7 days prior
- **County Finding**
 - Property in the Zone is unproductive or underproductive and that the Zone would serve public safety, improvement/development, and mobility purposes
- **Adoption of an Order or Resolution creating the Zone (December 27, 2011)**
- **Adoption of:**
 - Order or Resolution implementing the zone

Benefit of Zone 2 to Property within Zone

- Land use analysis shows the HCRMA Roadway System could generate
 - 4,000 acres of additional residential development
 - 1,200 acres of commercial/industrial activity
 - Appreciation in land values
- Additional development of land within the TRZ area
- Higher utilization per acre by converting underdeveloped/unproductive land into a higher and better use

Benefit of Zone 2 to County

- Infrastructure investment
 - Economic development spin off
- Construction impact
 - Local jobs
- Enhanced transportation capacity
 - Business development, tourism, truck traffic
- Leverage state dollars

Interlocal Agreement with RMA

- To develop or improve a transportation project in the Zone
- Pledge and assign a specified amount of the increment
- County retains amounts not pledged to the RMA for “any transportation project”

November 22, 2011 Public Hearing

- Public Comment
 - Zone designation
 - Zone boundaries