



Agenda
100 W. Eldorado Parkway
Little Elm, TX 75068

TIRZ #3 Board of Directors Meeting
Tuesday, February 18, 2025 5:30 p.m.

1. **Call to Order / Roll Call.**
2. **Consider Action to Approve the Minutes from the August 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #3 Board Meeting.**
3. **Present, Discuss, and Consider Action to Accept the Annual Financial Report for the Tax Increment Reinvestment Zone #3 (TIRZ #3) for the reporting period ending September 30, 2024.**
4. **Adjourn.**

Respectfully,
Caitlan Biggs, Town Secretary

This is to certify that the above notice was posted on the Town of Little Elm website prior to 5:30 p.m. the 13th day of February 2025.



Date: 02/18/2025
Agenda Item #: 2.
Department: Administrative Services
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Caitlan Biggs, Director of Administrative Services/Town Secretary

AGENDA ITEM:

Consider Action to Approve the **Minutes from the August 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #3 Board Meeting.**

DESCRIPTION:

The minutes from the August 20, 2024, TIRZ #3 Board meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes - August 20, 2024

DRAFT

Minutes
Town of Little Elm
100 W Eldorado Parkway
Little Elm, Texas 75068
214-975-0404
<http://www.littleelm.org>

TIRZ #3 BOARD MEETING TUESDAY AUGUST 20, 2024 - 5:30 p.m.

Present: David Hillock; Andrew Evans; Michel Hambrick; Tony Singh; Curtis Cornelious, Mayor; Lisa Norman; Ken Eaken; Jamell Johnson

Absent: Steve Knippen

Staff Present: Caitlan Biggs, Director of Administrative Services/Town Secretary
Jennette Espinosa, Executive Director
Matt Mueller, Town Manager
Robert Brown, Town Attorney

1. Call to Order / Roll Call.

Meeting was called to order at 5:36 p.m.

2. Consider Action to Approve the **Minutes from the June 7, 2024, Tax Increment Reinvestment Zone Number Three (TIRZ 3) Board of Directors Meeting.**

Motion by David Hillock, seconded by Michel Hambrick *to approve the minutes.*

Vote: 8 - 0 - Unanimously

3. Present, Discuss, and Consider Action on **Resolution No. 0820202401T3 a Resolution of the Board of Directors of Tax Increment Reinvestment Zone Number Three, Town of Little Elm, Texas, Approving Certain Project Expenditures; Providing a Severability Clause; and Providing an Effective Date.**

Chief Financial Officer Kelly Wilson and Director of Community Services Chad Hyde gave an overview of the item in the attached presentation.

Motion by Michel Hambrick, seconded by Jamell Johnson *to approve Resolution No. 0820202401T3.*

Vote: 8 - 0 - Unanimously

4. **Adjourn.**

Meeting was adjourned at 5:56 p.m.

Respectfully,

Caitlan Biggs
Town Secretary

Passed and Approved this 18th day of February 2025.



Date: 02/18/2025
Agenda Item #: 3.
Department: Finance
Strategic Goal: Maintain operational integrity and viability
Staff Contact: Kelly Wilson, Chief Financial Officer

AGENDA ITEM:

Present, Discuss, and Consider Action to Accept the **Annual Financial Report for the Tax Increment Reinvestment Zone #3 (TIRZ #3) for the reporting period ending September 30, 2024.**

DESCRIPTION:

State law, Section 311.016 of the Texas Tax Code requires the governing body of a municipality or county to submit a report on the state of the reinvestment zone created by the municipality to the chief executive officer of each taxing unit that levies property taxes on real property in the zone. A copy of this annual report must be submitted to the Texas Comptroller of Public Accounts on or before the 150th day following the end of its fiscal year. The intent of this report is to comply with state law as well as provide an overview and transparency of the financial condition of TIRZ #3. TIRZ #3 was established in October 2013.

We are now 11 years since the establishment of such Zone. TIRZ #3 terminates on or before December 31, 2043.

BUDGET IMPACT:

FY 2023-2024 revenue exceeded projections by \$18,798 when staff presented the adopted FY2025 budget, and expenditures were under projections by \$64,887. Therefore, the fund balance is higher than projected for the year-end. At the time the FY 2025 budget was prepared, we anticipated a fund balance of \$537,414 to carry over into FY 2025. TIRZ #3's actual fund balance at the end of FY2024 is \$82,727 or 15% higher than projected.

RECOMMENDED ACTION:

Staff recommends acceptance.

Attachments

TIRZ #3 Annual Financial Report FY2024



LITTLE ELM

**Tax Increment Reinvestment Zone #3
(TIRZ #3)**

ANNUAL REPORT

FISCAL YEAR 2024

**TOWN OF LITTLE ELM, TEXAS
TAX INCREMENT REINVESTMENT ZONE #3**

As of September 30, 2024

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I. YEAR END SUMMARY OF MEETINGS/TOWN COUNCIL/BOARD ACTIONS

In October 2013, the Town of Little Elm Town Council appointed members for the Tax Increment Reinvestment Zone #3 (“TIRZ #3”) Board of Directors. TIRZ #3 was created to identify and assist in financing property acquisition and improvements, storm sewer improvements, parks, trails, landscaping, irrigation, street lighting improvements, event center, recreation centers, parking lots, Cove improvements, charging stations to benefit the property within TIRZ #3 and which are outlined in greater detail in Section II of this report.

Board members appointed and currently serving are: Town—Mayor Curtis Cornelious, Mayor Pro-Tem Jamell Johnson, Councilmembers Tony Singh, Ken Eaken, Lisa Norman, Andrew Evans, and Michel Hambrick, County-David Hillock and Steve Knippen.

II. PUBLIC INFRASTRUCTURE & PROJECT COSTS

Estimated Project Costs^{1,2}

Project Description	Estimated Cost	Status ³
Comprehensive Lighting Lakefront	\$2,000,000	In progress
Property Acquisition and Improvements	\$50,000,000	In progress
Cottonwood Park - Phase I	\$5,000,000	In progress
Little Elm Park Future Development	\$19,000,000	In progress
Park Improvements at Water Tower -The Lawn	\$2,500,000	In progress
Youth Sports Improvements	\$7,000,000	In progress
Main Street traffic light	\$500,000	In progress
Lakefront Plazas and Public Parking	\$2,000,000	On-going
Landscaping	\$10,000,000	On-going
Trails/Parks Maintenance	\$3,000,000	On-going
Website -Marketing	\$3,000,000	On-going
Shuttle	\$600,000	On-going
Banners	\$600,000	On-going
Beach Sand	\$900,000	On-going
Lakefront Lighting Project	\$500,000	On-going
Electrical Boxes	\$50,000	On-going
Special Events Sponsorships/ Administration	\$3,000,000	On-going
Signage/ Placemaking	\$3,000,000	On-going
Event/Performing Arts Center	\$6,000,000	Project not commenced
Cottonwood Park - Future Phases	\$17,000,000	Project not commenced
Public Safety Services	\$15,000,000	Project not commenced
Cove Expansion	\$22,000,000	Project not commenced
Main Street	\$5,000,000	Completed
Clark Street	\$1,000,000	Completed
Lakefront Parking at Hula Hut	\$3,000,000	Completed
Rec Center	\$6,000,000	Completed
Rec Center Expansion	\$6,000,000	Completed
Little Elm Park -Swim Beach	\$4,000,000	Completed
Lakefront Trail	\$6,000,000	Completed
Button Street	\$1,500,000	Completed
The Cove	\$24,000,000	Completed
Lakefront Storm Sewer	\$350,000	Completed
Beard Park Improvements	\$5,000,000	Completed
Lakefront parking lot expansion	\$3,330,000	Completed
Woodrow Circle	\$515,000	Completed
Charging Station	\$80,000	Completed
Total Estimated Project Costs	\$238,425,000	

1 – As provided in the TIRZ #3 2021 Amended Project and Finance Plan.

2 – See Appendix B for funding sources related to TIRZ #3 Project Costs.

3 – On-going reflects projects which are maintenance related projects.

Estimated Non-Project Costs

As provided in the TIRZ #3 2021 Amended Project and Finance Plan the estimated amount of non-project costs of \$169,000,000.

III. ANNUAL FINANCIALS

Pursuant to State Law (Section 311.016, Tax Code), the following financial information is required for the fiscal year ending September 30, 2024 (unless otherwise noted):

1. Amount and source of revenue in the tax increment fund established for TIRZ #3:

Tax Increments received	\$913,316
Sales Tax Increments received	\$170,306
Interest income earned	<u>\$ 27,979</u>
Total Revenue	\$1,111,601

2. Amount and purpose of expenditures from the tax increment fund established for TIRZ #3:

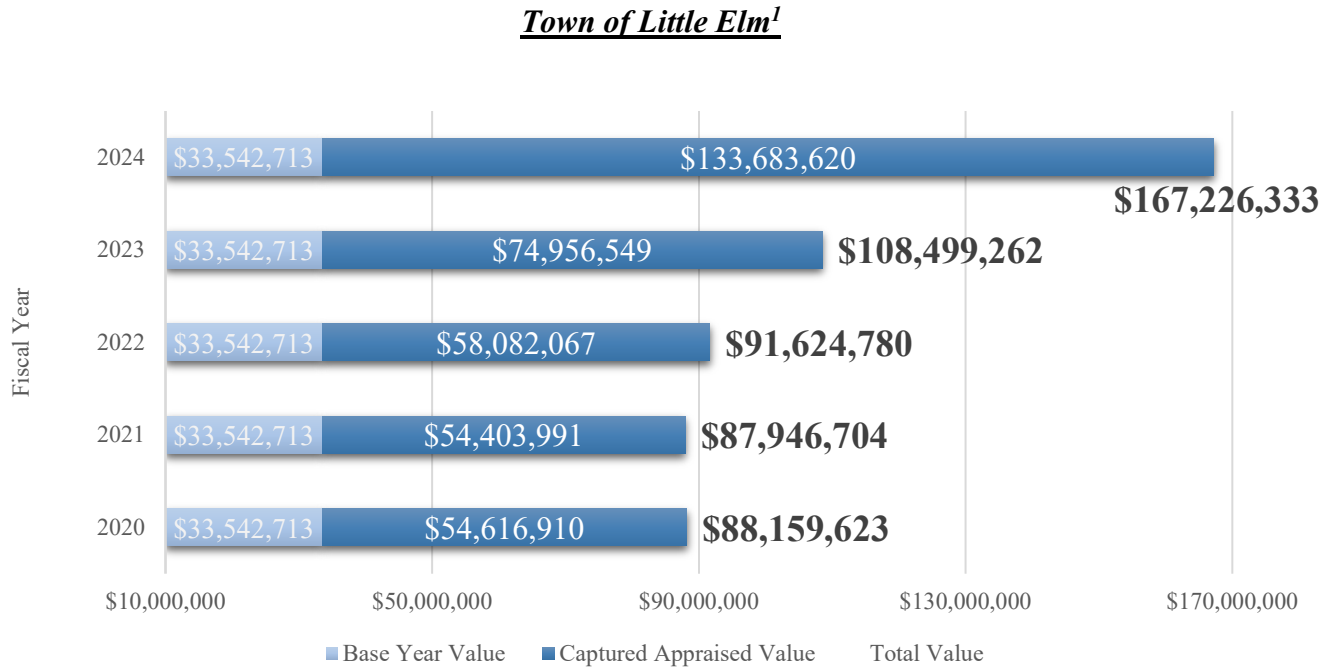
Total Expenditures*	\$708,379
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*Refer to Appendix B for additional fiscal year 2024 TIRZ related expenditures

3. Amount of principal and interest due on outstanding indebtedness:

Based on the current outstanding bonded indebtedness for TIRZ #3, the principal due was \$195,000 and the interest due was \$118,244 for fiscal year 2024.

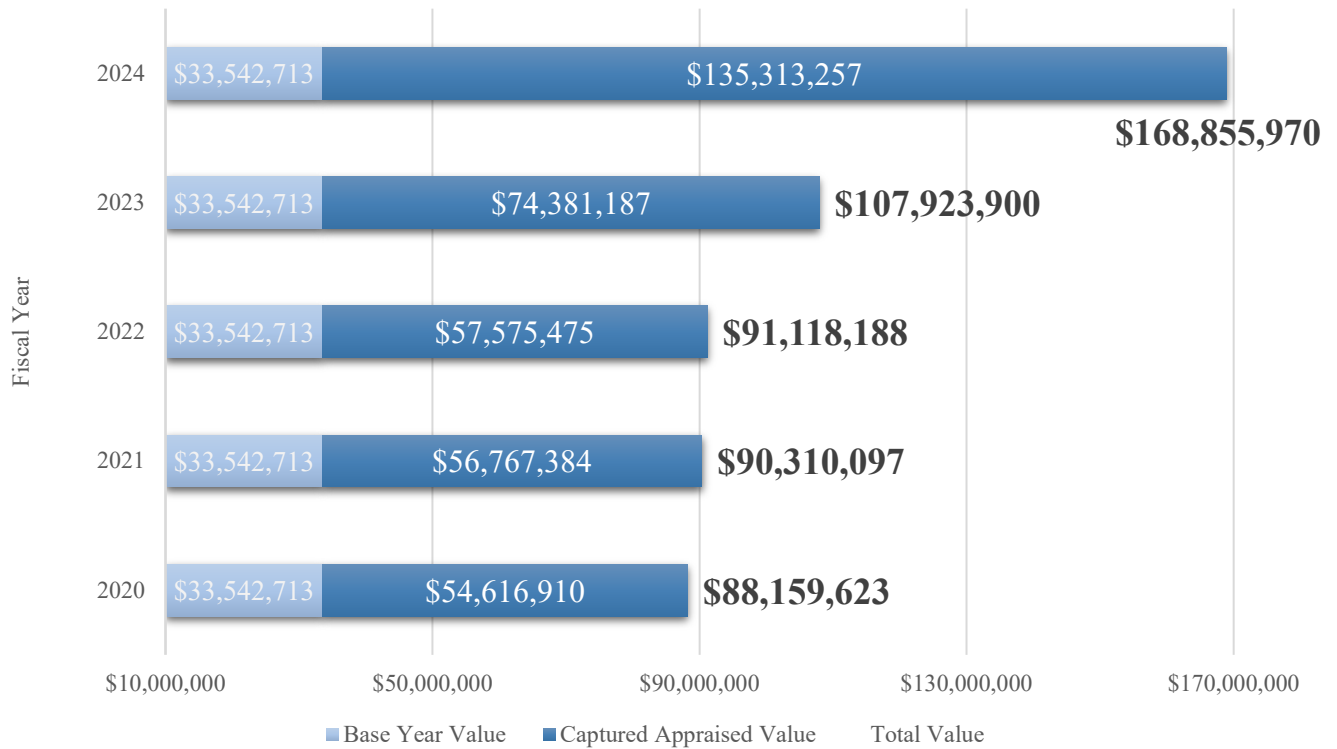
4. Tax Increment base and current captured appraised value retained by TIRZ #3:



1 – Town participation is 100% of ad valorem property tax revenues generated from annual captured appraised values.

Tax Increment base and current captured appraised value retained by TIRZ #3:

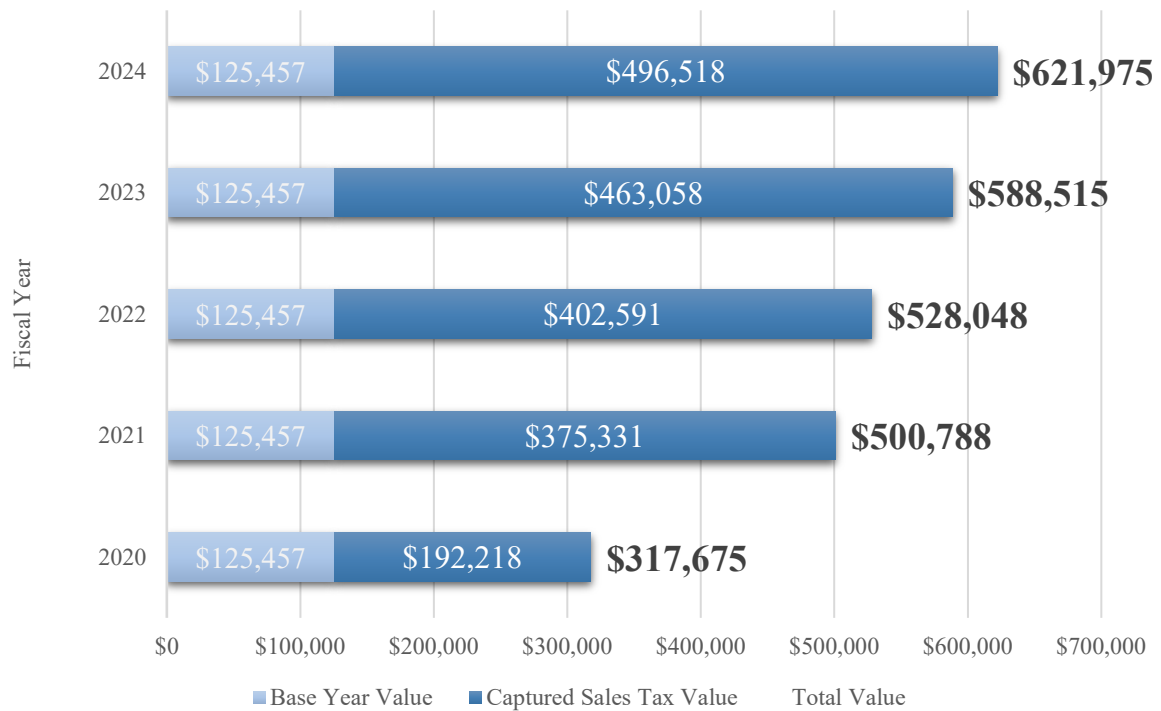
Denton County¹



1 – County participation is 50% of ad valorem property tax revenues generated from annual captured appraised values.

Tax Increment base and current captured appraised value retained by TIRZ #3:

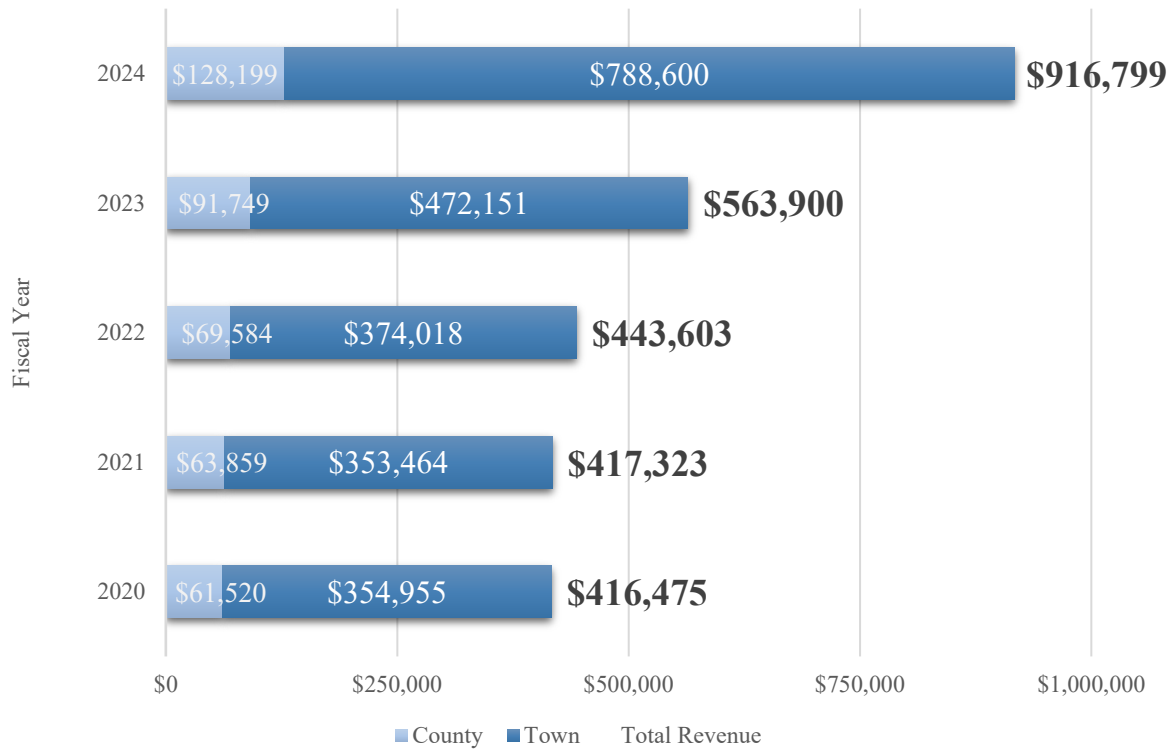
Sales Tax – Town, EDC, & CDC¹



1 – Town participation is 10% of one cent (\$0.01) of sales tax revenues generated from annual captured sales tax values. EDC participation is 80% of one-half cent (\$0.005) of sales tax revenues generated from annual captured sales tax values. CDC participation is 80% of one-quarter cent (\$0.0025) of sales tax revenues generated from annual captured sales tax values.

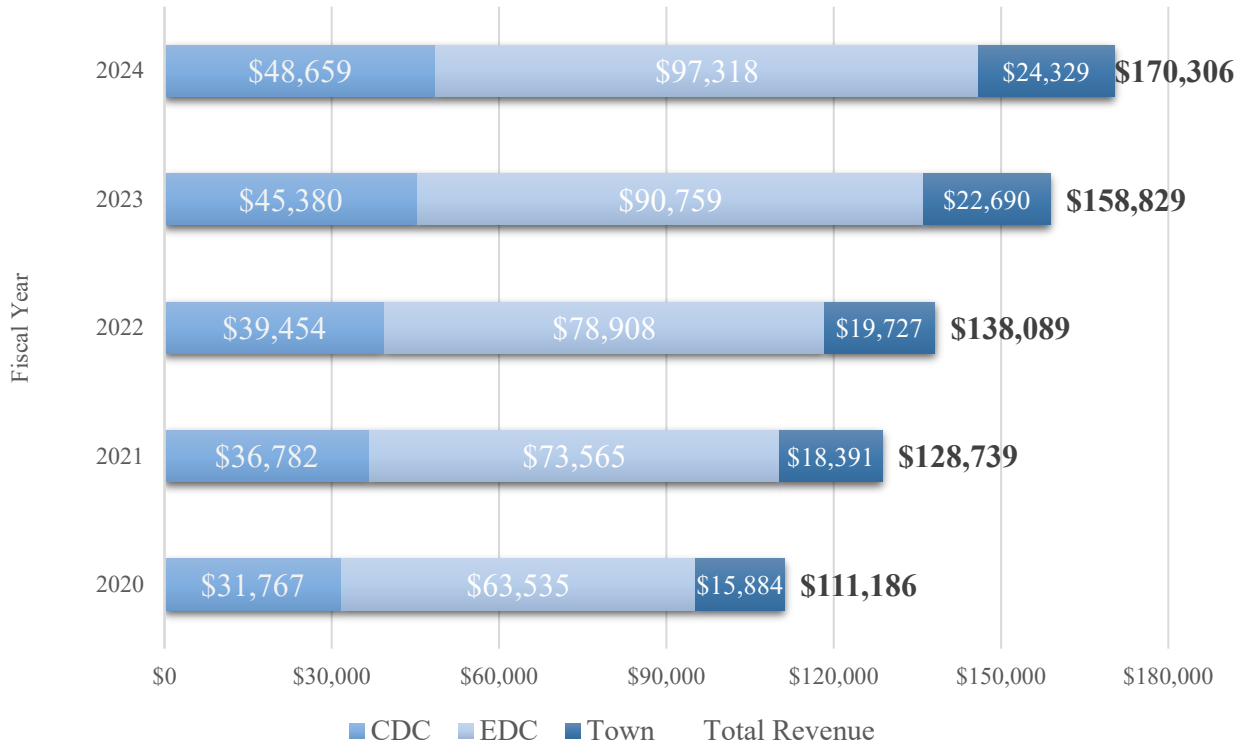
5. Total amount of the tax incremental revenue received, and any additional information necessary to demonstrate compliance with the tax increment project and financing plan adopted by the governing body of the municipality.

Ad Valorem
Town of Little Elm & Denton County¹



1 – Town participation is 100% of ad valorem property tax revenues generated from annual captured appraised values. County participation is 50% of ad valorem property tax revenues generated from annual captured appraised values.

Sales Tax
CDC, EDC, & Town



1 – Town participation is 10% of one cent (\$0.01) of sales tax revenues generated from annual captured sales tax values. EDC participation is 80% of one-half cent (\$0.005) of sales tax revenues generated from annual captured sales tax values. CDC participation is 80% of one-quarter cent (\$0.0025) of sales tax revenues generated from annual captured sales tax values.

IV. TIRZ FUND FINANCIAL STATEMENT

TIRZ FUND FINANCIAL STATEMENT ***Fiscal Year ending September 30, 2024***

			Total
<hr/>			
Beginning Balance:			
	<i>10/1/2023</i>	\$	216,920
Revenues:			
Property Tax:			
Town		\$	785,117
Delinquent		\$	-
County		\$	128,199
Property Rollback Taxes		\$	-
Sales Tax			
Town of Little Elm		\$	24,329
EDC		\$	97,318
CDC		\$	48,659
Interest		\$	27,979
TOTAL REVENUES		\$	1,111,600
Expenditures:			
TIRZ Expenditures ¹		\$	708,379
TOTAL EXPENDITURES		\$	708,379
Ending Balance:			
	<i>9/30/2024</i>	\$	620,141

1 – For additional TIRZ expenditure details refer to Appendix B.

Appendix A



Town of Little Elm
Denton County, Texas
Date: 9/25/2013



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APPENDIX B
TIRZ #3 EXPENDITURES

Appendix B

Town of Little Elm

Tax Increment Reinvestment Zone No. 3

Exhibit F-2: Public Infrastructure - Description and Projected Funding Sources

Item	Description	Funding Source
1	Storm Sewer needs through Lakefront	Bond
2	Gathering areas in Lakefront	General Fund/Bond
3	Reconstruction of Main Street: Lobo Lane to FM 720	Bond (May 2009)
4	Reconstruction of Main Street to Eldorado Parkway	General Fund
5	Internal Public Streets: Parking/ Drives	Bond (November 2013)
6	Landscaping in Lakefront	Future General Fund
7	Lighting along the Public Streets in Lakefront	Future General Fund
8	Providing landscaping, trees, equipment in Lakefront	Future General Fund
9	Meeting places for events (\$200-\$300 per square foot 10,000 SF)	Future General Fund
10	Gathering place for community events/ Rec Center	Bond (May 2009)
11	Additional Fitness Equipment & Gymnasium	Bond (CDC/General Fund)
12	Land acquisition for Lakefront	Capital Loan
13	Expansion of Swim Beach at Little Elm Park	Bond (2013)
14	Expansion & Preservation of Beard Park	Bond (2013)
15	Expansion of Trail System in Lakefront	Bond
16	Pavilion, Parking lot, Utilities, Restroom, Trails	Future Bond
17	Extension of Trail System	Bond/Grant
18	Camping Area and Cabins	Future Bond
19	Promoting Lakefront	General Fund
20	Provide transportation within Lakefront	General Fund
21	Promote district boundaries and branding	General Fund
22	Maintain beach amenity	General Fund
23	Designate Lakefront district	General Fund
24	Branding Lakefront district	General Fund
25	Events to draw patrons into Lakefront area for tourism	General Fund
26	Provide safe environment for citizens and tourist in Lakefront	General Fund

Note: As provided by EDC as of 8/27/21