



Agenda
100 W. Eldorado Parkway
Little Elm, TX 75068

TIRZ #5 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 February 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #5 Board Meeting.**
3. **Present, Discuss, and Consider Action to Accept the Annual Financial Report for Tax Increment Reinvestment Zone #5 (TIRZ #5) 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.



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 February 20, 2024, Tax Increment Reinvestment Zone (TIRZ) #5 Board Meeting.**

DESCRIPTION:

The minutes from the February 20, 2024, TIRZ #5 Board meeting are attached for approval.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

Minutes - February 20, 2024

DRAFT

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

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

Present: Neil Blais; Curtis Cornelious, Mayor; Andrew Evans; Michel Hambrick; Jamell Johnson

Absent: Tony Singh; Lisa Norman

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

1. **Call to Order / Roll Call.**

Meeting was called to order at 5:50 p.m.

2. Present, Discuss, and Consider Action to Accept the **Annual Financial Report for Tax Increment Reinvestment Zone #5 (TIRZ #5) for the reporting period ending September 30, 2023.**

Chief Financial Officer Kelly Wilson gave an overview of the item in the attached presentation.

Motion by Neil Blais, seconded by Michel Hambrick **to approve the annual financial report for TIRZ #5.**

Vote: 5 - 0 - Unanimously

3. **Adjourn.**

Meeting was adjourned at 5:57 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 Tax Increment Reinvestment Zone #5 (TIRZ #5) 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 #5.

BUDGET IMPACT:

There is no budget impact for this item.

RECOMMENDED ACTION:

Staff recommends approval.

Attachments

TIRZ #5 Annual Financial Report FY 2024
Appendix A - TIRZ #5 Map
Appendix B - Non Project Costs Spiritas Ranch
Appendix B - Non Project Costs Spiritas East



LITTLE ELM

**Tax Increment Reinvestment Zone #5
(TIRZ #5)**

ANNUAL REPORT

FISCAL YEAR 2024

**TOWN OF LITTLE ELM, TEXAS
TAX INCREMENT REINVESTMENT ZONE #5**

As of September 30, 2024

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

In 2014, the Town of Little Elm Town Council appointed members for the Tax Increment Reinvestment Zone #5 (“TIRZ #5”) Board of Directors. TIRZ #5 was created to identify and assist in financing various road improvements, water distribution system improvements, sanitary sewer collection system improvements, storm sewer collection system improvements, parks and trail improvements, public utilities purchase, and economic development grants to benefit the property within TIRZ #5 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, and Councilmembers Tony Singh, Ken Eaken, Lisa Norman, Andrew Evans, and Michel Hambrick.

II. PUBLIC INFRASTRUCTURE & PROJECT COSTS

TIRZ #5
Estimated Project Costs¹

		Status
Roadway Improvements, Water Distribution System Improvements, Sanitary Sewer management Improvements, Storm Water Management Improvements, Parks, Trails, landscaping and hardscaping, Public Utilities Purchase, Economic Development Grants (including applicable interest and other soft and miscellaneous costs)	\$184,000,000	Ongoing and are anticipated to be completed with the completion of the Spiritas Ranch and Spiritas East developments
Total	\$184,000,000	

1 – As provided in the Amended Project and Financing Plan approved on May 4, 2021 by the Town.

TIRZ #5
Estimated Non-Project Costs

For additional details regarding the TIRZ #5 estimated Non-Project Costs, please refer to Appendix B of this report.

III. TIRZ EXPENDITURES – CAPITAL IMPROVEMENTS

***TIRZ #5
TIRZ Expenditures***

As of Fiscal Year ending September 30, 2024

Expenditure	Period¹	Total^{2,3}
Repayment of TIRZ Bonds	FY2022	\$692,232
Repayment of TIRZ Bonds	FY2023	\$1,024,456
Repayment of TIRZ Bonds	FY2024	\$1,201,958
Total		\$2,918,646

1 – Represents applicable periods of expenditures since issuance of TIRZ bonds and the amendment of the TIRZ #5 Project and Financing Plan.

2 – Represent 50% of the incremental Town taxes levied and collected. Amounts collected are according to the Denton County Tax Office records as of September 30, 2024.

3 – Amounts collected do not include applicable administrative expenses withheld by the Town for TIRZ #5.

***TIRZ #5
Outstanding TIRZ Projects Obligations***

TIRZ Projects Obligation	Period	Total¹
\$184,000,000		
	FY2022	\$692,232
	FY2023	\$1,024,456
	FY2024	\$1,201,958
Outstanding Obligation		\$181,258,855

1 – As of September 30, 2024.

IV. 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 #5:

Tax Increments received	\$1,258,826
Interest income earned	\$3,649
Total Revenue	\$1,262,475

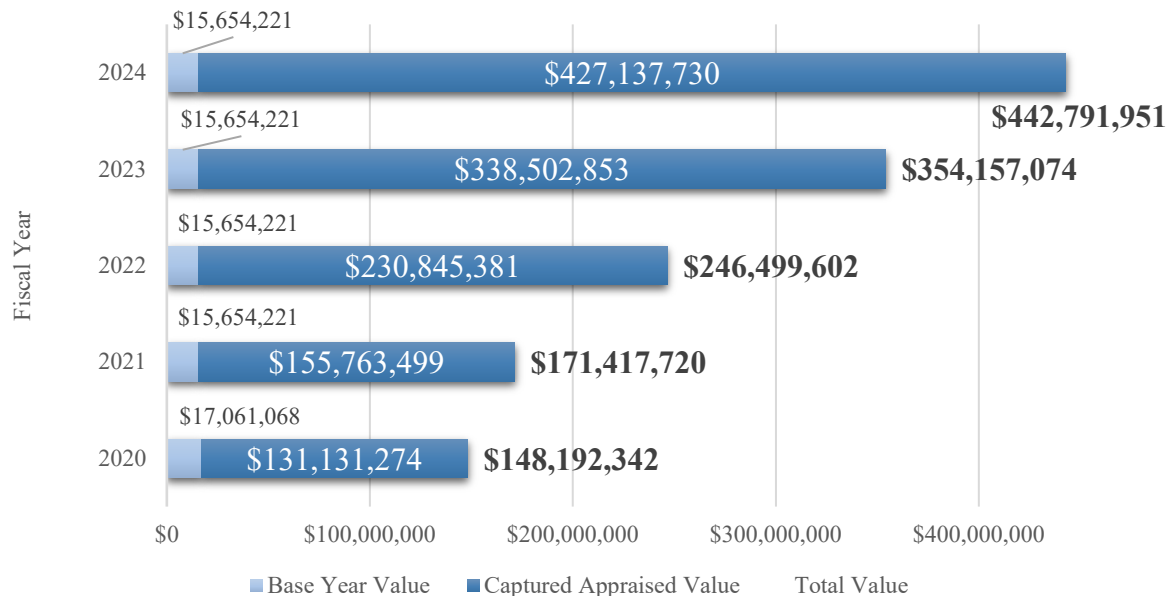
2. Amount and purpose of expenditures from the tax increment fund established for TIRZ #5:

Repayment of TIRZ Bonds	\$1,201,958
Professional Services	\$50,000
Total Expenditures	\$1,251,958

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

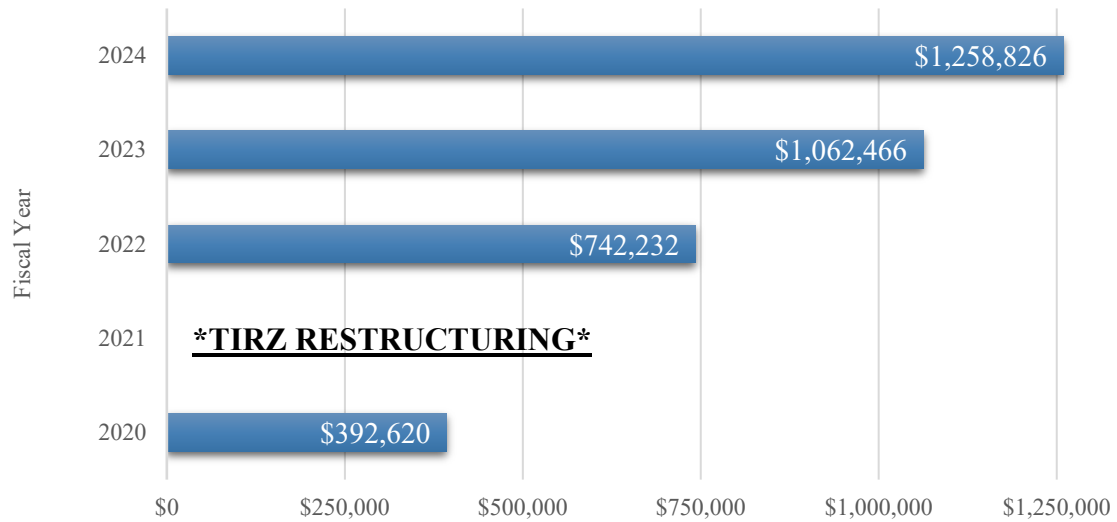
The total TIRZ commitment is \$184,000,000 less amounts paid through September 30, 2024 of \$2,918,647 resulting in a current outstanding indebtedness of \$181,258,855.

4. Tax Increment base and current captured appraised value retained by TIRZ #5¹:



1 – TIRZ #5 was restructured in 2021. Prior to restructuring, the Town committed 46% of incremental ad valorem property taxes and 50% of sales tax generated within the TIRZ. The current TIRZ structure eliminated the sales tax commitment and adjusted the Town's participation of incremental ad valorem property taxes to 50%.

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 municipality¹



1 – Due to the restructuring of TIRZ #5 in fiscal year 2021, the Town was permitted to sweep any remaining balance at the conclusion of fiscal year 2021. Commencing in fiscal year 2022, the Town began collecting and calculating incremental revenues pursuant to the terms of the TIRZ #5 restructuring.

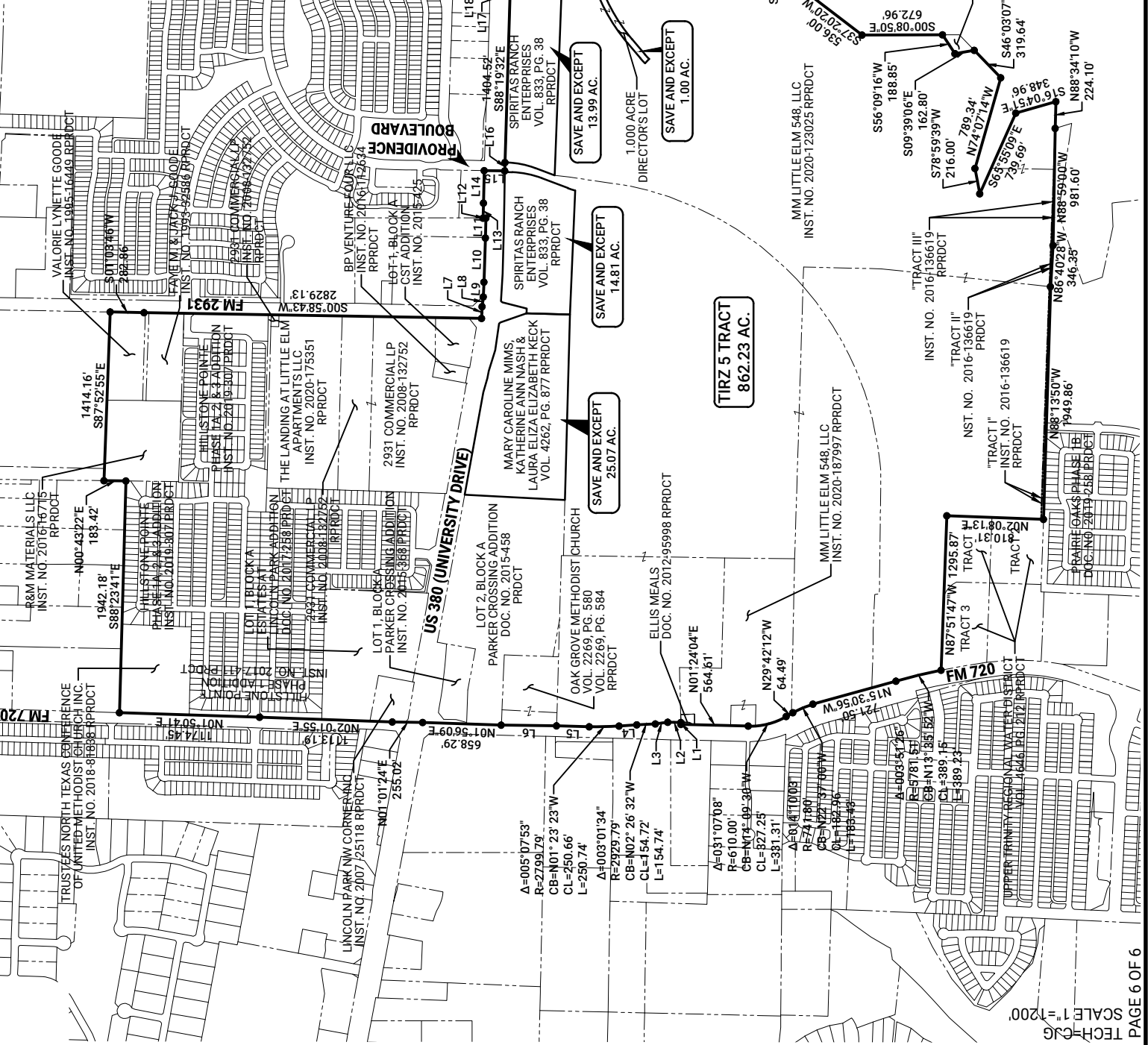
V. TIRZ FUND FINANCIAL STATEMENT

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

		Total
Beginning Balance:		
	<i>10/1/2023</i>	\$ -
Revenues:		
Property Tax:		
Town	\$	1,258,826
Delinquent		
County	\$	-
Property Rollback Taxes	\$	-
Sales Tax	\$	-
Interest	\$	3,649
TOTAL REVENUES	\$	1,262,475
Expenditures:		
Land Purchases	\$	-
Professional Services	\$	50,000
Economic Development Grant	\$	-
TIRZ Bonds	\$	1,201,958
Construction/Improvements	\$	-
Interest Expense	\$	-
TOTAL EXPENDITURES	\$	1,251,958
Ending Balance:		
	<i>9/30/2024</i>	\$ 10,517

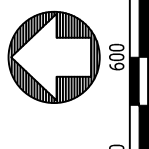
1 – Ending fiscal year 2024 balance reflects excess funds transferred to the TIRZ #5 bond trustee.

LINE TABLE			LINE TABLE		
LINE #	BEARING	DISTANCE	LINE #	BEARING	DISTANCE
L11	S88°08'45"E	166.45'	L1	N88°35'14"E	14.96'
L12	N00°00'00"E	24.13'	L2	N01°25'09"E	109.00'
L13	S88°47'40"E	126.10'	L3	N08°03'14"W	105.97'
L14	S88°40'05"E	272.38'	L4	N03°57'19"W	149.61'
L15	S00°56'56"W	173.10'	L5	N01°36'16"E	273.49'
L16	S88°18'55"E	71.25'	L6	N00°43'58"E	462.84'
L17	S87°55'29"E	34.49'	L7	S87°26'29"E	99.35'
L18	N85°31'36"E	176.89'	L8	S84°05'13"E	81.16'
L19	S88°15'31"E	241.46'	L9	S87°14'59"E	124.66'
			L10	S88°08'42"E	369.49'



TIRZ 5 EXHIBIT
862.23 ACRE TRACT
SITUATED IN THE
TOWN AND ETJ OF LITTLE ELM
DENTON COUNTY, TEXAS

BARRAZA
CONSULTING GROUP, LLC
TBPLS FIRM REG. NO. 10194538
TBPE FIRM REG. NO. 20683
801 East Campbell Road, Ste. 650
Richardson, Texas 75081
TELEPHONE - (214)-484-7055
PROJECT NO. 2019017
DATE March 2021



APPENDIX B - NON-PROJECT COSTS (SPIRITAS RANCH)

COMMUNITY NAME: Spiritas Ranch							GROSS ACREAGE:	548.0
PHASES: Full Development							NET ACREAGE:	439.0
CITY OR TOWN: Town of Little Elm, Denton County							TOTAL LOTS:	2,156
							TOTAL DENSITY:	4.91
							LANDPLAN:	25
							CREATED BY:	MC
							REVIEWED BY:	AB
							CREATED:	04/06/20
							REVISED:	06/29/23
Direct Phase Costs								
Lot Count		TOTALS	PHASE 1	PHASE 1L	PHASE 1M	PHASE 1G (1H)	FUTURE PHASES	
		2156	547	109	158	243	1099	
1	Engineering	\$ 5,641,612	\$ 1,388,588	\$ 276,147	\$ 383,593	\$ 550,636	\$ 3,042,647	
2	Grading Site Preparation	\$ 1,932,580	\$ 593,844	\$ 94,162	\$ 136,491	\$ 209,920	\$ 898,164	
3	Water	\$ 9,549,154	\$ 2,225,060	\$ 505,183	\$ 810,067	\$ 998,564	\$ 5,010,280	
4	Sanitary Sewer	\$ 13,437,382	\$ 2,403,088	\$ 540,343	\$ 734,392	\$ 954,969	\$ 8,804,590	
5	Storm Drain	\$ 12,023,381	\$ 3,083,651	\$ 581,396	\$ 915,048	\$ 843,751	\$ 6,599,535	
6	Street Improvements	\$ 19,677,740	\$ 5,244,122	\$ 967,866	\$ 967,866	\$ 1,687,524	\$ 10,810,362	
9	Contingency 5%	\$ 3,113,092	\$ 746,918	\$ 148,255	\$ 197,373	\$ 262,268	\$ 1,758,279	
13	ROW Acreage ⁶	\$ 14,880,000	\$ 3,705,000	\$ 705,000	\$ 1,080,000	\$ 1,290,000	\$ 8,100,000	
Total		\$ 80,254,941	\$ 19,390,271	\$ 3,818,352	\$ 5,224,830	\$ 6,797,632	\$ 45,023,856	
Cost per Lot		\$ 37,224	\$ 35,448	\$ 35,031	\$ 33,069	\$ 27,974	\$ 40,968	
Major Improvements Costs								
Lot Count		TOTALS	PHASE 1	PHASE 1L	PHASE 1M	PHASE 1G (1H)	FUTURE PHASES	
		2156	547	109	158	243	1099	
1	Engineering	\$ 3,238,607	\$ 1,759,771	\$ -	\$ 204,383	\$ 72,793	\$ 1,201,660	
3	Water	\$ 2,703,776	\$ 1,476,315	\$ -	\$ 65,856	\$ 85,162	\$ 1,076,442	
4	Sanitary Sewer	\$ 2,825,912	\$ 2,077,796	\$ -	\$ 256,534	\$ 73,382	\$ 418,200	
5	Storm Drain	\$ 2,658,742	\$ 1,239,260	\$ -	\$ 168,555	\$ 12,204	\$ 1,238,722	
6	Street Improvements	\$ 5,234,675	\$ 3,385,956	\$ -	\$ 370,729	\$ 257,448	\$ 1,220,541	
7a	Screening/Landscape Walls	\$ 3,095,500	\$ 1,843,500	\$ -	\$ -	\$ -	\$ 1,252,000	
8	Dry Utilities - Spiritas Median	\$ 1,551,189	\$ 1,396,189	\$ -	\$ -	\$ -	\$ 155,000	
9	Contingency 5%	\$ 1,268,459	\$ 751,816	\$ -	\$ 70,332	\$ 25,049	\$ 421,262	
10	District Formation Costs	\$ 1,200,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	
11	Turn Lane Improvements	\$ 1,704,344	\$ 328,764	\$ -	\$ 340,580	\$ -	\$ 1,035,000	
12	Common Area Amenities & Trails	\$ 1,156,444	\$ 328,764	\$ -	\$ -	\$ -	\$ 827,680	
13	ROW Acreage ^{6,6,7}	\$ 1,665,000	\$ -	\$ -	\$ 375,000	\$ 300,000	\$ 375,000	
14	Perimeter Road ^{6,7}							
a	Engineering	\$ 292,485	\$ -	\$ -	\$ -	\$ -	\$ -	
b	Water	\$ 434,285	\$ -	\$ -	\$ -	\$ -	\$ -	
c	Sanitary Sewer	\$ 327,515	\$ -	\$ -	\$ -	\$ -	\$ -	
d	Storm Drain	\$ 383,160	\$ -	\$ -	\$ -	\$ -	\$ -	
e	Street Improvements	\$ 805,555	\$ -	\$ -	\$ -	\$ -	\$ -	
f	ROW Acreage	\$ 555,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Total		\$ 31,100,648	\$ 15,788,131	\$ -	\$ 1,851,970	\$ 826,039	\$ 9,221,507	
Cost per Lot		\$ 14,425	\$ 28,863	\$ -	\$ 11,721	\$ 3,399	\$ 8,391	
Private Costs								
Lot Count		TOTALS	PHASE 1	PHASE 1L	PHASE 1M	PHASE 1G (1H)	FUTURE PHASES	
		2156	547	109	158	243	1099	
1	Engineering	\$ 1,605,279	\$ 336,767	\$ 67,107	\$ 97,275	\$ 149,606	\$ 954,524	
2	Grading Site Preparation	\$ 10,877,373	\$ 1,680,687	\$ 334,908	\$ 485,464	\$ 746,631	\$ 7,629,683	
7b	Ret Walls	\$ 3,932,206	\$ 678,656	\$ 135,235	\$ 196,029	\$ 301,487	\$ 2,620,800	
8	Dry Utilities	\$ 1,306,049	\$ 51,043	\$ 51,043	\$ 38,855	\$ 60,108	\$ 1,105,000	
9	Contingency 5%	\$ 1,036,045	\$ 237,358	\$ 29,415	\$ 40,881	\$ 62,892	\$ 665,500	
12	Amenity Center	\$ 3,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	
Total		\$ 21,756,953	\$ 4,984,511	\$ 617,708	\$ 858,503	\$ 1,320,723	\$ 13,975,508	
Cost per Lot		\$ 10,091	\$ 9,112	\$ 5,667	\$ 5,434	\$ 5,435	\$ 12,717	
TOTALS		\$ 133,112,541	\$ 43,575,913	\$ 4,436,060	\$ 7,935,303	\$ 8,944,394	\$ 68,220,872	
per lot		\$ 61,741	\$ 79,663	\$ 40,698	\$ 50,223	\$ 36,808	\$ 62,075	
40' Lots		876	181	0	80	143	472	
50' Lots		977	301	109	78	100	389	
60' Lots		303	65	0	0	0	238	
Total Lots		2156	547	109	158	243	1099	
Remainder Improvements ⁵								
Lot Count		TOTALS	PHASE 1	PHASE 1L	PHASE 1M	PHASE 1G (1H)	FUTURE PHASES	
		2156	547	109	158	243	1099	
1	Engineering	\$ 309,000	\$ -	\$ -	\$ -	\$ -	\$ 309,000	
4	Sanitary Sewer	\$ 1,959,417	\$ -	\$ -	\$ -	\$ -	\$ 1,959,417	
9	Contingency 5%	\$ 113,421	\$ -	\$ -	\$ -	\$ -	\$ 113,421	
TOTALS		\$ 2,381,838	\$ -	\$ -	\$ -	\$ -	\$ 2,381,838	
per lot		\$ 1,105	\$ -	\$ -	\$ -	\$ -	\$ 2,167	
THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY.								

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION ONLY.

NOTES

1 Development cost does not include: City/District/County Fees, Bonds, & Permits

2 Development cost does not include: Rock Excavation, Landscaping, Irrigation, Monumentation, or Common Area Amenities

3 Professional Fees do not include: Geotechnical, Environmental, or SWPPP Administration.

4 Streets include Ryan Spiritas Pkwy, Hidden Oaks Trail, Spiritas Ranch Road

5 Remainder Improvements include Lift Station #2 and associated Force Main. Lift Station #2 total capacity is 1499 LUEs: 895 LUEs reserved for Spiritas Ranch, 146 for Spiritas East, 33 for Spiritas Ranch commercial acreage, 425 for neighbor commercial acreage. Cost shown is required for 895 LUE Spiritas Ranch, less \$230,000 in Spiritas East PID. Additional pumps will be required for future expansion.

6 Represents Additional Phase #1 Projects costs incorporated in OPC updated as of June 12, 2023.

7 Represents Additional Major Improvements costs incorporated in OPC updated as of June 12, 2023.

APPENDIX B - NON-PROJECT COSTS (SPIRITAS EAST)

COMMUNITY NAME: Spiritas Ranch		GROSS ACREAGE:	43.9
PHASES: East		NET ACREAGE:	28.9
CITY OR TOWN: Town of Little Elm, Denton County		TOTAL LOTS:	146
		TOTAL DENSITY:	5.05
		LANDPLAN:	2
		CREATED BY:	CH
		REVIEWED BY:	AB
		CREATED:	05/21/21
		REVISED:	09/22/21
Direct Phase Costs		EAST PHASE	
	Lot Count		146
1 Engineering		\$	266,209
2 Grading Site Preparation		\$	-
3 Water		\$	261,136
4 Sanitary Sewer		\$	494,200
5 Storm Drain		\$	561,241
6 Street Improvements		\$	1,087,602
7 Screening/Landscape Walls			
8 Ret Walls			
9 Dry Utilities			
10 Contingency 0%		\$	-
11 N/A			
	Total	\$	2,670,387
	Cost per Lot	\$	18,290
Major Improvements Costs		EAST PHASE	
	Lot Count		146
1 Engineering		\$	219,290
2 Grading Site Preparation		\$	-
3 Water		\$	161,000
4 Sanitary Sewer		\$	150,000
5 Storm Drain		\$	120,000
6 Street Improvements - Turn Lanes		\$	690,000
7 Screening/Landscape Walls			
8 Dry Utilities			
9 Common Area Amenities & Trails		\$	168,939
10 Contingency 0%		\$	-
11 District Formation Costs		\$	275,000
	Total	\$	1,784,230
	Cost per Lot	\$	12,221
	PID TOTALS	\$	4,454,618
	PID per lot	\$	30,511
Private Costs		EAST PHASE	
	Lot Count		146
1 Engineering		\$	214,324
2 Grading Site Preparation		\$	885,229
3 Water			
4 Sanitary Sewer			
5 Storm Drain			
6 Street Improvements			
7 Screening/Landscape Walls		\$	280,000
8 Ret Walls		\$	405,250
9 Dry Utilities		\$	146,000
10 Contingency 10%		\$	193,080
11 N/A			
	Total	\$	2,123,883
	Cost per Lot	\$	14,547
	GRAND TOTALS	\$	6,578,500
	GRAND TOTAL per lot	\$	45,058
	40' Cottage Lots		28
	40' Lots		89
	50' Lots		29
	Total Lots		146

THIS OPINION OF PROBABLE COST WAS PREPARED BASED ON BEST AVAILABLE INFORMATION AND SHOULD BE USED FOR PROJECT

NOTES

¹ Development cost does not include: City/District/County Fees, Bonds, & Permits

² Development cost does not include: Rock Excavation

³ Professional Fees do not include: SWPPP Administration

⁴ Unit costs in this OPC were provided to Barraza Consulting Group, LLC by RES