



Williamson County Regional Habitat Conservation Plan

Tax Benefit Financing Primer



CHAPTER 9 – FUNDING

Five Primary Sources

- 1) Participation fees
- 2) Return on investments
- 3) County land funds – parks and open space
- 4) County advance funding for road improvement mitigation funds
- 5) Tax Benefit Financing

9.4.4 Tax Benefit Financing

Final



Williamson County Regional Habitat Conservation Plan

Prepared for:

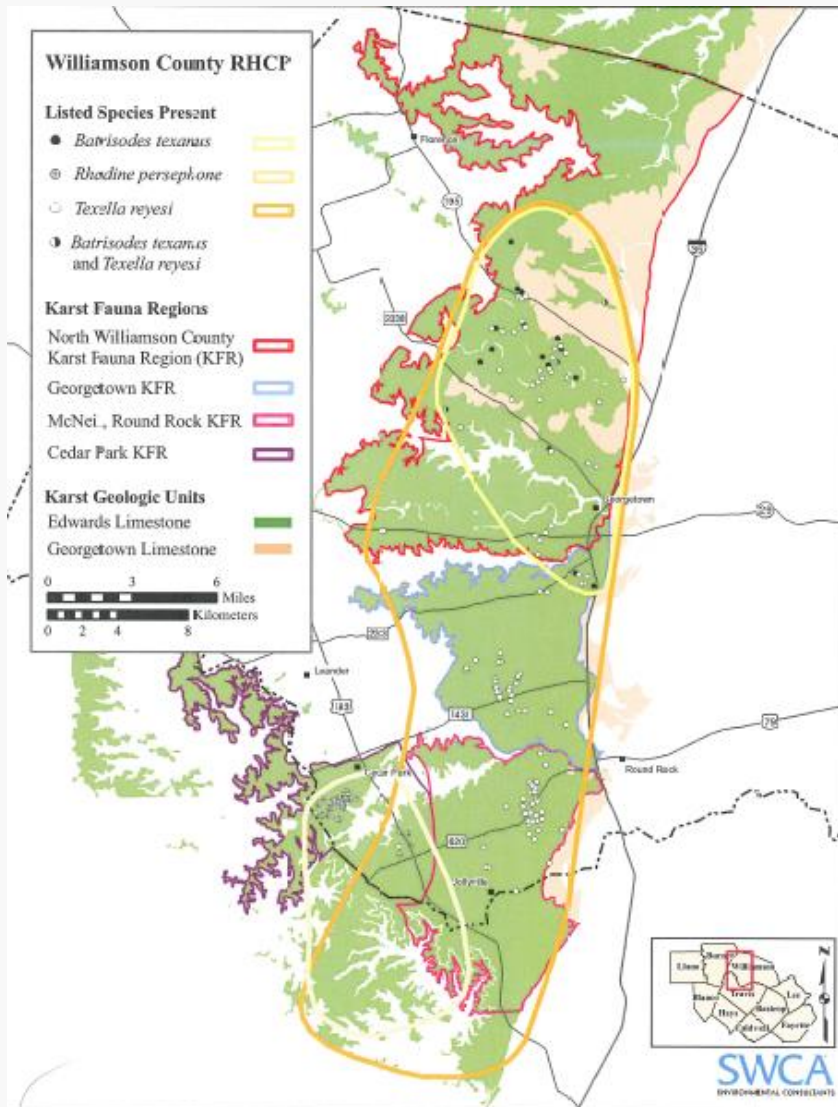
**Williamson County Conservation Foundation
The Honorable Lisa Birkman,
President and Commissioner, Precinct 1**

Prepared by:

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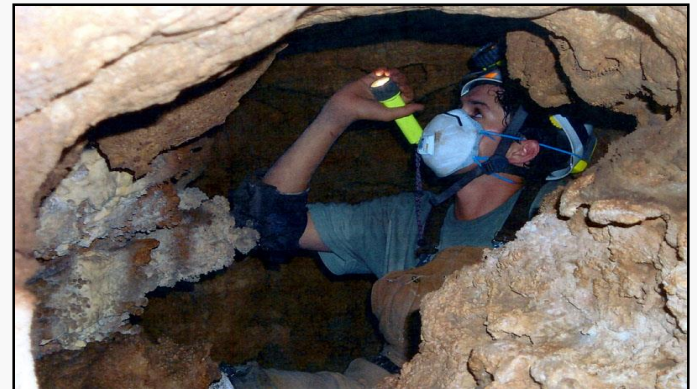
Historical background – always understood that the major funding source – over the long term – would be TBF

Advantages to WCHCP –

As compared to other plans WCHCP is “pay as you go”
Offset to County tax revenue is 1) reduced time/cost for county projects, and 2) more rapid inclusion of private development into tax base

RHCP FUNDING SOURCES

- ✓ Participation fees for karst and bird mitigation
- ✓ **Tax Benefit Financing**
- ✓ RHCP endowment investment income
- ✓ Foundation will pursue state and federal grants, land grants, and donations



Proposed Williamson County RHCP

- RHCP to cover take of warbler, vireo, and two listed karst species
- 30 year term
- Completely voluntary participation
- Mitigation for take would include:
 - 700 acres of karst preserves
 - 1,000 acres of mitigation credits from Hickory Pass Ranch
 - Additional warbler preservation in the County
 - Restoration and/or enhancement of Black-capped vireo habitat on a rolling basis
 - 5-year study for the Georgetown salamander
 - Public outreach and endowment fund
- Participating properties enrolled in tax benefit financing program.



Impacts to Socioeconomic Resources

- Moderate beneficial impact to RHCP participants
- Minor beneficial impact to tax base
- Moderate beneficial impact to County revenues over the life of the plan



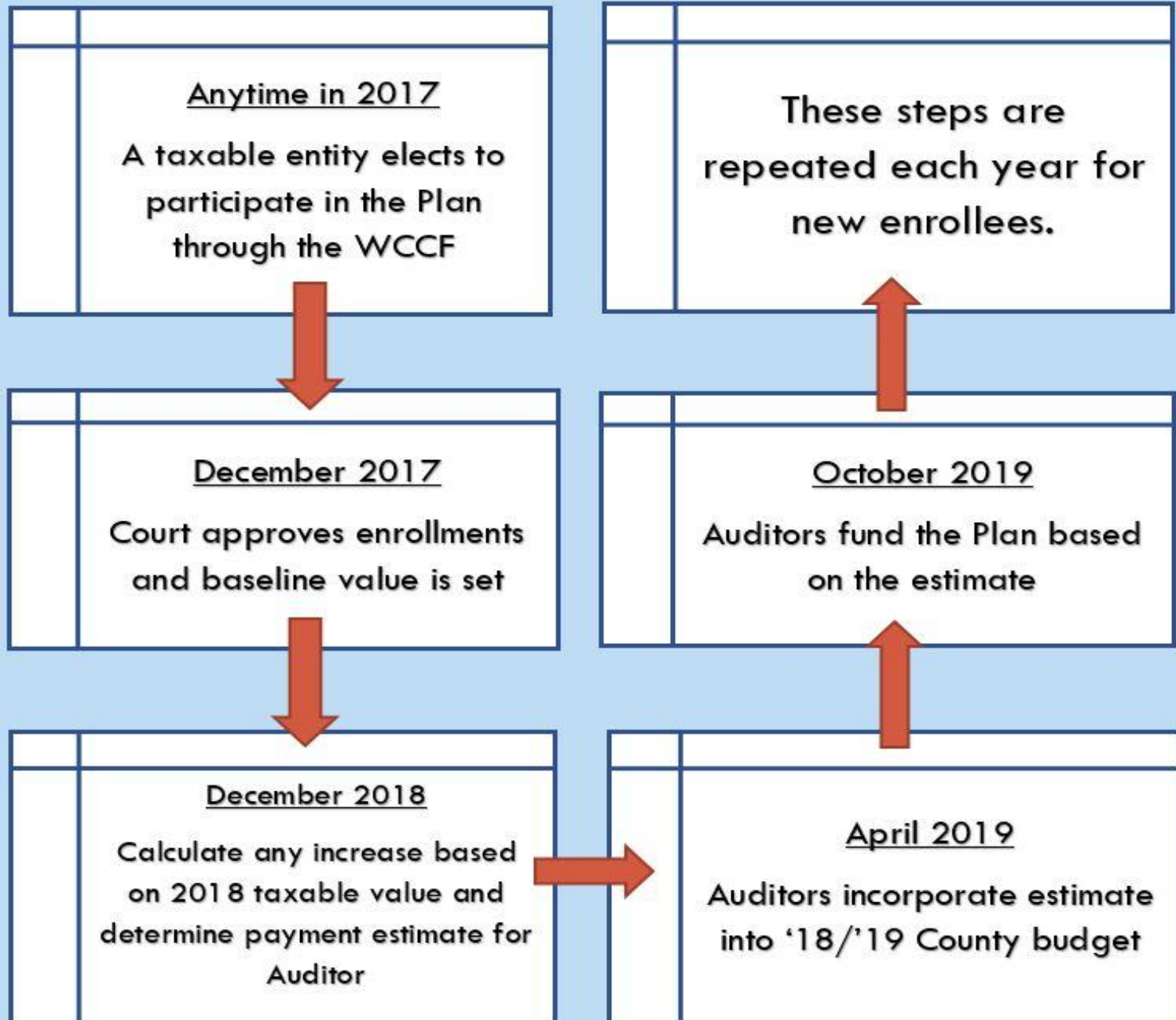
How TBF calculated

- Basis value set based on participation “enrollment”
- Track increase in value for enrolled properties
- A portion of the increase from the basis (the “ Δ ”) is applied against then current County O and M tax rate
- 15% of increase allocated to HCP corpus
- Target corpus is \$20 million by year 20 of HCP (= 2028)

TBF Mechanics

- Statutory requirement to enroll and re-enroll on a yearly basis
- T-AC office tracks original enrollment parcels (generally WCAD “R-numbers”) plus descendant parcels
- Coordination between T-AC and County Auditors
- Calculation conveyed to Budget office for inclusion in new FY budget.

Habitat Conservation Plan Tax Benefit Financing



Current HCP Fund Obligation

Williamson County Conservation Fund Annual Aggregate Payment

Tax Year	Current Year Taxable Value Increase	M&O Rate	15% Multiplier	WCCF Payment
2011	\$4,292,049	0.00287687	0.15	\$1,852.15
2012	\$21,574,291	0.00281529	0.15	\$9,110.68
2013	\$74,543,855	0.00281529	0.15	\$31,479.39
2014	\$152,317,423	0.00279029	0.15	\$63,751.47
2015	\$345,876,325	0.00274029	0.15	\$142,170.22
2016	\$649,598,585	0.00269029	0.15	\$262,141.29
2017	\$1,071,400,339	0.00259029	0.15	\$416,285.64
2018			0.15	
2019			0.15	
2020			0.15	
		Total County Obligation		\$926,790.83

Coordinated Budget Projections

WCCF CASH FLOW PROJECTIONS					
2017-2028					
as of February 2018					
	Actual	Estimated	Projected	Projected	Projected
	2017	2018	2019	2027	2028
Beginning Fund Balance	1,456,036.73	3,053,229.77	3,514,773.91	18,664,016.04	20,925,570.77
Revenue:					
Tax Benefit Financing	248,363.91	509,480.00	900,000.00	2,500,000.00	2,500,000.00
Participations	1,739,113.00	910,000.00	660,000.00	-	-
Other	3,908.80	3,200.00	-	-	-
Investment Income **	17,245.85	42,025.14	51,008.54	314,997.97	354,226.51
Total Revenue	2,008,631.56	1,464,705.14	1,611,008.54	2,814,997.97	2,854,226.51
Operations	411,438.52	543,161.00	500,000.00	553,443.24	570,046.54
Net Change Revenue (Operations)	1,597,193.04	921,544.14	1,111,008.54	2,261,554.73	2,284,179.97
Park Land/Preserve Commitment	-	(460,000.00)	(460,000.00)		
Ending Fund Balance	3,053,229.77	3,514,773.91	4,165,782.45	20,925,570.77	23,209,750.75



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Questions or Additional
Information Needed?

