

Midtown TIRZ

Eligible Costs

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Public Improvements	Acquisition and Construction of public works; facilities, utilities, streets, street lights, water, sewer, pedestrian malls and walkways, parks, flood and drainage facilities, parking facilities; road, sidewalk, or other public infrastructure (in or out of zone); Public Facilities
Real Property	Clearing and grading of land; Real property Assembly costs; Acquisition, Demolition, Alteration, Remodeling, repair of existing buildings, structures, fixtures; New Buildings, Structures, Fixtures
Interest	Financing Costs, interest paid to indebtedness or other obligations; Interest before and during construction
Organizational Costs	Environmental impact studies or other studies, costs to publicizing creation of zone, costs of implementing project plan; Professional Services: architectural, planning, engineering, legal services; Administrative Costs; Cost of Operating Reinvestment Zone and project facilities Costs of providing municipal services; relocation costs

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Educational	Educational Facilities: equipment, real property, public school (must be used jointly); Costs of buildings, schools, or other educational facilities (local ISD, community college district or political subdivision)
Historic Preservation	Beautification, conservation; Façade improvements on public or privately owned buildings
Transit	Railroad or Transit facilities (in or out of zone); Transportation/Transit: Costs of Bus Rapid Transit, a fixed guideway, high occupancy vehicle lane, bus way or bus lane; transit center or station; maintenance facility; real property for bus rapid transit; rail transportation, tracks, rail line, depot, maintenance facility or real property (in or out of zone); preservation of land
Discretionary	Payments at the discretion of the governing body of the municipality; Any contributions made by municipality from general revenue; Any Costs to implement project and financing plans

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Economic Development	Diversifying economy, eliminating unemployment, and underemployment, expanding and stimulating business and commercial activity (make loans and grants); all powers granted under chapter 380 Local Government Code
Brownfields/Blight Elimination	Remediation of contaminated public or private owned land or buildings; Demolition of public or private building
Affordable Housing	Provision for Affordable Housing (in or out of zone)
Open Space/public spaces	Areas of public assembly (in or out of zone)

Financing Options

- Revenue Bonds
 - Revenue backed by Tax Increment
 - Costs more to finance
- General Obligation Bonds
 - General Obligation backed by full faith and credit
 - Taxpayers carry all risk
- Alternative
 - Issue General Obligation/COs that fades full faith and credit and transitions debt service to Tax Increment
 - Secure letters of credit, guarantees, assets, deposits, etc.

Financing Options

- Developer Financing
 - Up-fronts costs
 - No risk to City/taxpayers
 - Reimbursement to developer based on increase in values/revenues
 - Market conditions determine ability to execute
 - “Best Practice” is to use TIRZ Funds to reimburse costs for infrastructure