

AMARILLO CENTER CITY



TIRZ

Tax Increment Reinvestment Zone

TAX INCREMENT REINVESTMENT ZONE

WHAT/WHERE/WHEN/WHY

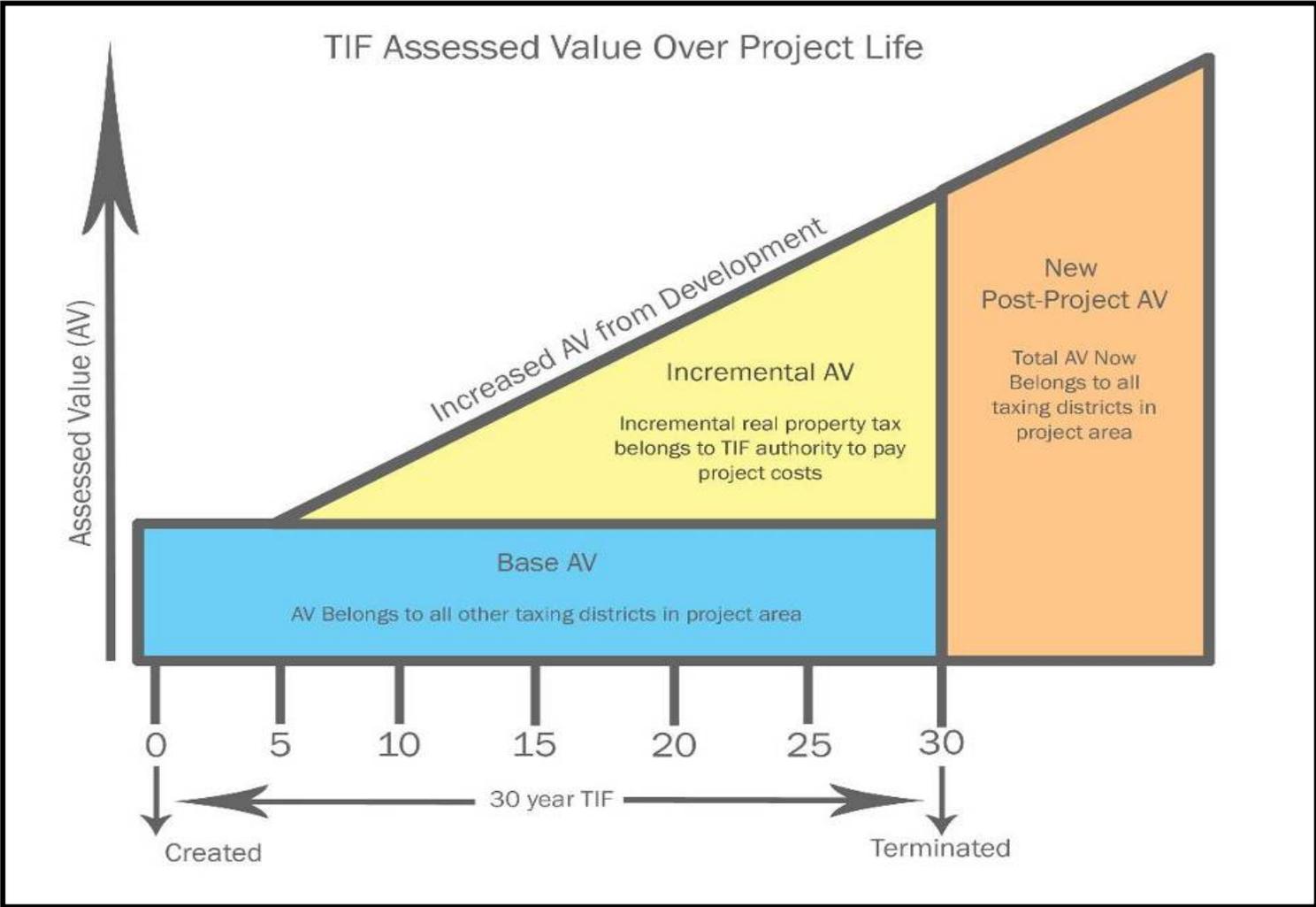
2009

What is Tax Increment Financing?

An economic development tool that captures the projected increase in property tax revenue that is created by development within a defined area (TIRZ) and invests those funds in other public improvements or development projects that benefit the zone.

How Does It Work?

- A base value is determined by the existing taxable value of real property within the TIRZ when created
- The taxing entities continue to receive the base year value of the property taxes throughout the life of the 30-year zone
- The TIF “increment” is the incremental increase in real property tax revenue above the base year resulting from increases in taxable value of property



Tax Increment Reinvestment Zone?

Defined area in which projects be located.

- Created by local government, or
- Created by 51% of property owners

Amarillo's TIRZ #1

- **Created in December 2006 with 5 Partners**
 - Potter County
 - City of Amarillo
 - Amarillo College
 - Panhandle Ground Water Conservation District
 - Amarillo Hospital District

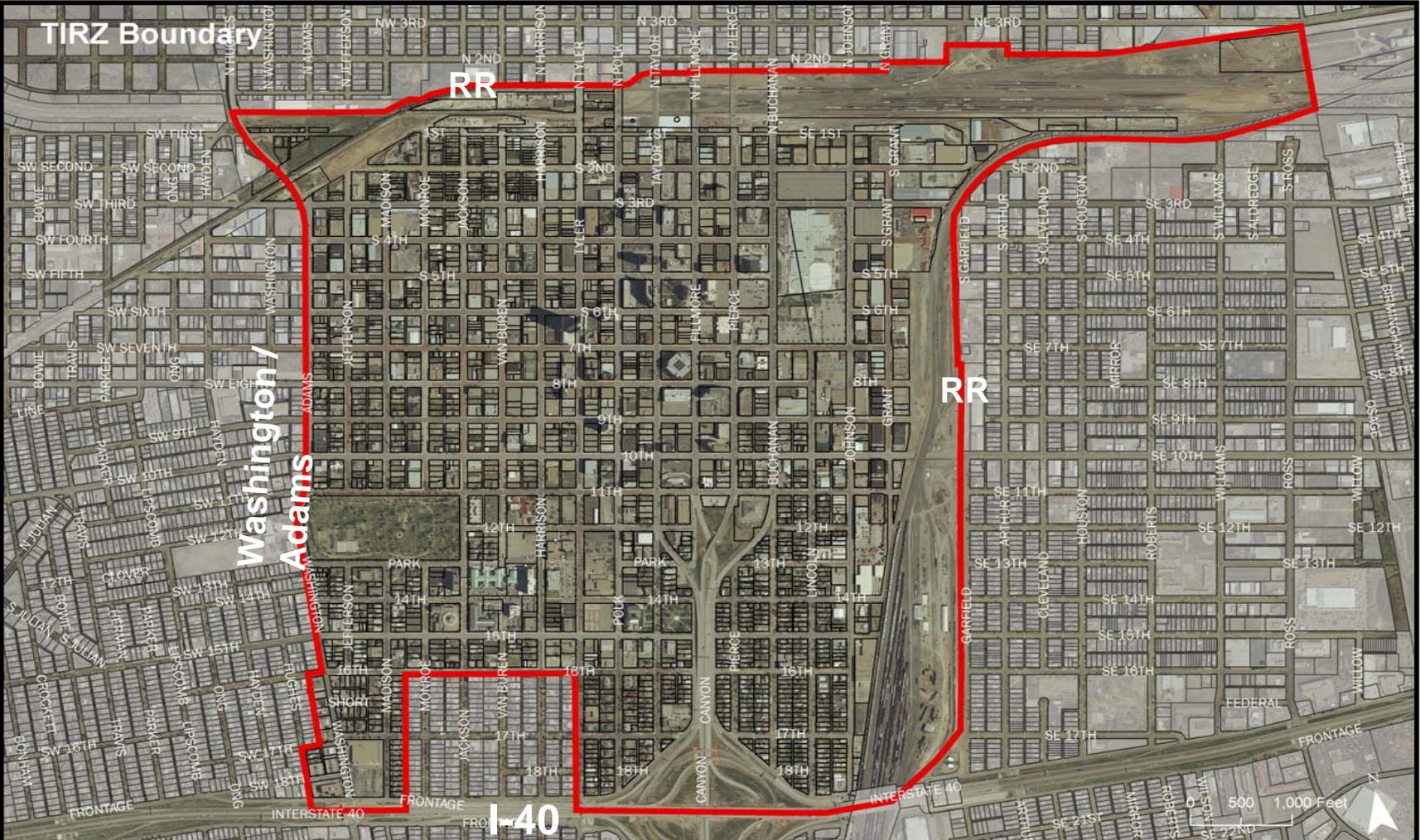
Amarillo's TIRZ #1

- **Administered through 10-member TIRZ Board**
 - Potter County – 3 members
 - City of Amarillo – 3 members
 - Amarillo College – 1 member
 - Panhandle Ground Water Conservation District - 1 member
 - Amarillo Hospital District – 1 member
 - Amarillo Independent School District – 1 member



TIRZ

Tax Increment Reinvestment Zone

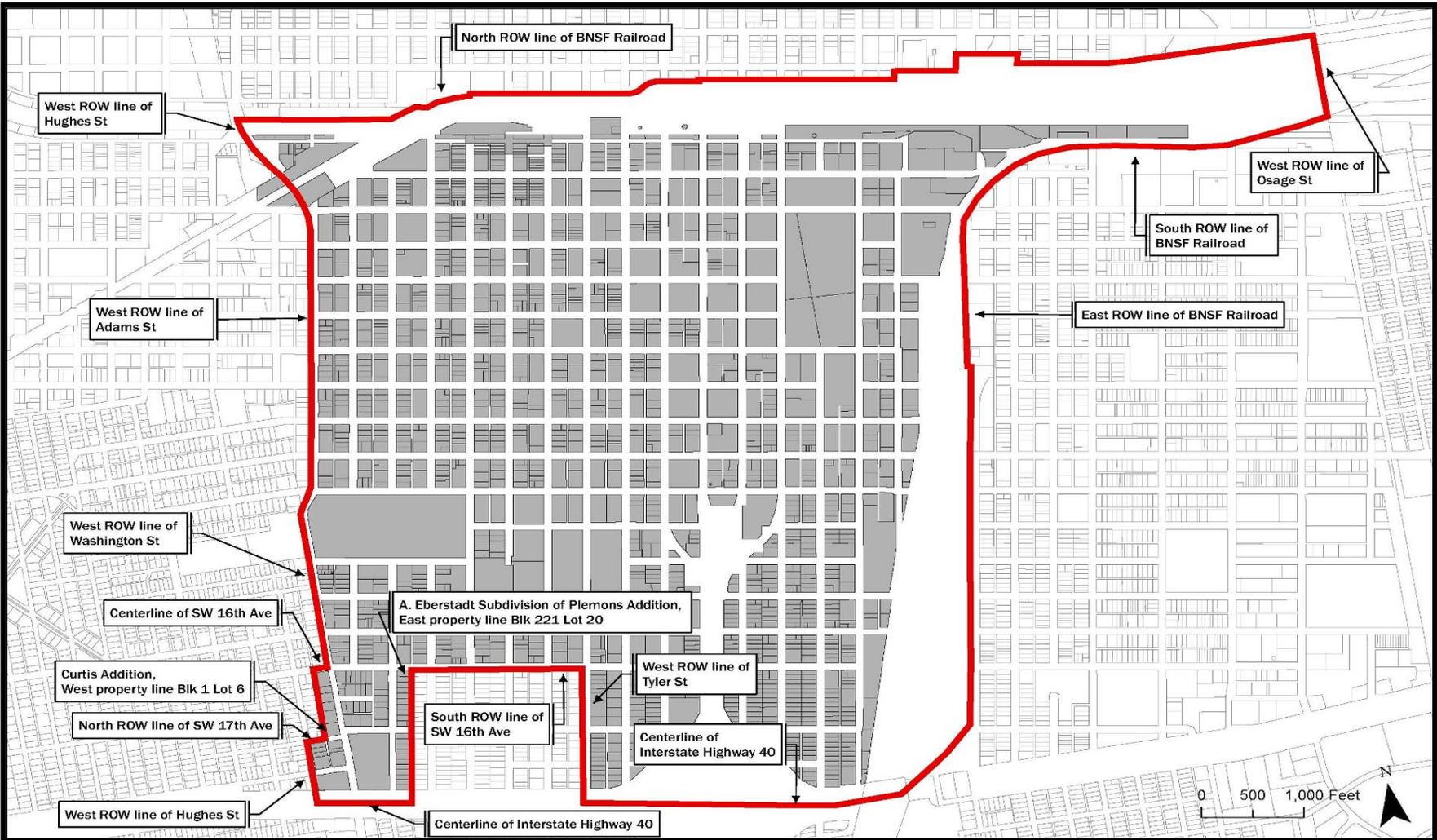


AMARILLO CENTER CITY



TIRZ

Tax Increment Reinvestment Zone



Downtown Redevelopment Goals

- **Reposition Downtown Amarillo as a mixed use urban center**
- **Strengthen employment & economic base by creating a diversity of mixed land uses**
- **Eliminate blight, reduce unsafe conditions, improve public infrastructure, revitalize neighborhood and business areas**

Anticipated Accomplishments

- **Hotel Development** **1200 rooms**
- **Residential** **2100 units**
- **Office, Retail, Commercial** **1.5 mil sq. ft.**
- **Family Entertainment Venue**

What does it take to get there?

- Streets, utilities, streetscapes, parks & landscaping
- Public & private parking
- Signs & information systems
- Public infrastructure to support housing developments
- Economic development incentives to encourage private investment

TIRZ Public Financing Policy

Downtown Pays for Downtown

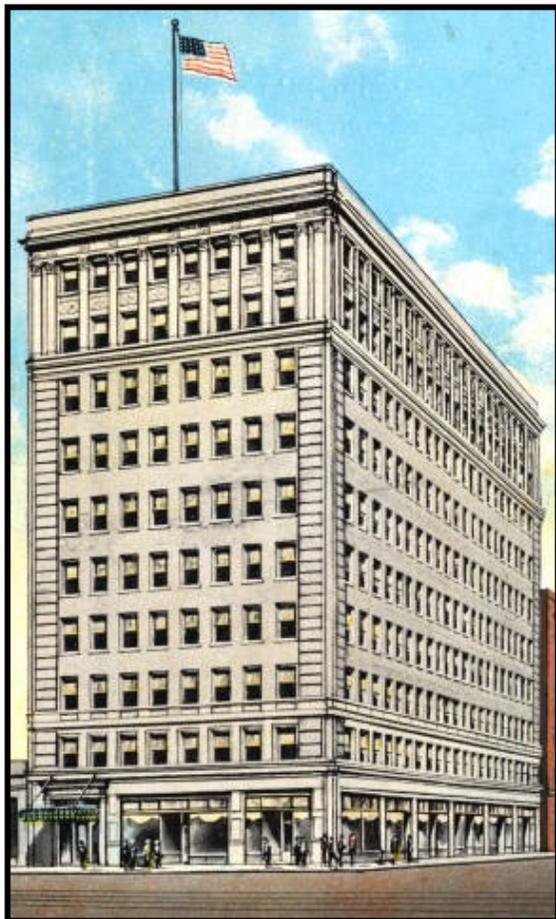
- Based on projected increase in a project's taxable value, a max of 90% could be reimbursed to developer over typically 20 years
- 10% balance used to fund public projects with no developer

Typical Expectations of Developer

- Complete the project as planned
- Taxable value increases
- Developer pays property taxes
- TIRZ reimburses 90% of taxes yearly



First Project – The Barfield Building, 601 S. Polk Street



Restaurant,
Office, &
Condos

20 Year 90% Tax
Reimbursement of
PV of \$1million





Second Project – The Fisk Building, 724 S. Polk Street

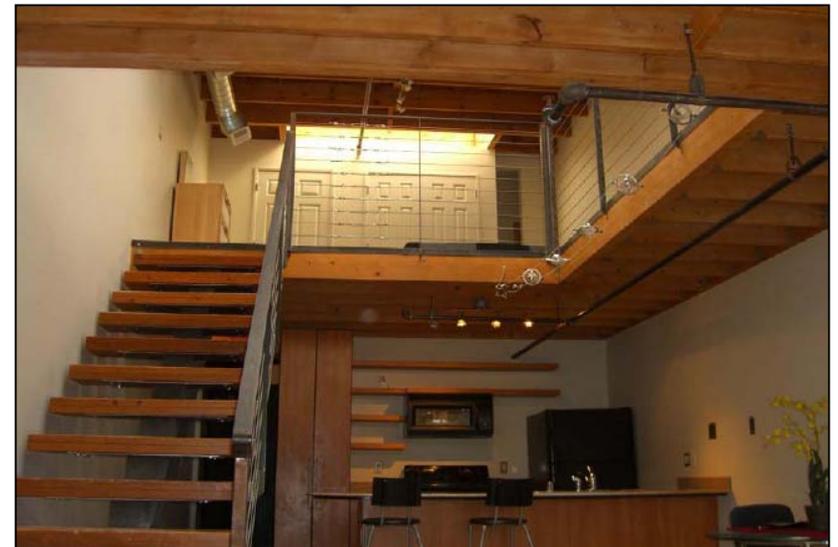


108 unit
Marriott
Courtyard
Hotel

20 Year 90% Tax
Reimbursement of
PV of \$900,600

Third Project – 705 S. Grant St. (PROPOSED)

20 Year 90% Tax
Reimbursement of
PV of \$420,700



20 unit
residential/office
lofts

How to Seek TIRZ Assistance

- Two Application Packets:
 - Small Projects < \$50,000
 - Large Projects
- Staff Consultation and Review
- TIRZ Board Consideration and Approval
- City Commission Concurrence
- Developer Agreement

For More Information or Assistance

Contact Kelley Shaw, Planning Director

City Hall - Room 206

806-378-3020