



# East Gateway Tax Increment Reinvestment Zone Final Project and Financing Plan Amarillo, Texas

December 2020

## Overview of the TIRZ and Project Objectives

The Interstate 40/Loop 335 intersection will one day represent a major gateway into the City of Amarillo. The area is currently blessed with major attractions and economic generators including the world-famous Big Texan Steakhouse and several truck service facilities. The area also however, is the site of numerous vacant tracts of land, closed businesses, blighted conditions, poor drainage, and undersized infrastructure. With the assistance of strategic public investments the area is poised for substantial private investment and economic growth. Opportunities include the relocation and expansion of the Big Texan Steakhouse, development of several limited service hotels, development of a full-service hotel and related recreation facilities, redevelopment of truck service facilities, redevelopment of a recreation vehicle park and introduction of a public or private competitive indoor athletic facility.

The East Gateway TIRZ as envisioned celebrates Amarillo's heritage as a place where travelers are introduced to the hospitality and opportunities of the Panhandle, where they are able to rest from their journey, enjoy a meal unlike any they have ever experienced and participate in unique recreation and entertainment opportunities. Through these activities and the economic growth associated with them, area residents will realize increased tax revenues, an attractive eastern gateway into Potter County and the City of Amarillo and new economic, recreation, and entertainment opportunities.

### The objectives of the East Gateway TIRZ include:

#### *Redevelopment of key economic generators –*

Opportunities exist within the TIRZ to redevelop; the Big Texan Steakhouse, underperforming fueling stations into contemporary auto and truck service facilities, and an underperforming RV park into a modern high-quality RV park.

#### *Introduction of new economic opportunities –*

Opportunities exist within the TIRZ to introduce new residential, retail outlets, hotels, restaurants, and commercial/industrial businesses where currently either vacant land or underperforming or closed businesses exist.

#### *Introduction of new entertainment and recreation opportunities –*

Opportunities exist within the TIRZ to introduce new public or private athletic facilities (indoor and outdoor) to accommodate competitive tournament play, new aquatic facilities, and new facilities geared toward family entertainment.

#### *Address Infrastructure challenges –*

Opportunities exist with the TIRZ to address several long-standing infrastructure challenges including reconstruction of the I40/Loop 335 intersection to enhance capacity, drainage of and through the area, wastewater collection capacity, increased water service, and completion of a collector and arterial street network.

### Key Performance Measures for the TIRZ include:

#### *Restaurant, Retail and Entertainment*

It is projected that within the timeframe of the TIRZ there will be several new hotels, a number of new retail outlets, and new entertainment venues representing a projected \$100 Million in new construction value.

#### Timing/Phasing:

It is projected development will occur as infrastructure (both public and private) is developed. The first phases of development will likely be those readily served by existing infrastructure or infrastructure that is readily expanded or constructed. These first phases are likely to include the construction of hotels fronting on the I40 access roads, the Big Texan Steakhouse relocation, and the relocation and redevelopment of the existing RV park. This first phase of development is likely to be followed by the construction of additional hotels (including a planned full-service hotel), retail outlets, entertainment venues, auto and truck fueling facilities, etc. This phase of development is dependent upon the completion of extensive public and private infrastructure and the development of a public or private recreation facility.

The public or private recreation facility is anticipated to be constructed between the first phase of development and the second phase as described earlier. A public version of the facility would not be constructed until the cash flow from the tax increment is sufficient to support debt service needed to construct the facility. The facility is critical to the success of the area by both meeting a local demand for additional recreation opportunities but also hosting regional tournaments thereby creating additional demand in the area for lodging, dining, and entertainment.

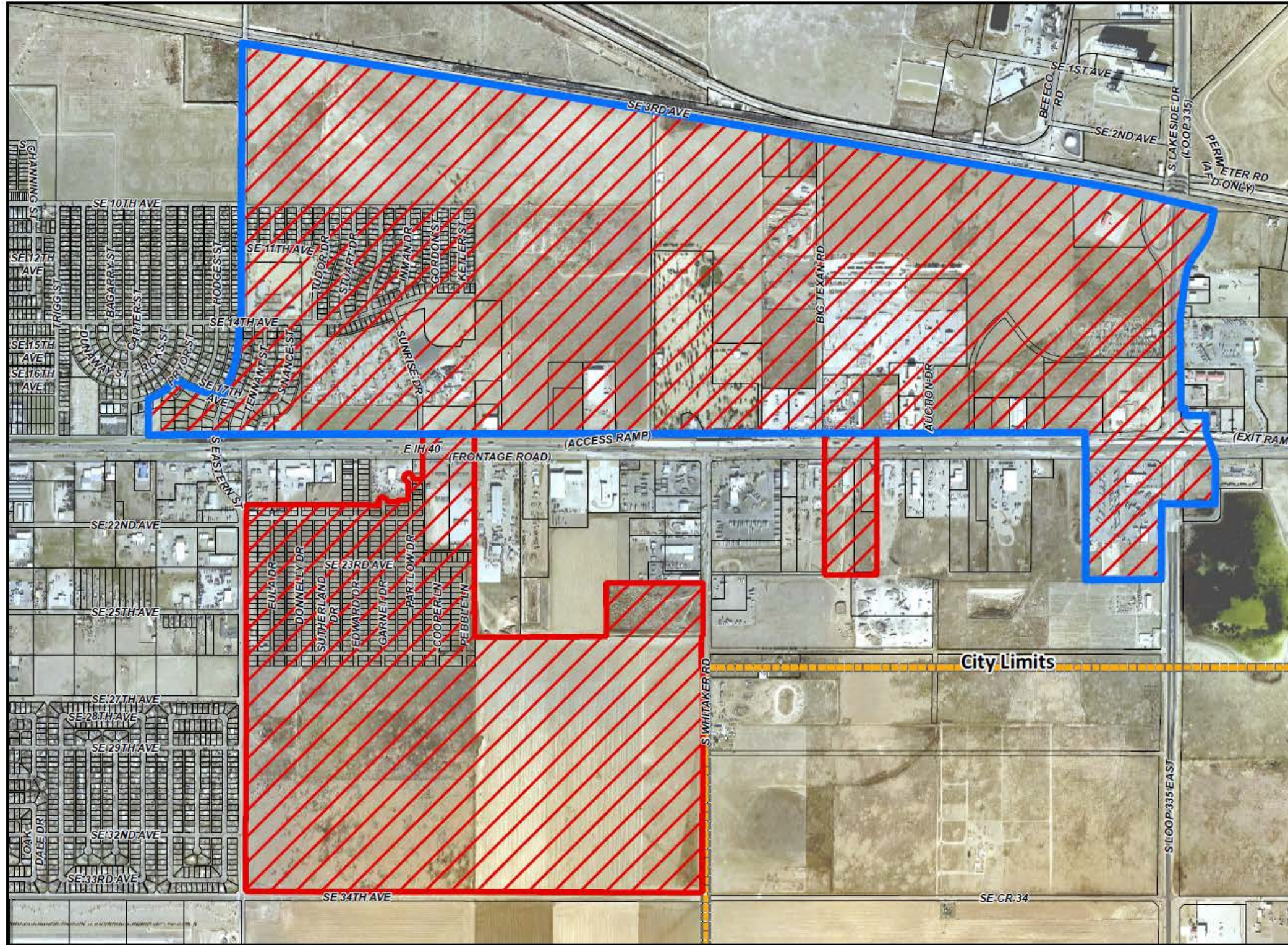
## Implementation

To realize the potential of the TIRZ area implementation of key public improvements are necessary and are noted in the following:

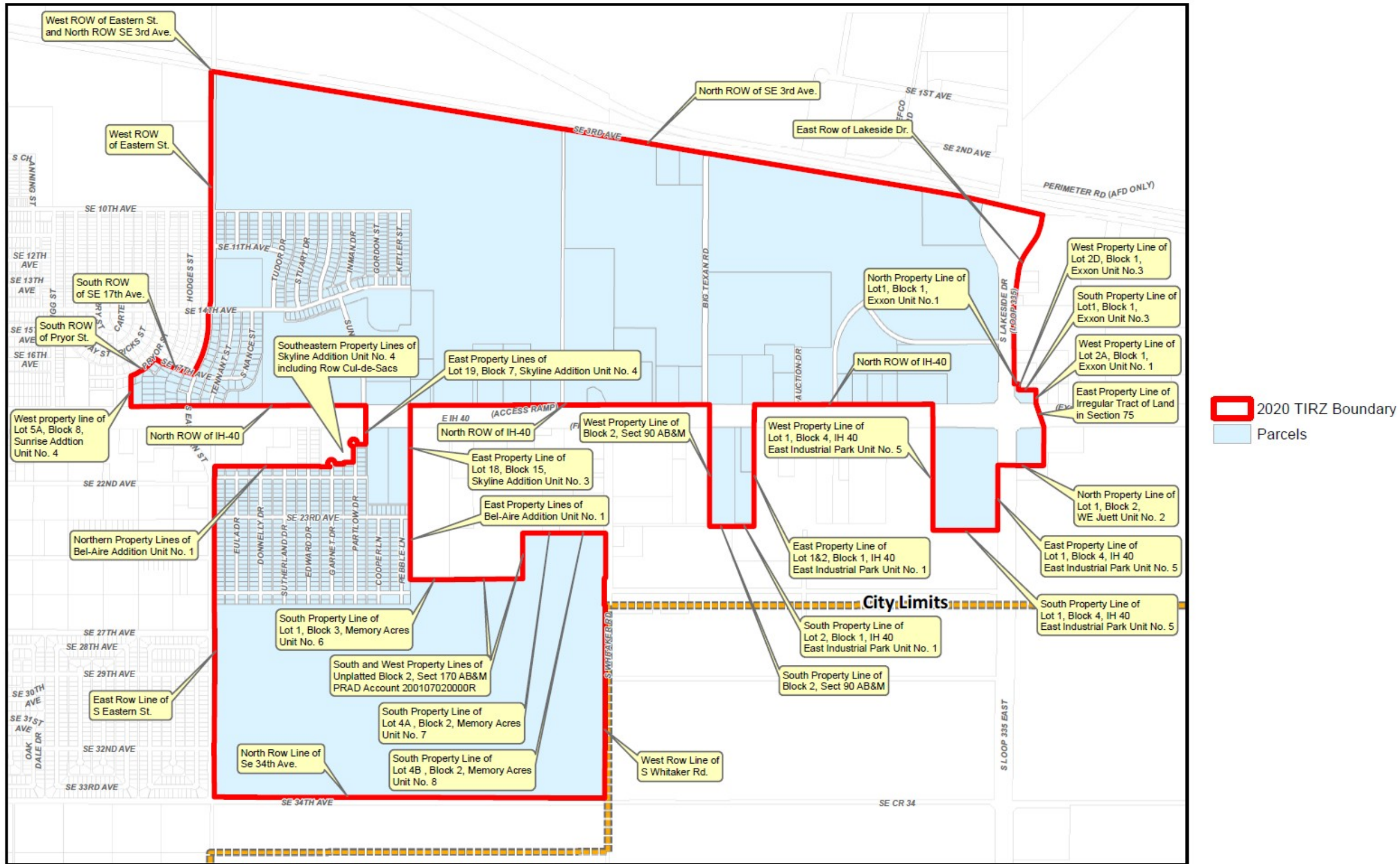
- Participation in 380 economic development agreements
- TxDOT I40/Loop 335 intersection construction
- City lift station and force main replacement and upgrade
- City water main extensions
- City participation in arterial and collector street construction
- City participation in street drainage construction
- Construction of an indoor athletic facility
- Aesthetic enhancements and landscaping of the primary gateway
- TIRZ related project costs per Section 311 of the Texas Tax Code

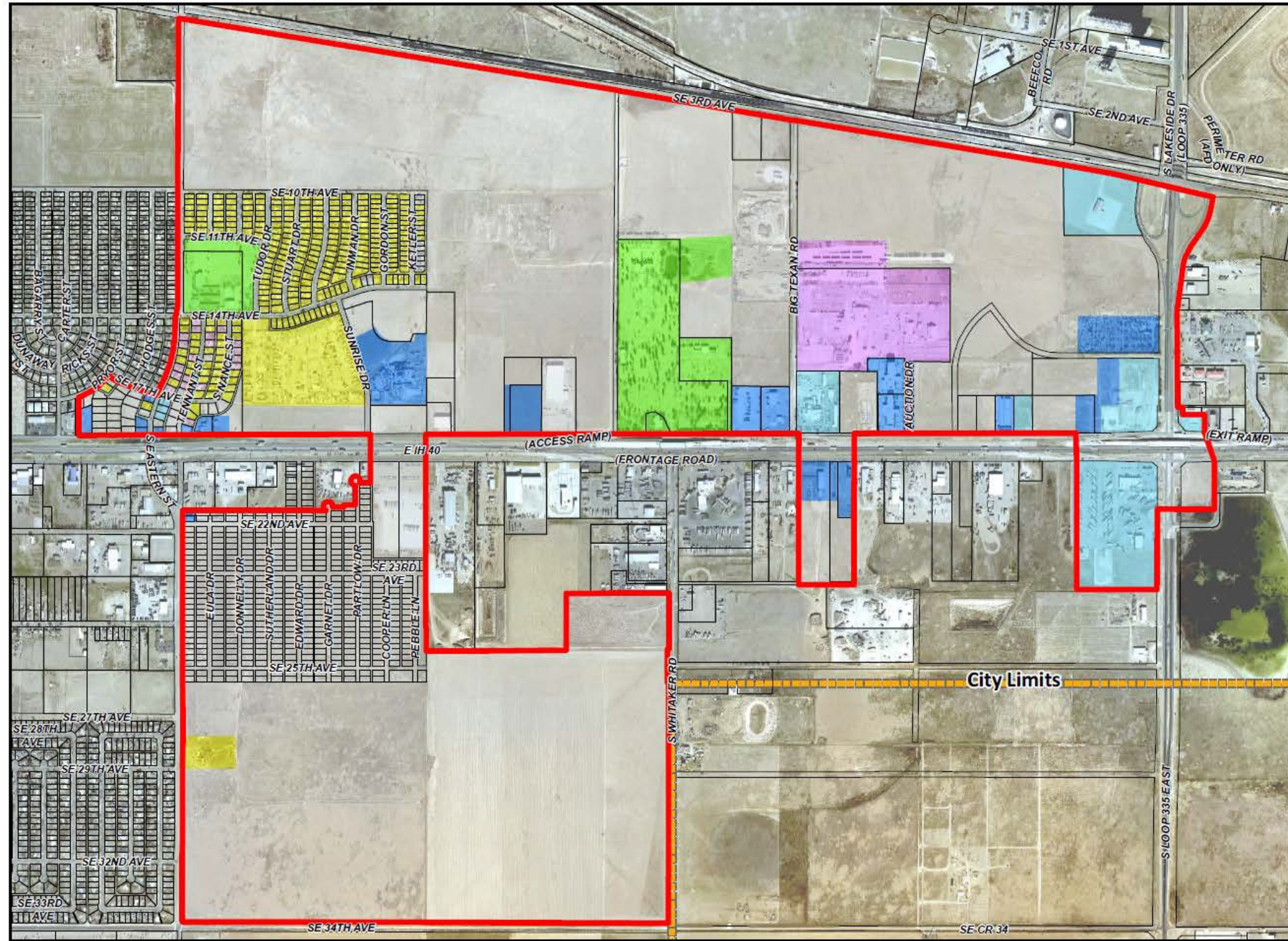
Total estimated costs of the above public initiatives to be financed by the proposed TIRZ:

- Projected TIRZ Revenue Available for Infrastructure Reimbursement - \$10 Million
- Projected TIRZ Revenue Available for Public Athletic Facility Construction Debt Service - \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements - \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures

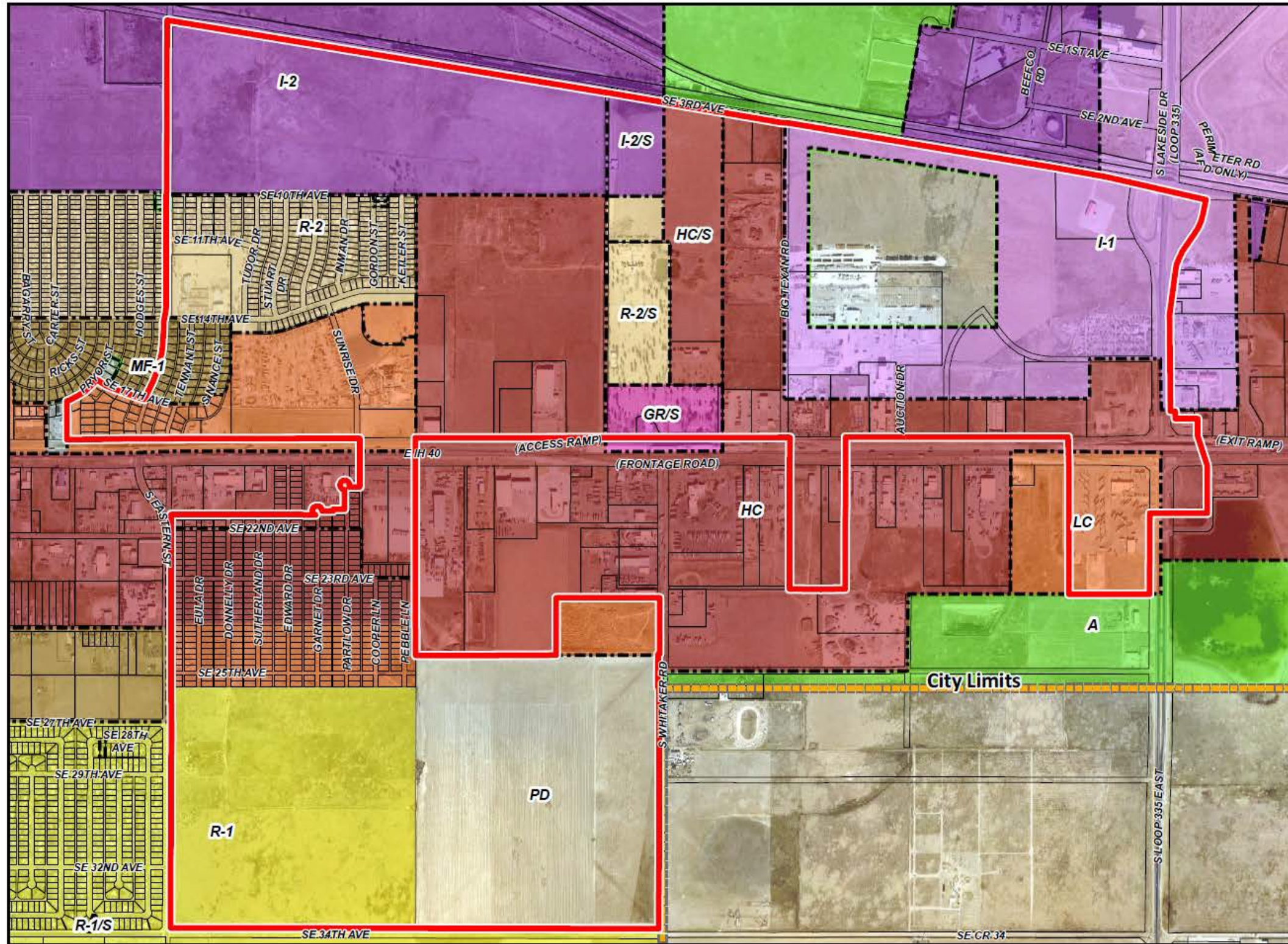


- 2016 TIRZ Boundary
- 2020 TIRZ Boundary

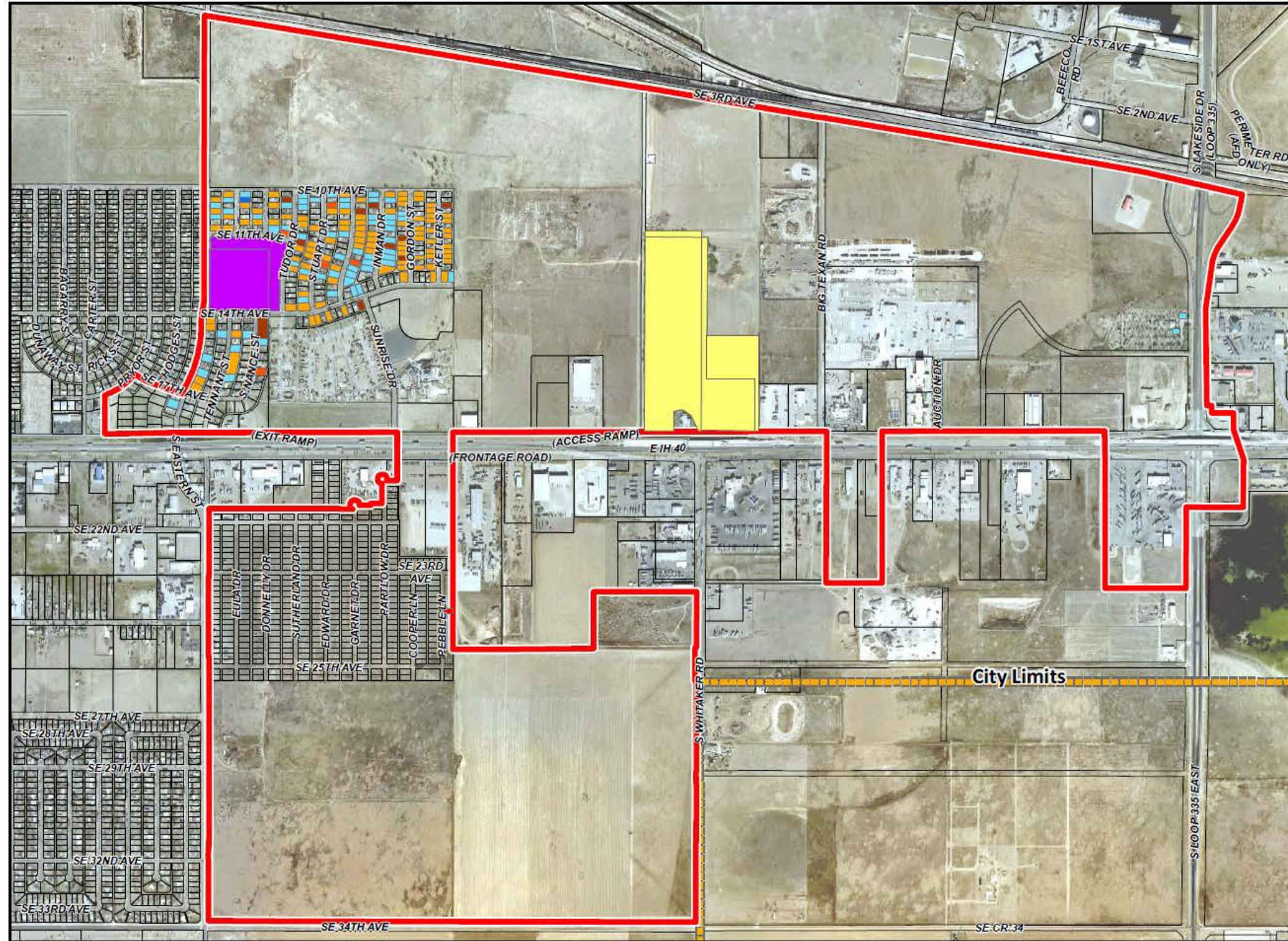




- TIRZ - East Gateway
- AGRICULTURAL / VACANT
- DUPLEX
- INDUSTRIAL
- MULTIPLE FAMILY
- NEIGHBORHOOD SERVICES / RETAIL / RESTAURANT
- OFFICE / COMMERCIAL
- PUBLIC / PARK / SCHOOL
- SINGLE FAMILY

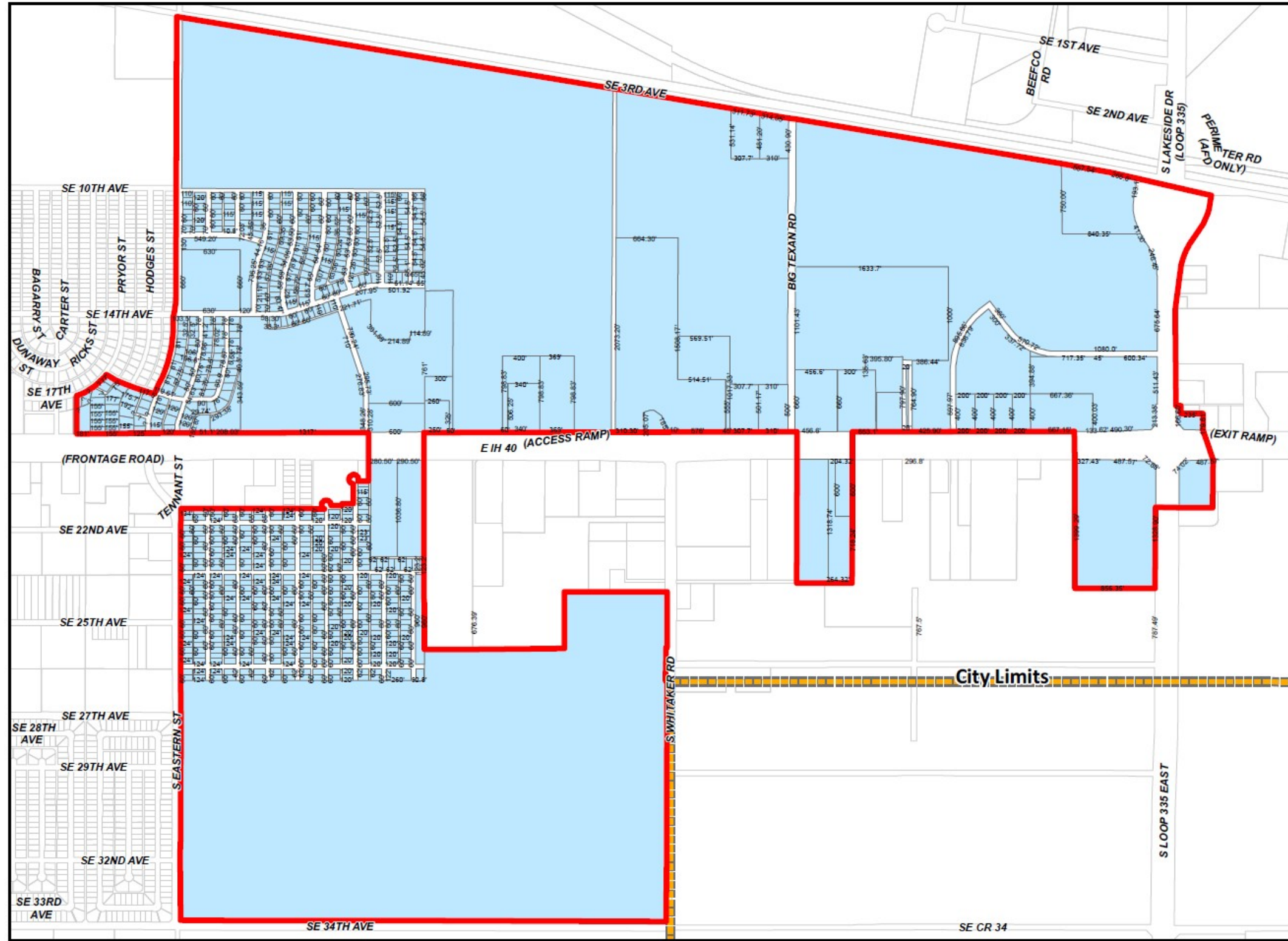


- TIRZ - East Gateway
- A Agricultural
- GR General Retail
- HC Heavy Commercial
- I-1 Light Industrial
- I-2 Heavy Industrial
- LC Light Commercial
- MF-1 Multiple Family 1
- PD Planned Development
- R-1 Residential District 1
- R-2 Residential District 2

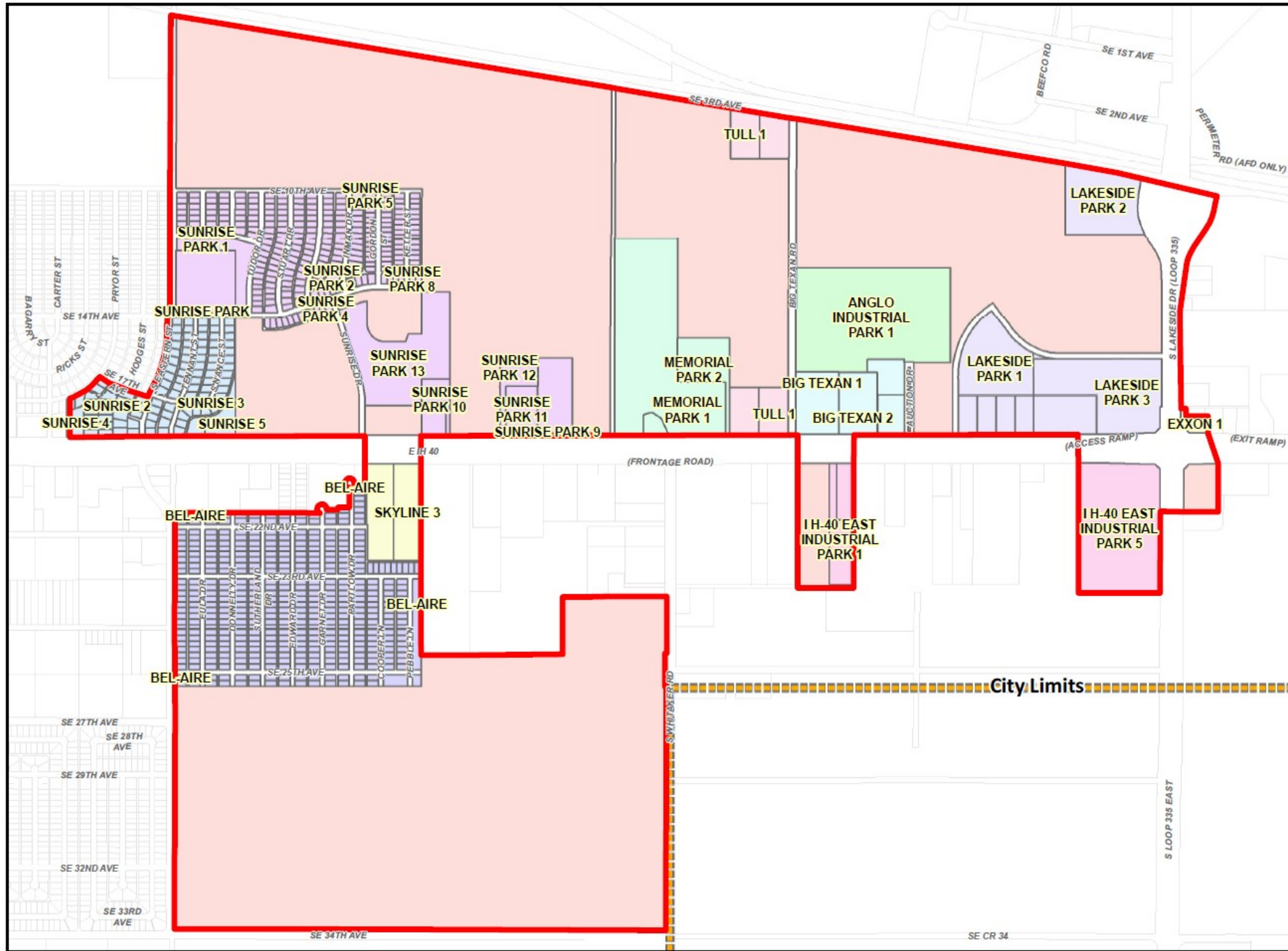


- TIRZ - East Gateway
- Disability / Veteran
- Government
- Homestead
- Homestead / Age
- Homestead / Age / Veteran
- Homestead / Disability
- Homestead / Disability / Veteran
- Institute





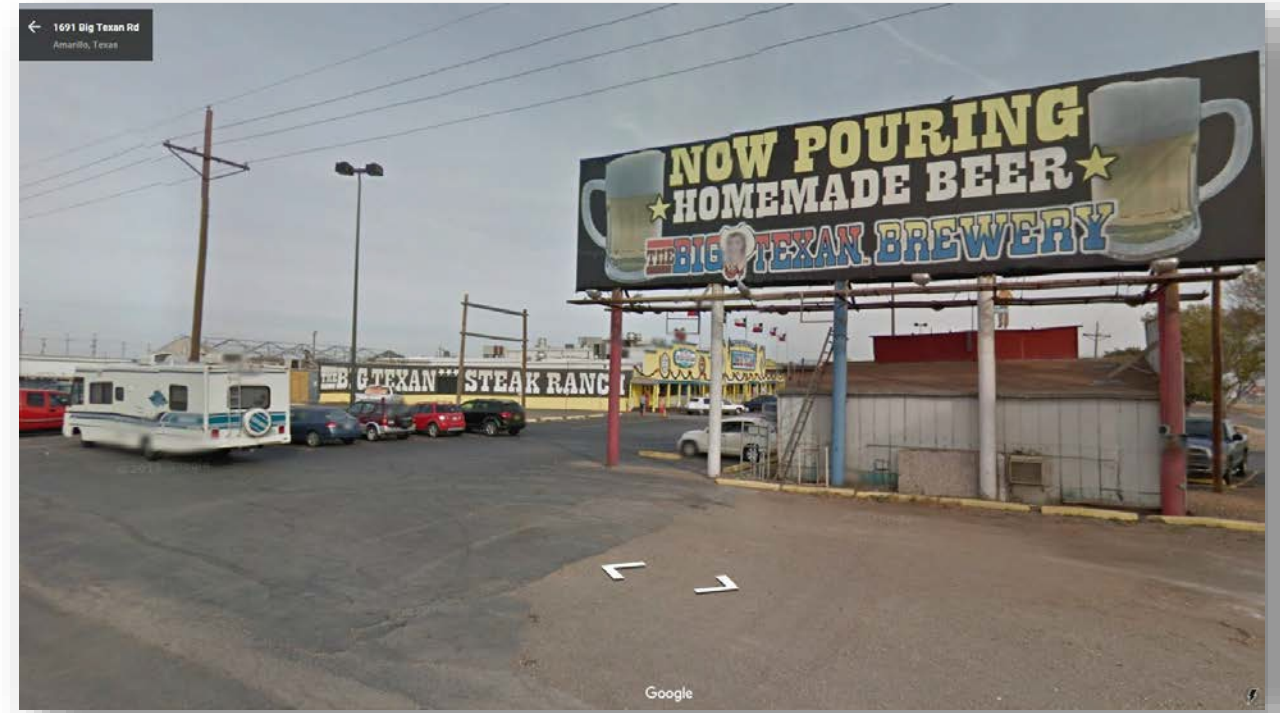
2020 TIRZ Boundary  
Parcels



- 2020 TIRZ Boundary
- UNPLATTED
- ANGLO INDUSTRIAL PARK
- BEL-AIRE
- BIG TEXAN
- EXXON
- I H-40 EAST INDUSTRIAL PARK
- LAKESIDE PARK
- MEMORIAL PARK
- SKYLINE
- SUNRISE
- SUNRISE PARK
- TULL

## Current Development Characteristics

The TIRZ area currently is a mix of vacant undeveloped land, retail and restaurant uses and limited residential development. The TIRZ area encompasses approximately 1,389 acres in total and includes approximately 300 single family homes on approximately 52 acres of land, two RV parks, approximately a dozen businesses, a private cemetery, and approximately 1,024 acres of vacant undeveloped land.



## Key Objectives and Goals of the East Gateway TIRZ

The objectives of the East Gateway Tax Increment Reinvestment Zone (TIRZ #2) are as follow:

- Establish a dedicated revenue stream used to:
  - facilitate the development of needed public infrastructure in the area
  - facilitate the development of needed public or private athletic facilities in the area

All in an effort to:

- stimulate and facilitate new private investment resulting in the redevelopment of an area suffering from underdevelopment and blighted conditions

Key Goals:

- Development of new retail and entertainment venues contributing additional property and sales tax revenue
- Relocation and expansion of the Big Texan Steakhouse resulting in increased customer attraction contributing additional property and sales tax revenue
- Redevelopment of the existing Big Texan Steakhouse resulting in the retention of customers and continuing to contribute property and sales tax revenues
- RV Park contributing additional property and sales tax revenue
- Retail outlets contributing additional property and sales tax revenue
- Entertainment venues contributing additional property and sales tax revenue
- Auto and truck service outlets contributing additional property and sales tax revenue
- Full-service hotel contributing additional property and HOT tax revenue
- Limited-service hotels contributing additional property and HOT tax revenue
- Development of new public or private recreation and athletic facilities
- Development of new residential units to help spur new retail development
- Development of new commercial/industrial businesses in the area



## Partnerships and Development Strategies

The eastern portion of the city of Amarillo, in the vicinity of I40 and Loop 335 has significant potential for development and economic growth but for the limitations and constraints associated with public infrastructure and facilities. Proximity to I40 and its tens of thousands of vehicle trips each day, the presence of the Big Texan Steakhouse and the intersection of Amarillo's Loop are all positive attributes. The potential for a large mixed use development area catering to the traveling public and serving as a recreation, entertainment, and hospitality destination is significant if these limitations and constraints can be overcome.

To achieve the success of this area a number of partnerships need to be forged along with a series of strategic actions taken:

- Partnerships between the private property owners/developers/businesses and the City of Amarillo is critical for the success of this area. Partnerships include timely extensions of public infrastructure by the City, land dedications by the property owners for the development of infrastructure and an athletic facility, and significant private development.
- Partnership between the local taxing entities is critical for the success of this area. The willingness of the City of Amarillo, Potter County, Amarillo College and the Panhandle Groundwater District to consent that the incremental increase in property tax revenues be placed within the TIRZ fund and reinvested within the TIRZ in the manner noted in the adopted Project and Financing Plan is critical for the success of this area. Through this mutual investment all taxing entities (including those not directly participating in the TIRZ) will benefit from new growth and development of this area through increased investments, increased property tax revenue, increased sales tax revenue, increased employment, etc.

The strategic actions necessary to realize the objectives of the East Gateway TIRZ are straightforward yet critical.

- Once the TIRZ is established the City will begin to immediately address deficient infrastructure in the area by extending streets and utilities as necessary in coordination with planned private development. Concurrent with these public investments private parties in the area will initiate new development – first with the construction and operation of new limited service hotels, the relocation and redevelopment of the existing RV park, and the relocation and development of the Big Texan Steakhouse. As incremental tax revenue is generated it will be used to reimburse the City for the costs associated with the extension of necessary streets and utilities.
- The next strategic actions include the donation of land by private parties to the City to enable the construction of a public athletic facility which will be built and operated by the City and used to meet local recreation demands and host tournaments. In addition to meeting local recreation need this facility is anticipated to generate additional economic opportunities for the properties in close proximity and throughout the area through attracting visitors participating and attending athletic tournaments. The activities in the athletic facility are expected to generate additional retail, restaurant, entertainment, and hotel demand which in turn will generate additional property tax revenue, sales tax revenue, hotel occupancy tax revenue and employment. This action is dependent on there being enough annual incremental tax revenue generated to sustain debt service on any debts issued by the City to finance the construction of the athletic facility. An alternative to the public facility would be identifying and encouraging private sector investment to build and operate the new facility.
- The final strategic actions include continued extension (and reimbursement) of needed streets and infrastructure, private hotel, retail, entertainment, residential, and commercial/industrial development. Specific notable projected private development associated with this action includes a full service hotel, a large truck service facility, and various retail and entertainment outlets closely associated with the relocated Big Texan Steakhouse. Further public improvements that may be undertaken with this action if funds exist may include aesthetic enhancements at the primary entrance to this gateway including landscaping, decorative signage, etc.

It is anticipated that the majority of infrastructure investment and private development will occur within the first ten years of the TIRZ, with the proposed athletic facility occurring within the first five years of the TIRZ and the aesthetic improvements occurring in the latter years of the TIRZ.

## Historic Tax Values

### City of Amarillo Taxable Value Analysis

Year	2010	2011	2012	2013	2014	2015	2016
Total	\$ 10,055,707,732	\$ 10,257,946,329	\$ 10,456,402,589	\$ 10,760,454,171	\$ 11,100,054,718	\$ 11,542,059,264	\$ 12,065,465,099
Increment		\$ 202,238,597	\$ 198,456,260	\$ 304,051,582	\$ 339,600,547	\$ 442,004,546	\$ 523,405,835
% Change		2.01%	1.93%	2.91%	3.16%	3.98%	4.53%

### TIRZ Original Area Taxable Value Analysis

Year	2010	2011	2012	2013	2014	2015	2016
Total	\$ 38,651,958	\$ 39,475,611	\$ 40,525,858	\$ 40,812,525	\$ 41,256,940	\$ 41,441,870	\$ 39,981,487
Increment		\$ 823,653	\$ 1,050,247	\$ 286,667	\$ 444,415	\$ 184,930	\$ (1,460,383)
% Change		2.13%	2.66%	0.71%	1.09%	0.45%	-3.52%

### TIRZ New Expanded Area Taxable Value Analysis

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total	\$1,238,898	\$1,236,829	\$1,318,019	\$1,226,621	\$1,207,262	\$1,204,699	\$1,449,568	\$1,300,389	\$1,303,101	\$1,448,992	\$1,449,568
Increment		\$(2,069)	\$81,190	\$(91,398)	\$(19,359)	\$(2,563)	\$244,869	\$(149,179)	\$2,712	\$145,891	\$576
% Change		-0.17%	6.56%	-6.93%	-1.58%	-0.21%	20.33%	-10.29%	0.21%	11.20%	0.04%

### Comparative Taxable Values

	2010-2015 % Growth	2015-2016 % Growth
City of Amarillo	14.78%	4.53%
TIRZ Original Area	7.22%	-3.52
TIRZ New Expanded Area	#DIV/0!	1.03

This information helps illustrate how the TIRZ area taxable value and increases in that value compare to the same for the City of Amarillo as a whole. This information helps yield an understanding in the growth trends for both the City and the TIRZ area and helps to serve as a baseline for future comparisons to determine the effectiveness of the TIRZ and associated public investments.

## Tax Increment Projections

The Project and Financing Plan details investments projected to occur over the thirty year term of the TIRZ. These investments and related public improvements would not occur without strategic public/private partnerships facilitated by the TIRZ and the related implementation steps. The TIRZ will be a key part of attracting new restaurants, retail outlets, entertainment venues, hotels, and other uses. These investments result in \$34.6 Million of tax increment financing revenue (\$17.7 Million NPV).

### TIRZ Participation

Four taxing entities have agreed to participate in the East Gateway TIRZ contributing 100% of the new incremental ad valorem revenue for the full term of the TIRZ.

- City of Amarillo
- Potter County
- Amarillo College
- Panhandle Groundwater District

All participating jurisdictions will continue to receive business personal property tax revenues

No sales taxes will be contributed to the TIRZ

No school districts will participate in the TIRZ

For the purposes of preparing a financial model it was assumed that development will occur in phases with revenues increasing year over year. It is anticipated that the majority of development will be complete and fully contributing to the TIRZ revenue by Year 5 when a projected \$100 Million in new construction value is projected to be complete.

A financial model was built with the assumption that 2016 represents the Base Year, the TIRZ remains in effect for 30 years, that all participating entities participate at a level of 100% of the available increment and that \$100 Million of new construction value was added during the TIRZ period – see details regarding the assumption on the next page. Using these assumptions a financial model was built which projects total TIRZ revenue of approximately \$34.6 Million (NPV of \$17.7 Million) with annual revenues ranging from approximately \$8000 in Year 1 to \$1.6 Million by Year 30. It is anticipated the annual revenues will be dedicated to reimburse the City for expenditures on the construction of infrastructure up until the point where the annual cash flow generates revenue sufficient to support annual debt service associated with the costs to construct the public athletic facility (estimated at \$15 Million requiring an annual debt service of approximately \$1 Million). Annual revenues above that necessary to support the annual debt service will be used to continue to reimburse the City for infrastructure expenditures and for aesthetic and landscaping improvements at the primary entrance to the gateway – see details regarding the financial model on the following pages.

- Projected TIRZ Revenue Available for Infrastructure Reimbursement - \$10 Million
- Projected TIRZ Revenue Available for Athletic Facility Construction Debt Service - \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements - \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures

**Assumptions**

TIF Created: FY 2016/2017  
 TIF Expanded: FY 2020/2021  
 TIF Original Base: 39,981,487  
 Taxable Base Year: 2016 and 2020  
 TIF New Base: 41,431,055  
 Taxing Entities: All Except School  
 TIF Expiration: 12/31/2046

**Real Property Tax (when originally created)**

		Participation	
City of Amarillo	0.35072	100%	0.35072
Potter County	0.66402	100%	0.66402
Panhandle Groundwater District	0.00790	100%	0.00790
Amarillo College	0.20750	100%	0.20750
Amarillo ISD	1.18000	0%	0.00000
	2.41014		1.23014

Source Name	Description	SF	New Construction Value	New Taxable Value (assumption of 75% of construction values)
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**TIRZ Area**

Revenue #1	Hotels and RV Park		69,500,000	52,125,000
Revenue #2	Retail		28,500,000	21,375,000
Revenue #3	Restaurants		2,000,000	1,500,000
Revenue #4	Other (i.e. Commercial, Industrial, Residential)		30,000,000	22,500,000
Total			130,000,000	97,500,000

Source Name	Description	SF	Base Taxable Value
Revenue A	1.5% Base Growth in TIRZ Core Area		41,431,055

**Development Assumptions and Summary**

A financial model was created in order to determine potential revenue streams for purposes of capturing tax increment.

Base value assumptions includes a 2020 taxable value of \$1,431,055.

The 30-year term assumes accruing tax increment through five years from the following:

Real Property Increment (100%) All tax jurisdictions except the school district		
New Development- Hotels and RV Park development in the TIRZ	New Investment:	\$69.5 million
New Development - Retail	New Investment:	\$28.5 million
New Development - Restaurants	New Investment:	\$2.0 million
New Development - Other (i.e. Commercial, Industrial, Residential)		
	New Investment:	\$30.0 million
Annual growth on base property values		\$41.4 million





## Project Plan and Estimated Costs

To attract the projects and investments outlined in the previous section of this Plan it will be necessary to carry out the following public improvements and initiatives:

- Participation in 380 economic development agreements
- TxDOT I40/Loop 335 intersection construction
- City lift station and force main replacement and upgrade
- City water main extensions
- City participation in arterial and collector street construction
- City participation in street drainage construction
- Construction of an indoor athletic facility
- Aesthetic Enhancements and Landscaping of the primary gateway
- TIRZ related project costs per Section 311 of the Texas Tax Code (see below)

Total estimated costs of the above public initiatives to be financed by the proposed TIRZ:

- Projected TIRZ Revenue Available for Infrastructure Reimbursement - \$10 Million
- Projected TIRZ Revenue Available for Athletic Facility Construction Debt Service - \$22.4 Million (assumes \$15 Million debt for 20 years at 3% interest rate)
- Projected TIRZ Revenue Available for Aesthetic and Landscaping Improvements - \$2.2 Million
- Any TIRZ Revenues generated in excess of that projected would be used to continue to reimburse the City for Infrastructure expenditures



Section 311.002 Definitions related to TIRZ related project costs

Sec. 311.002. DEFINITIONS. In this chapter:

(1) "Project costs" means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county designating a reinvestment zone that are listed in the project plan as costs of public works, public improvements, programs, or other projects benefiting the zone, plus other costs incidental to those expenditures and obligations. "Project costs" include:

(A) capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; the actual costs of the remediation of conditions that contaminate public or private land or buildings; the actual costs of the preservation of the facade of a public or private building; the actual costs of the demolition of public or private buildings; and the actual costs of the acquisition of land and equipment and the clearing and grading of land;

(B) financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity;

(C) real property assembly costs;

(D) professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services;

(E) imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan;

(F) relocation costs;

(G) organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone;

(H) interest before and during construction and for one year after completion of construction, whether or not capitalized;

(I) the cost of operating the reinvestment zone and project facilities;

(J) the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan;

(K) the costs of school buildings, other educational buildings, other educational facilities, or other buildings owned by or on behalf of a school district, community college district, or other political subdivision of this state; and

(L) payments made at the discretion of the governing body of the municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.

(2) "Project plan" means the project plan for the development or redevelopment of a reinvestment zone approved under this chapter, including all amendments of the plan approved as provided by this chapter.

(3) "Reinvestment zone financing plan" means the financing plan for a reinvestment zone described by this chapter.

(4) "Taxing unit" has the meaning assigned by Section 1.04.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987.

Amended by: Acts 2005, 79th Leg., Ch. 1094 (H.B. 2120), Sec. 35, eff. September 1, 2005. Acts 2011, 82nd Leg., R.S., Ch. 1032 (H.B. 2853), Sec. 1, eff. June 17, 2011.

Sec. 311.010. POWERS AND DUTIES OF BOARD OF DIRECTORS. (a) The board of directors of a reinvestment zone shall make recommendations to the governing body of the municipality or county that created the zone concerning the administration of this chapter in the zone. The governing body of the municipality by ordinance or resolution or the county by order or resolution may authorize the board to exercise any of the municipality's or county's powers with respect to the administration, management, or operation of the zone or the implementation of the project plan for the zone, except that the governing body may not authorize the board to:

- (1) issue bonds;
- (2) impose taxes or fees;
- (3) exercise the power of eminent domain; or
- (4) give final approval to the project plan.

(b) The board of directors of a reinvestment zone and the governing body of the municipality or county that creates a reinvestment zone may each enter into agreements as the board or the governing body considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes. An agreement may provide for the regulation or restriction of the use of land by imposing conditions, restrictions, or covenants that run with the land. An agreement may during the term of the agreement dedicate, pledge, or otherwise provide for the use of revenue in the tax increment fund to pay any project costs that benefit the reinvestment zone, including project costs relating to the cost of buildings, schools, or other educational facilities owned by or on behalf of a school district, community college district, or other political subdivision of this state, railroad or transit facilities, affordable housing, the remediation of conditions that contaminate public or private land or buildings, the preservation of the facade of a private or public building, the demolition of public or private buildings, or the construction of a road, sidewalk, or other public infrastructure in or out of the zone, including the cost of acquiring the real property necessary for the construction of the road, sidewalk, or other public infrastructure. An agreement may dedicate revenue from the tax increment fund to pay the costs of providing affordable housing or areas of public assembly in or out of the zone.

(c) Subject to the approval of the governing body of the municipality that created the zone, the board of a zone designated by the governing body of a municipality under Section 311.005(a)(4) may exercise the power granted by Chapter 211, Local Government Code, to the governing body of the municipality that created the zone to restrict the use or uses of property in the zone. The board may provide that a restriction adopted by the board continues in effect after the termination of the zone. In that event, after termination of the zone the restriction is treated as if it had been adopted by the governing body of the municipality.

(d) The board of directors of a reinvestment zone may exercise any power granted to a municipality or county by Section 311.008, except that:

- (1) the municipality or county that created the reinvestment zone by ordinance, resolution, or order may restrict any power granted to the board by this chapter; and
- (2) the board may exercise a power granted to a municipality or county under Section 311.008(b)(2) only with the consent of the governing body of the municipality or county.

(e) After the governing body of a municipality by ordinance or the governing body of a county by order creates a reinvestment zone under this chapter, the board of directors of the zone may exercise any power granted to a board under this chapter.

(f) The board of directors of a reinvestment zone and the governing body of the municipality or county that created the zone may enter into a contract with a local government corporation or a political subdivision to manage the reinvestment zone or implement the project plan and reinvestment zone financing plan for the term of the agreement. In this subsection, "local government corporation" means a local government corporation created by the municipality or county under Chapter 431, Transportation Code.

(g) Chapter 252, Local Government Code, does not apply to a dedication, pledge, or other use of revenue in the tax increment fund for a reinvestment zone under Subsection (b).

(h) Subject to the approval of the governing body of the municipality or county that designated the zone, the board of directors of a reinvestment zone, as necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes, may establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the zone, eliminating unemployment and underemployment in the zone, and developing or expanding transportation, business, and commercial activity in the zone, including programs to make grants and loans from the tax increment fund of the zone in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the zone for activities that benefit the zone and stimulate business and commercial activity in the zone. For purposes of this subsection, on approval of the municipality or county, the board of directors of the zone has all the powers of a municipality under Chapter 380, Local Government Code. The approval required by this subsection may be granted in an ordinance, in the case of a zone designated by a municipality, or in an order, in the case of a zone designated by a county, approving a project plan or reinvestment zone financing plan or approving an amendment to a project plan or reinvestment zone financing plan.

(i) The board of directors of a reinvestment zone or a local government corporation administering a reinvestment zone may contract with the municipality that created the zone to allocate from the tax increment fund for the zone an amount equal to the tax increment produced by the municipality and paid into the tax increment fund for the zone to pay the incremental costs of providing municipal services incurred as a result of the creation of the zone or the development or redevelopment of the land in the zone, regardless of whether the costs of those services are identified in the project plan or reinvestment zone financing plan for the zone.

Terms & Conditions of East Gateway TIRZ #2

*Consideration of Additional Projects:*

Additional projects will require approval from the City of Amarillo, Potter County, Amarillo College Board of Regents, and the Panhandle Groundwater District.

*Length of TIRZ in Years:*

The TIRZ has a 30 year term and is thus scheduled to end on November 8, 2046

*Powers and Duties of Board of Directors:*

The Board shall have the powers granted to it by Chapter 311 of the Texas Tax Code, including powers of a municipality under Chapter 380, Local Government Code. The Board shall not be authorized to:

- Issue Bonds;
- Impose taxes or fees;
- Exercise the power of eminent domain; or
- Give final approval to the Zone's Project and Financing Plan

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