



Tax Increment Reinvestment Zone #1 Regular Meeting Agenda
June 11, 2025 at 3:00 PM
City Hall, 701 Main Street, Kerrville, Texas



CALL TO ORDER:

1. **INVOCATION:**

2. **VISITORS/CITIZENS FORUM:** *Any citizen with business not scheduled on the agenda may speak to the Economic Improvement Corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit their presentation to three minutes.*

3. **APPROVAL OF MINUTES:**

- 3.A Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 12, 2025. (K Franchina, Deputy City Secretary)
- 3.B Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 26, 2025. (K Franchina, Deputy City Secretary)

4. **MONTHLY REPORTS:**

- 4.A Financial Report as of 05-31-2025. (J Bogusch, Finance Compliance Coordinator)

5. **CONSIDERATION AND POSSIBLE ACTION:**

- 5.A Requesting funding consideration of \$50,000 for a Facade Improvement Grant for businesses within TIRZ #1. (K Hagemeier, Economic Development Manager)

6. **INFORMATION AND DISCUSSION:**

- 6.A Overview of TIRZ Board procedures. (J Behrens, Director of Finance)

7. **EXECUTIVE SESSION:** *The Tax Increment Reinvestment Zone #1 members may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if items meet the qualifications in Chapter 551 of the Texas Government Code.*

8. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**

9. **ITEMS FOR FUTURE AGENDAS:** *Council may suggest items or topics for future agendas.*

ADJOURN.

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the bulletin board at City Hall, City of Kerrville, Texas, and the City's website June 06, 2025 at 2:00pm, and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Shelley McElhannon, TRMC, City Secretary, City of Kerrville, Texas



**TO BE CONSIDERED BY THE TAX INCREMENT REINVESTMENT
ZONE #1
CITY OF KERRVILLE, TEXAS**

CAPTION: Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 12, 2025. (K Franchina, Deputy City Secretary)

AGENDA DATE: June 11, 2025

DATE SUBMITTED: 03/24/2025

SUBMITTED BY:

EXHIBITS:

1. TIRZ Minutes 3122025

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 12, 2025.

RECOMMENDED ACTION:

Approve minutes as presented.

**TAX INCREMENT REINVESTMENT ZONE #1 MINUTES
REGULAR MEETING**

**KERRVILLE, TEXAS
MARCH 12, 2025 3:00 PM**

On March 12, 2025 at 3:00 PM, Chair Judy Eychner called the Kerrville Tax Increment Reinvestment Zone #1 meeting to order in City Hall Council Chambers, 701 Main Street. Chair Judy Eychner provided the invocation.

TIRZ MEMBERS PRESENT:

Judy Eychner, Chair
Katherine Howard
Crystal Smith
Bruce Stracke

TIRZ MEMBERS ABSENT:

Fred Gamble
Andrew Gay, entered at 3:06 pm

CITY EXECUTIVE STAFF:

Julie Behrens, Director of Finance
Kesha Franchina, Deputy City Secretary
Kelly Hagemeyer, Executive Office Coordinator
Drew Paxton, Director of Planning
Trina Rodriguez, Assistant Director of Finance

VISITORS PRESENT: Delayne Sigerman, Councilmember

CALL TO ORDER: Chair Judy Eychner called the meeting to order at 3:01 pm.

1. **INVOCATION:** Chair Eychner led the invocation.

2. **VISITORS/CITIZENS FORUM:** There were no citizen speakers.

3. **APPROVAL OF MINUTES:**

3.A Minutes from the Tax Increment Reinvestment Zone #1 (TIRZ) meeting held on December 11, 2024. (K Franchina, Deputy City Secretary)

Bruce Stracke motioned to approve the minutes as presented, seconded by Katherine Howard. The motion passed 4-0.

4. **MONTHLY REPORTS:**

4.A Financial Report as of 03-02-2025. (J. Behrens, Director of Finance)

Julie Behrens presented the financial update and responded to questions.

4.B Review Draft the Downtown Plan for the Kerrville 2050 Plan Update. (D Paxton, Director of Planning and Development)

Drew Paxton presented the K2050 Downtown Plan draft and responded to questions. Andrew Gay entered the meeting at 3:06 pm.

5. **CONSIDERATION AND POSSIBLE ACTION:**

5.A Application approval for a CDBG Block Grant funding sidewalk improvements. (D Paxton, Director of Planning and Development)

Drew Paxton presented the CDBG application. He, and Julie Behrens, responded to questions.

Bruce Stracke motioned to approve the application, seconded by Andrew Gay. The motion passed 5-0.

6. **EXECUTIVE SESSION:** None.

7. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.** None.

8. **ITEMS FOR FUTURE AGENDAS:**

Speakers were as follows:

- Councilmember Delayne Sigerman

Drew Paxton responded to questions regarding downtown parking.

ADJOURN.

Chair Eychner adjourned the meeting at 3:42 pm.

APPROVED BY TIRZ: _____

APPROVED:

Judy Eychner, Chair

ATTEST:

Kesha Franchina, Deputy City Secretary



**TO BE CONSIDERED BY THE TAX INCREMENT REINVESTMENT
ZONE #1
CITY OF KERRVILLE, TEXAS**

CAPTION: Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 26, 2025. (K Franchina, Deputy City Secretary)

AGENDA DATE: June 11, 2025

DATE SUBMITTED: 03/24/2025

SUBMITTED BY:

EXHIBITS:

1. TIRZ #1 Draft Minutes

Expenditure:

Account Number:

**Payment to/Vendor
name:**

Amount Budgeted:

Account Balance:

Kerrville 2050 Item?

No

Key Priority Area:

SUMMARY:

Minutes from the Tax Increment Reinvestment Zone (TIRZ) #1 meeting held on March 26, 2025.

RECOMMENDED ACTION:

Approve minutes as presented.

**TAX INCREMENT REINVESTMENT ZONE #1
MEETING MINUTES**

**KERRVILLE, TEXAS
MARCH 26, 2025 1:00 PM**

On March 26, 2025 at 1:03 p.m., Bruce Stracke called the Kerrville Tax Increment Reinvestment Zone #1 meeting to order in City Hall Council Chambers, 701 Main Street. Fred Gamble provided the invocation.

TIRZ MEMBERS PRESENT:

Fred Gamble
Andrew Gay
Katherine Howard
Bruce Stracke

TIRZ MEMBERS ABSENT:

Judy Eychner, Chair
Crystal Smith

DAC MEMBERS PRESENT:

Howard Taylor, MSAB Chair
Dr. William Rector, MSAB Vice-Chair

CITY EXECUTIVE STAFF:

Michael Hornes, Assistant City Manager
Drew Paxton, Director of Planning & Development
Jacob Bogusch, Finance Compliance Coordinator
Keshia Franchina, Deputy City Secretary
Kelly Hagemeyer, Executive Office Coordinator
Steve Melander, Senior Planner

VISITORS PRESENT: Delayne Sigerman, Councilmember

Bruce Stracke called the meeting to order at 1:03 pm.
Fred Gamble led the invocation.

1.A Downtown Advisory Committee Presentation and Discussion.

Drew Paxton introduced Caitlin Admire with Freese and Nichols. Caitlin Admire presented the Downtown Advisory Committee presentation. She, Drew Paxton, and Michael Hornes responded to questions.

Bruce Stracke allowed public comment.
Speakers were as follows:

- Jeremy Walther

Fred Gamble motioned to adjourn the meeting, seconded by Katherine Howard. The motion passed 4-0.

ADJOURN. Bruce Stracke adjourned the meeting at 2:06 pm.

APPROVED BY TIRZ: _____

APPROVED:

Bruce Stracke

ATTEST:

Kesha Franchina, Deputy City Secretary



**TO BE CONSIDERED BY THE TAX INCREMENT REINVESTMENT
ZONE #1
CITY OF KERRVILLE, TEXAS**

CAPTION: Financial Report as of 05-31-2025. (J Bogusch, Finance Compliance Coordinator)

AGENDA DATE: June 11, 2025

DATE SUBMITTED: 06/03/2025

SUBMITTED BY:

EXHIBITS:

1. TIRZ #1 Financial Report as of 05-31-2025

Expenditure:
Account Number:
Payment to/Vendor
name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?

Key Priority Area:

SUMMARY:

Financial Report as of 05-31-2025

RECOMMENDED ACTION:

NA

TAX INCREMENT REINVESTMENT ZONE #1 (DOWNTOWN TIRZ)



FINANCIAL REPORT AS OF 05-31-2025



FY2025 YEAR-TO-DATE REVENUES & EXPENDITURES

FY2025 Beginning Fund Balance:	\$641,190
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Revenue

FY2025 Collections Through 05/31/2025:	810,500
Base Year Actual Collections:	542,237
Increment Collected as of 05/31/2025:	<u>268,263</u>

Outstanding Amount:	79,152
Outstanding Amount from ½ pays:	37,850
Outstanding Delinquent:	41,302

FY2025 Interest Revenue to date:	<u>18,468</u>
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FY2025 Total Revenue Collected as of 05/31/2025	<u>286,731</u>
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Expenditures

YTD Expenses as of 05/31/2025:	25
Encumbered / Committed Funding	100,000
FY2025 Total Expenses as of 05/31/2025	<u>100,025</u>

FY2025 Updated Fund Balance as of 05/31/2025:	\$827,896
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TIRZ #1 FY2025 FUND AT A GLANCE

	FY2025 Original Budget	FY2025 Activity Through 05/31/2025	FY2025 Year End Estimate
Beginning Fund Balance	\$ 641,190	\$ 641,190	\$ 641,190
Revenues			
Property Tax	339,470	268,263	339,470
Total Tax Revenue	339,470	268,263	339,470
Interest Revenue	25,574	18,468	25,574
Total Interest and Miscellaneous	25,574	18,468	25,574
Total Revenues	365,044	286,731	365,044
Expenditures			
Office Supplies	-	25	25
Total Supplies	-	25	25
Project Contribution	-	100,000	100,000
Total Transfer Out	-	100,000	100,000
Total Expenditures	-	100,025	100,025
Net Revenue (Expenditures)	365,044	186,706	265,019
Ending Fund Balance	\$ 1,006,233	\$ 827,896	\$ 906,209

NEXT MEETING 08/13/2025 @ 3:00PM – COUNCIL CHAMBERS

- Financial Update Report as of 07/31/2025
- Presentation of TIRZ#1 FY2026 Proposed Budget

Questions?



**TO BE CONSIDERED BY THE TAX INCREMENT REINVESTMENT
ZONE #1
CITY OF KERRVILLE, TEXAS**

CAPTION: Requesting funding consideration of \$50,000 for a Facade Improvement Grant for businesses within TIRZ #1. (K Hagemeyer, Economic Development Manager)

AGENDA DATE: June 11, 2025

DATE SUBMITTED: 06/03/2025

SUBMITTED BY:

EXHIBITS:

None

Expenditure: \$50,000
Account Number:
Payment to/Vendor name:

Amount Budgeted:
Account Balance:

Kerrville 2050 Item?
Yes

Key Priority Area:
E – Economic Development

SUMMARY:

OVERVIEW: Requesting a maximum of \$50,000 for a matching reimbursement grant up to \$5,000 to assist business or commercial property owners in revitalizing building exteriors.

2050 PLAN: E2: Develop policies, processes and programs, including economic incentives, which are clear and consistently applied by a team of City and partner economic development entities working with stakeholders and focused on attracting, retaining and expanding businesses.

SUMMARY: Requesting \$50,000 matching reimbursement grant from TIRZ to be distributed to businesses within the TIRZ District for exterior improvements to facade, signage, landscaping, and parking lots. Consideration for annual funding to keep the revitalization efforts at \$50,000 each fiscal year.

RECOMMENDED ACTION:

Approval to officially present a resolution requesting \$50,000 for a Facade Improvement Grant.



**TO BE CONSIDERED BY THE TAX INCREMENT REINVESTMENT
ZONE #1
CITY OF KERRVILLE, TEXAS**

CAPTION: Overview of TIRZ Board procedures. (J Behrens, Director of Finance)

AGENDA DATE: June 11, 2025

DATE SUBMITTED: 06/06/2025

SUBMITTED BY:

EXHIBITS:

1. TIRZ #1 June Meeting Info - Procedure Update

Expenditure:

Amount Budgeted:

Account Number:

Account Balance:

**Payment to/Vendor
name:**

Kerrville 2050 Item?

Key Priority Area:

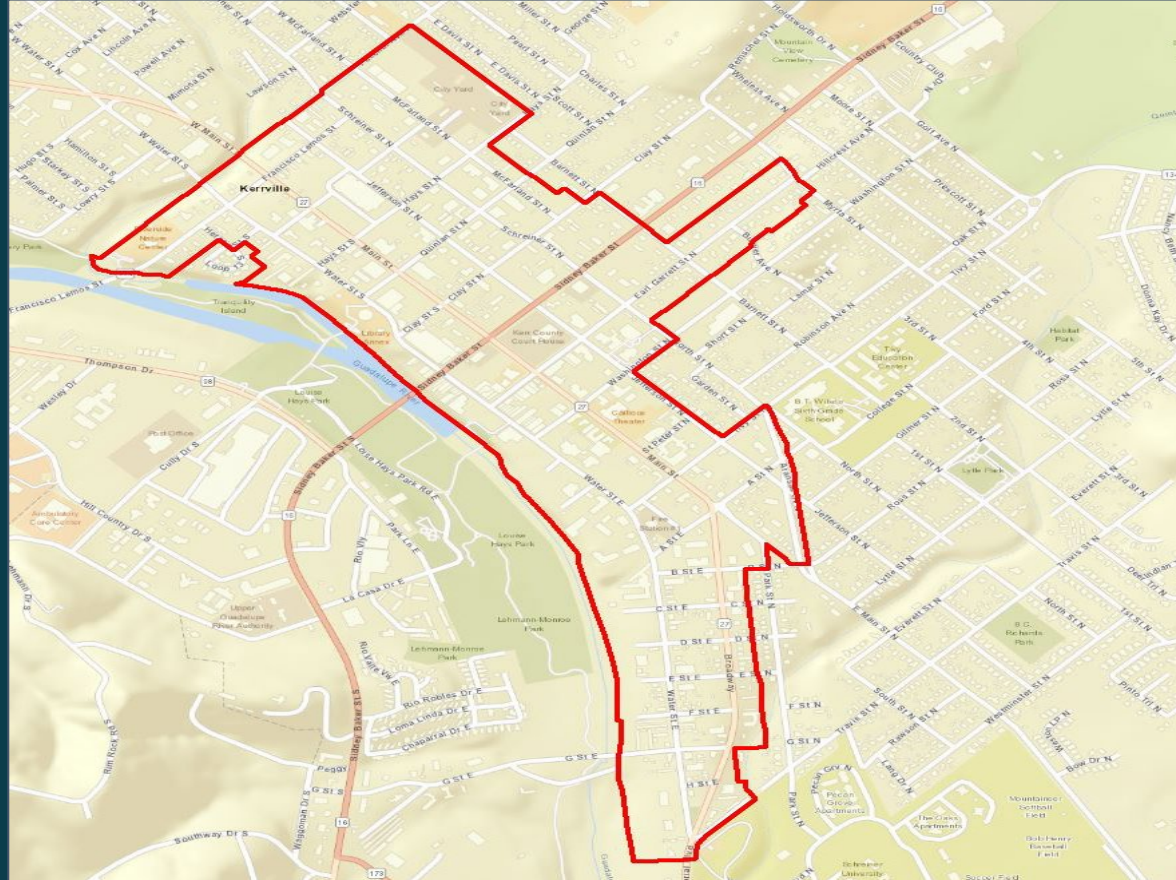
SUMMARY:

Review of TIRZ information and board procedures.

RECOMMENDED ACTION:

NA

TAX INCREMENT REINVESTMENT ZONE #1 (TIRZ #1)



TIRZ #1 Financing Plan Overview

Goals:

- Fund construction of needed public infrastructure
 - Streets
 - Water & sewer
 - Parks & open spaces
 - Economic Development grants
- Encourage private development that will yield additional tax
- Promote creation of commercial development: retail, office, hotels, residential

TIRZ #1 Financing Plan Overview

Project Costs:

• Improvements to be financed with TIRZ increment		
• Water Facilities & Improvements	\$1.8M	10%
• Sanitary Sewer Facilities & Improvements	\$1.8M	10%
• Storm Water Facilities & Improvements	\$1.8M	10%
• Transit / Parking Improvements	\$1.8M	10%
• Street & Intersection Improvements	\$2.6M	15%
• Open Space, Park & Recreation Facilities Improvements	\$3.1M	18%
• Economic Development Grants	\$4.2M	25%
• Administrative Costs needed to support projects	\$300K	2%

- Costs were estimates upon set up of TIRZ in 2018
- Costs may be revised
- Savings in one line may be applied to other lines
- In order for projects to be changed, TIRZ requires modification

TIRZ #1 Board Procedures (adopted December 2024)

- City of Kerrville has established Procedural Rules for all Boards & Commissions
- Proposed Procedures:
- Created using COK Procedural Rules as a guide
- Outline meeting dates
- Outline charge of the board
- Takeaways from prior TIRZ Board meetings
- To aid in ensuring solid guidelines for funding requests are in place
- Can be modified, so long as no conflict with other COK procedural rules, policies, charter, or law

TIRZ #1 Procedures

The TIRZ #1 Board shall:

General

- Act in accordance with procedural rules and conduct established for all Boards & Commissions
- Comply with rules established by the TIRZ creation documents, to include City Ordinance #2018-19 and the subsequent City Ordinance #2020-04, amending the board structure of the TIRZ #1
- Comply with all rules outlined within Chapter 311 of the Texas Local Government Code relating to TIRZ
- TIRZ Board will be scheduled to meet the second Wednesday of the following months at 3pm at City Hall:
 - December (if needed for board business)
 - March (presentation of the annual financial report for prior year)
 - June (if needed for board business)
 - August (mandatory for budget consideration)

Financial

- Adopt an annual budget to be approved by City Council
- Review cash flow forecast, provided by City staff and make recommendations for items such as:
 - Reserve funds (proposed \$100,000)
- Review and approve annual financial report
- Consider projects that align with TIRZ creation documents, Chapter 311 of TLGC, the Kerrville 2050 Comprehensive Plan, Downtown Master Plan (TBD), and that support the TIRZ area as a whole
- Make funding recommendations to City Council for TIRZ funded projects

TIRZ #1 Procedures

Project Consideration Process

- Projects to be considered by the TIRZ Board
 - Must be located within the TIRZ geographical area
 - Must meet requirements of both Chapter 311 and the TIRZ #1 Project Plan
 - Must be on the Board agenda to be considered for action
 - Must include project cost and timeline
 - Amount must not exceed current fund balance approved for use by the Board
 - Amount must not require pledge of future revenues
- Projects should be brought to the board by City staff based on:
 - Staff recommendations based on project alignment with TIRZ project plans / master plan
 - Recommendations from members of the TIRZ Board
 - Recommendations from City Council
 - Requests from citizens, business owners, developers, etc.
- Projects for consideration should be presented by staff and, where necessary, in conjunction with requestor

Application Process

- Eligible persons / entities should contact Assistant City Manager in charge of Economic Development to discuss potential projects
- Projects eligible for potential TIRZ funding will require application to be submitted to appropriate staff, as directed by Assistant City Manager
- Eligible projects will be presented to TIRZ Board by staff for direction to proceed with actions necessary to:
 - Seek more information
 - Approve funding
- Any project approved by TIRZ must also be approved by City Council

QUESTIONS?