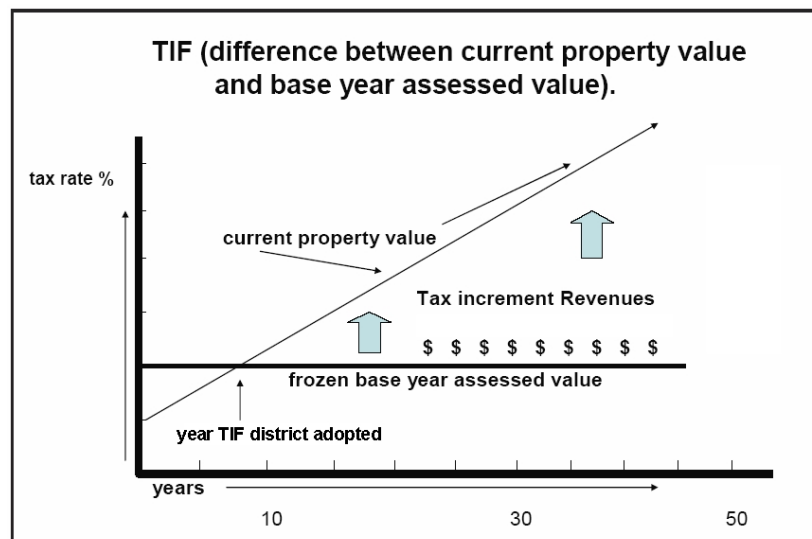


Tax Increment Reinvestment Zone (TIRZ)

Frequently Asked Questions

- What is TIRZ?
 - A Tax Increment Reinvestment Zone is an economic development tool that uses the tax generated by new valuations to help finance the cost of improvements needed to promote development or redevelopment in specific geographic areas (TIRZ Zone) of a community.
- Who authorizes a TIRZ?
 - The Texas Legislature authorizes creation of a TIRZ by a City in Section 311 of the Texas Tax Code.
- Who approves the zone?
 - The City Council approves the area of the City that may be included in the TIRZ for commercial development and re-development. The approval process includes public notices and public meetings.
- Does Texarkana have a TIRZ?
 - Texarkana has two zones. Zone 1 is in the northwest portion of the City and Zone 2 is in the downtown area.
- When did Texarkana approve a TIRZ?
 - The Texarkana TIRZ areas were designated and approved by the City Council in 2009.
- How does a TIRZ work?
 - The TIRZ uses the increased property tax valuations from new development to fund specific projects within the TIRZ.



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- What are the criteria for the creation of a TIRZ?

Chapter 311 of Tax Code Requires:

- **311.005 (1) Substantially arrest or impair the sound growth of the municipality due to the presence of:**
 - (A) Substantial number of substandard, slum, deteriorated, or deteriorating structures;
 - (B) Predominance of defective or inadequate sidewalk or street layout;
 - (C) Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
 - (D) Unsanitary or unsafe conditions;
 - (E) Deterioration of site or other improvements;
 - (F) Tax or special assessment delinquency exceeding fair value of the land
 - (G) Defective or unusual conditions of title; **or**
 - (H) Conditions that endanger life or property by fire or other cause.
 - **311.005 (2) Be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality**
- Who benefits from a TIRZ?
 - The City benefits from the TIRZ from the development of additional public infrastructure.
 - How long does a TIRZ last?
 - Texarkana's zones expire in 2035.
 - What kind of projects can a TIRZ finance?

Public improvements scheduled for the Zones include, but are not limited to, the construction of:

- sidewalks, cross walks and pedestrian crossing systems
- storm sewers and drainage ponds,
- sanitary sewers,
- landscaping, streetscape, fountains, works of art, and benches,
- plazas, squares, pedestrian malls, trails, and other public spaces,

- parking lots and roadways,
 - utility line relocation and installation,
 - water system improvements
 - parks, and outdoor performance spaces,
 - bicycle routes and facilities,
 - public transportation projects,
 - signage, and
 - other related necessary or convenient public improvements (collectively, the “Project Costs”).
- Are there examples of successful TIRZ in Texas?
- Many Texas cities have used TIRZ for projects including Arlington for a stadium.
- How does a project obtain approval?
- A potential project is presented by developer, property owner, or Public Works to staff for consideration; staff makes determination of public benefit and analysis of return on City’s investment.
 - TIRZ board votes on recommendation for inclusion of project to Project List.
 - Council acts on inclusion of project to Project List.
 - Council acts on funding from TIRZ based on staff recommendation and funding availability.
 - If approved, staff monitors projects until completed.
 - City can fund projects or can reimburse developer for approved project costs.