



## COUNCIL AGENDA ITEM MEMORANDUM

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**DEPT./DIVISION SUBMISSION & REVIEW:**

Traci Barnard, Director of Finance

Melissa Przybylski, Assistant Director of Finance

**ITEM DESCRIPTION:** FIRST READING – PUBLIC HEARING: Consider adopting an ordinance authorizing an amendment and adopting the Tax Increment Financing Reinvestment Zone No. 1 Financing and Project Plans to align with Master Plans which includes adjustments to operating expenditures and public improvements for years FY 2025 – FY 2029.

**BACKGROUND:** On February 19, 2025, the RZ#1 Finance and Project Committees scheduled a joint meeting to review projects and financing plans. All projects were reviewed for updated cost estimates, project scope, and project readiness/delivery. The financing plan was reviewed to identify available funding sources and aligning funding with project plans. The available funding sources identified were from reallocation of funding from existing projects due to project savings or project completion and from reprioritization of projects. This proposed amendment includes adjustments to the Financing and Project plans for FY 2025 to FY 2029.

Below are a few highlights of the proposed amendment:

**Bell County Annex:** On December 19, 2024, The City Council adopted a resolution approving the “Third Amendment to the 2012 Agreement between the City of Temple and Bell County Regarding the Expansion, and the Extension of the Life, of City of Temple Tax Increment Financing Reinvestment Zone Number One,” extending for one year the City’s deadline to transfer property to the County for the location of, and for the County to commence construction on, the new County Annex in Temple. This proposed financing plan amendment aligns funding for the amended agreement by appropriating the \$2,000,000 that was to be paid to Bell County in FY 2025 to other project funding needs in FY 2025. The amendment also allocates \$2,000,000 in FY 2028 from Public Improvements for the extended final payment.

**Rail to Site 64:** The current Financing Plan includes funding for this project in FY 2025. Based on current projected need for the rail, this financing plan amendment reprioritizes \$3,528,200 for other projects in FY 2025 and allocates the same funding in FY 2029 for the rail project.

The table below summarizes the net change for the source of funds identified:

Description	2025	2026	2027	2028	2029
Bell County Annex	\$ 2,000,000				
Rail (N-S) Site 64 Tract {East Penn}	3,528,200				
South Temple Water Lines ROW					
Line A	550,000	1,270,000			
Line A-1		400,000			
Line A-2			500,000		
Line A-3			400,000		
Line B		2,100,000			
East/West Gateway	236,874				
Synergy Park Wastewater Line	200,000				
Tower Road Transmission Main	100,000				
Professional Services	100,000				
Central Avenue Corridor Clearing	250,000				
Roadway Maintenance	100,000				
Public Improvements	43,684			2,400,000	3,528,200
Fund Balance	658,959				
<b>Total funding to be reallocated</b>	<b>\$ 7,767,717</b>	<b>\$ 3,770,000</b>	<b>\$ 900,000</b>	<b>\$ 2,400,000</b>	<b>\$ 3,528,200</b>

As noted above, all projects were reviewed for updated cost estimates, project scope, and project readiness/delivery. The table below summarizes the allocation and/or adjustments to project funding:

Description	2025	2026	2027	2028	2029
Outer Loop[Wendland to IH35] Change Order - additional funding needed	241,717				
Outer Loop [Wendland to IH35] Contingency	200,000				
Santa Fe Community Market [ Additional Funding]	450,000				
Downtown City Center 4th Street Extension [CO]	400,000				
Downtown City Center 4th Street to Ave A [Bid]	1,100,000				
Land Acquisition - Old Howard Road Project	585,000				
Land Acquisition - Wilson Park	700,000				
South Temple Water Lines ROW					
Line A-2	600,000				
Line A-3	600,000				
Line A-4	400,000				
Line B-1	100,000				
Line B-2		700,000			
Line B-3		1,300,000			
Old Howard Road to FM 1237 [Design]	1,758,000				
Crossroads Park Expansion Master Plan	91,000				
Wilson Park Master Plan	142,000				
Blackland Land Swap & Roadway Connection - 30% Design	200,000				
Blackland Road [Hwy 95 to I14] - 30% Design	200,000				
Bell County Annex				2,000,000	
Rail (N-S) Site 64 Tract [East Penn]					3,528,200
Public Improvements		1,770,000	900,000		
Fund Balance				400,000	
<b>Total funding needs</b>	<b>\$ 7,767,717</b>	<b>\$ 3,770,000</b>	<b>\$ 900,000</b>	<b>\$ 2,400,000</b>	<b>\$ 3,528,200</b>

**Public Improvements:** Adjustments to funding allocated for public improvements were determined based on the remaining funds available after amounts were allocated for operating expenditures, debt service, projects and maintaining an amount of fund balance of \$2,000,000 for FY 2025 through FY 2029.

The following is a summary of funding for the 2030 Master Plan projects:

Project Description	2025	2026	2027	2028	2029	2030	TOTAL
Temple Industrial Park	\$ 19,005,187	\$ -	\$ -	\$ 2,500,000	\$ 3,528,200	\$ -	\$ 25,033,387
Corporate Campus Park	28,200	-	-	-	-	-	28,200
Crossroads Park	699,100	-	-	-	-	-	699,100
Outer Loop	28,793,816	1,559,321	-	-	-	-	30,353,137
Synergy Park	12,376,690	13,702,422	13,102,422	12,435,000	6,956,000	-	58,572,534
Downtown	16,271,440	2,200,000	5,335,000	9,200,000	200,000	200,000	33,406,440
TMED	21,185,121	10,000,000	-	-	-	-	31,185,121
Airport Park	606,327	100,000	100,000	100,000	-	-	906,327
Gateway	745,090	-	-	-	-	-	745,090
Public Improvements/Land	9,640,000	1,961,396	5,095,913	643,587	13,171,249	25,093,703	55,605,848
MASTER PLAN PROJECT FUNDING	\$ 109,350,971	\$ 29,523,139	\$ 23,633,335	\$ 24,878,587	\$ 23,855,449	\$ 25,293,703	\$ 236,535,184

See the attached “TRZ Master Plan Project Funding (2025-2030)” schedule for more detail on the projects.

**ALIGNMENT WITH ADOPTED PLANS:**

Plan	Comments
Strategic Plan	This item supports the City of Temple’s Strategic Plan goals of “A City that supports well managed growth and development to promote a thriving economy” and “Beautiful spaces and unique experiences”, as well as the Strategic Plan commitments of “Encourage high quality, stable jobs and strengthen the sales and property tax base through business retention, expansion, and attraction efforts” and “Cultivate and promote Downtown Temple as a unique destination where commerce, culture, and recreation intersect.”

**STAFF RECOMMENDATION:** Conduct a public hearing and adopt ordinance as presented in item description on first reading March 6, 2025, and schedule second reading and final adoption for March 20, 2025.

**BOARDS & COMMISSIONS RECOMMENDATION:** On February 26, 2025, the Reinvestment Zone No. 1 Board met and reviewed this item and recommended approval.

**FISCAL IMPACT:** Below is a table summarizing the Source and Use of funds included in the Financing and Project Plans.

Description	2025	2026	2027	2028	2029	2030	Future Years
Available FB <sup>(1)</sup> @ October 1	\$ 70,583,841	\$ 1,987,039	\$ 2,289,271	\$ 2,396,426	\$ 2,006,278	\$ 2,715,449	\$ 2,391,081
Total Source of Funds	62,599,901	51,030,342	47,040,244	47,758,468	48,668,951	49,340,709	1,982,506,899
Total Debt & Operating Exp.	21,845,732	21,204,971	23,299,753	23,270,029	24,104,332	24,371,374	457,965,771
Total Planned Project Exp.	109,350,971	29,523,139	23,633,335	24,878,587	23,855,449	25,293,703	1,526,932,209
Available FB <sup>(1)</sup> @ September 30	\$ 1,987,039	\$ 2,289,271	\$ 2,396,426	\$ 2,006,278	\$ 2,715,449	\$ 2,391,081	\$ -

**ATTACHMENTS:**

Ordinance  
Financing Plan  
Summary Financing Plan with Detailed Project Plan  
TRZ Master Plan Project Funding (2025-2030)