



DRIPPING SPRINGS
Texas

TIRZ NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, May 09, 2022 at 4:00 PM

Agenda

CALL TO ORDER AND ROLL CALL

Board Members

Dave Edwards, Chair
Taline Manassian, Vice Chair
James Alexander
Missy Atwood
Russell Collins
Susan Kimball
Walt Smith
Bob Richardson (Advisory Board Member)

Staff, Consultants & Appointed/Elected Officials

City Administrator Michelle Fischer
City Attorney Laura Mueller
City Treasurer Shawn Cox
City Secretary Andrea Cunningham
TIRZ Project Manager Keenan Smith

PRESENTATION OF CITIZENS

A member of the public who desires to address the Board regarding any item on an agenda for an open meeting may do so at presentation of citizens before an item or at a public hearing for an item during the Board's consideration of that item. Citizens wishing to discuss matters not contained with in the current agenda may do so, but only during the time allotted for presentation of citizens. Speakers are allowed two (2) minutes to speak during presentation of citizens or during each public hearing. Speakers may not cede or pool time. Members of the public requiring assistance of a translator will be given twice the amount of time as a member of the public who does not require the assistance of a translator to address the Board. It is the request of the Board that members of the public wishing to speak on item(s) on the agenda with a noticed Public Hearing hold their comments until the item(s) are presented for consideration. Speaker are encouraged to sign in. Anyone may request a copy of the City's policy on presentation of citizens for the City Secretary. By low no action may be taken during Presentation of Citizens.

MINUTES

- 1. Discuss and consider approval of the April 11, 2022, TIRZ No.1 & No. 2 Board regular meeting minutes.**

BUSINESS

- 2. Discuss and consider approval of the TIRZ No. 1 & No. 2 Board Fiscal Year 2023 budget recommendation.**
- 3. Update and discussion regarding TIRZ Priority Projects Review Subcommittee projects and parcels.**
- 4. Update and discussion regarding the TIRZ Old Fitzhugh Road Project.**

EXECUTIVE SESSION

The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs has the right to adjourn into executive session at any time during the course of this meeting to discuss any matter as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development). The TIRZ No. 1 & No. 2 Board for the City of Drippings Springs may act upon any item listed in Executive Session in Open Session or move any item from Executive Session to Open Session for action.

UPCOMING MEETINGS

TIRZ No. 1 & No. 2 Board Meetings

June 13, 2022, at 4:00 p.m.

July 11, 2022, at 4:00 p.m.

August 8, 2022, at 4:00 p.m.

City Council Meetings

May 10, 2022, at 5:00 p.m.

May 17, 2022, at 6:00 p.m.

June 7, 2022, at 6:00 p.m.

June 21, 2021, at 6:00 p.m.

ADJOURN

TEXAS OPEN MEETINGS ACT PUBLIC NOTIFICATION & POSTING OF MEETING

All agenda items listed above are eligible for discussion and action unless otherwise specifically noted. This notice of meeting is posted in accordance with Chapter 551, Government Code, Vernon's Texas Codes. Annotated. In addition, the Board may consider a vote to excuse the absence of any Board Member for absence from this meeting.

*I certify that this notice of meeting was posted at the City of Dripping Springs City Hall and website, www.cityofdrippingsprings.com, on **May 6, 2022, at 1:00 p.m.***

City Secretary

This facility is wheelchair accessible. Accessible parking spaces are available. Requests for auxiliary aids and services must be made 48 hours prior to this meeting by calling (512) 858-4725.



TIRZ NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, April 11, 2022 at 4:00 PM

MINUTES

CALL TO ORDER AND ROLL CALL

With a quorum of the Board present, Chair Edwards called the meeting to order at 4:01 p.m.

Board Members present were:

Dave Edwards, Chair
 Taline Manassian, Vice Chair (via teleconference)
 James Alexander
 Missy Atwood
 Russell Collins
 Susan Kimball
 Walt Smith
 Bob Richardson (Advisory Board Member)

Staff, Consultants & Appointed/Elected Officials present were:

City Administrator Michelle Fischer
 City Attorney Laura Mueller
 City Treasurer Shawn Cox
 City Secretary Andrea Cunningham
 TIRZ Project Manager Keenan Smith
 TIRZ Administrator Jon Snyder

PRESENTATION OF CITIZENS

A member of the public who desires to address the Board regarding any item on an agenda for an open meeting may do so at presentation of citizens before an item or at a public hearing for an item during the Board's consideration of that item. Citizens wishing to discuss matters not contained within the current agenda may do so, but only during the time allotted for presentation of citizens. Speakers are allowed two (2) minutes to speak during presentation of citizens or during each public hearing. Speakers may not cede or pool time. Members of the public requiring assistance of a translator will be given twice the amount of time as a member of the public who does not require the assistance of a translator to address the Board. It is the request of the Board that members of the public wishing to speak on item(s) on the agenda with a noticed Public Hearing hold their comments until the item(s) are presented for consideration. Speakers are encouraged to sign in. Anyone may request a copy of the City's policy on presentation of citizens for the City Secretary. By law no action may be taken during Presentation of Citizens.

No one spoke during Presentation of Citizens.

MINUTES

- 1. Discuss and consider approval of the March 24, 2022, TIRZ No. 1 & No. 2 Board regular meeting minutes.**

A motion was made by Board Member Smith to approve the March 24, 2022, TIRZ No. 1 & No. 2 Board regular meeting minutes. Board Member Kimball seconded the motion which carried unanimously 6 to 0.

BUSINESS

- 2. Presentation and possible action regarding the TIRZ Q1 Cost & Reimbursement Report. TIRZ Administrator, Jon Snyder**

Jon Snyder presented the report which is on file.

A motion was made by Board Member Atwood to accept the TIRZ Q1 Cost & Reimbursement Report. Board Member Kimball seconded the motion which carried unanimously 6 to 0.

- 3. Discuss and consider possible action regarding the TIRZ No. 1 & No. 2 Board Fiscal Year 2023 budget recommendation.**

Keenan Smith presented the staff report which is on file.

No action was taken on this item.

- 4. Discuss and consider recommendation regarding a report from the TIRZ Subcommittee on potential TIRZ Projects, Priority Projects, and potential property additions.**

Laura Mueller presented the staff report which is on file.

A motion was made by Board Member Atwood to recommend the top ranked projects – Stephenson Building; Academy Building; Village Grove Civic Site; Downtown Road, Sidewalk and Drainage Master Plan; Wallace Street; and, Creek Road be presented to City Council and that the subcommittee evaluate the library as a potential project. Board Member Collins seconded the motion which carried unanimously 6 to 0.

- 5. Update regarding the TIRZ Old Fitzhugh Road Project.**

Kennan Smith presented the staff report which is on file.

No action was taken on this item.

EXECUTIVE SESSION

The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs has the right to adjourn into executive session at any time during the course of this meeting to discuss any matter as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076

(Deliberations about Security Devices), and 551.086 (Economic Development). The TIRZ No. 1 & No. 2 Board for the City of Drippings Springs may act upon any item listed in Executive Session in Open Session or move any item from Executive Session to Open Session for action.

The Board did not meet in Executive Session.

UPCOMING MEETINGS

TIRZ No. 1 & No. 2 Board Meetings

May 9, 2022, at 4:00 p.m.

June 13, 2022, at 4:00 p.m.

July 8, 2022, at 4:00 p.m.

City Council & Board of Adjustment Meetings

April 12, 2022, at 5:00 p.m. (Moratorium Waivers)

April 19, 2022, at 6:00 p.m. (CC)

April 26, 2022, at 5:00 p.m. (Moratorium Waivers)

May 3, 2022, at 6:00 p.m. (CC & BOA)

ADJOURN

A motion was made by Board Member Smith to adjourn the meeting. Commissioner Collins seconded the motion which carried unanimously 6 to 0.

This regular meeting adjourned at 5:40 p.m.



City of Dripping Springs

Post Office Box 384
511 Mercer Street
Dripping Springs, Texas 78620

Agenda Item Report from: [TIRZ Project Manager / Keenan Smith](#)

TIRZ Board Meeting Date:	May 09, 2021								
Agenda Item Wording:	TIRZ Budget Analysis- FY '23								
Agenda Item Requestor:	TIRZ Budget Committee								
Board Member Sponsor:	Taline Manassian / Vice Chair								
Summary/Background:									
<p>The "FY '23 Budget Subcommittee" met on 4/21/22 to discuss and refine the Draft FY'23 Budget recommendations.</p> <p>The overall budget approach was reviewed, along with refined analysis of projected cost allocations, and an adjusted scenario of anticipated expenditures. The projected TIRZ Cash Position was reviewed as well, as provided by the most recent TIRZ Administrator's Report (excerpts and adjusted analysis attached), with consideration to the separate but related issue of outstanding Stakeholder Reimbursements.</p> <p>TIRZ Board review and approval of the proposed FY'23 Budget is needed by the May 9, 2022 TIRZ Board meeting, in accordance with the established City Council Budget Submission timelines. See FY 2023 "Final Draft" Budget Scenario summary spreadsheets, summary, and recap (dated 5/3/22), with approach, analysis, and discussion below.</p> <p>Proposed Budget Approach: The proposed TIRZ Budget scenario illustrates the full and continued funding by the TIRZ of the Old Fitzhugh Road PSE's Project (underway) through the FY '23 work period. OFR PSE's budgeted amounts are based on analysis of provided cash flow projections. Town Center Project planning & feasibility studies in support of alternative sites are also allocated, as sites are identified by the City, and as TIRZ Team support and expertise is sought. Downtown Parking is allocated a nominal planning support budget to coordinate & integrate previous concept plans with anticipated related City projects, as they become defined. Indirect Expenses (Project Management, Administrative, Legal and Miscellaneous) have been scrutinized, with minimal budget allocations proposed.</p> <p>"FY '23 TIRZ Final Draft Budget" for TIRZ Board discussion and possible approval:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Proposed Project Expenditures:</td> <td style="text-align: right;">\$508,000 (Total Direct Costs)</td> </tr> <tr> <td>Proposed Indirect Expenditures:</td> <td style="text-align: right;">\$ 65,000 (Total Indirect Costs)</td> </tr> <tr> <td></td> <td style="text-align: right;">-----</td> </tr> <tr> <td></td> <td style="text-align: right;">\$573,000 (Grand Total)</td> </tr> </table> <p>TIRZ Budget Sources*: If approved, it appears likely that the proposed Budget Scenario may be fully funded by the current and anticipated "DS TIRZ Total Cash Position" balance, as shown in the TIRZ Administrator's Analysis (see supporting analysis from P3 Works, with adjusted analysis).</p>		Proposed Project Expenditures:	\$508,000 (Total Direct Costs)	Proposed Indirect Expenditures:	\$ 65,000 (Total Indirect Costs)		-----		\$573,000 (Grand Total)
Proposed Project Expenditures:	\$508,000 (Total Direct Costs)								
Proposed Indirect Expenditures:	\$ 65,000 (Total Indirect Costs)								

	\$573,000 (Grand Total)								

Furthermore, based on current TIRZ No. 1 and TIRZ No. 2 Revenues and Expenditures, it appears that specific “TIRZ Budget (cash) Requests” will not be required at this time, either from the City of Dripping Springs or any other source. This assertion needs to be analyzed and confirmed by the City Treasurer and TIRZ Administrator, once Final (preferred) FY '23 Budget Recommendations have been approved by the TIRZ Board.

***FY '23 Budget Analysis Notes:**

1. **FY '23 Stakeholder Reimbursements:** All reimbursements are at the Boards' discretion and depend upon the TIRZ Cash Balances and projected TIF revenues. Potential Stakeholder Reimbursements scheduled to occur in FY'23 should be considered by the Board in concert with the proposed FY '23 TIRZ Budget.
2. **Potential Hays County POSAC Funding:** The proposed budget scenario does not assume an anticipated funding award towards the OFR Project by the Hays County POSAC. Should POSAC funds be made available for OFR PSE's in FY'23, then the budgeted project costs would be potentially defrayed in proportion to the amounts made available by Hays POSAC funding, and a corresponding budget line item surplus would result.
3. **Potential FY'23 TIRZ Revenues:** The proposed FY '23 Budget analysis is based on “Total Cash Position” (Table 10) and “FY 2022 Budget and Estimated Ending Cash Balance” (Table 11) projections from the TIRZ Administrator's report (April 11, 2022). It assumes the FY '23 Budget draws only on the available projected TIRZ Ending Cash Balance at the end of FY '22 (Sep. 30, 2022). Future TIRZ Revenues, including any FY '23 TIRZ Revenues (anticipated June-July of 2023) are not considered, but potentially would be collected and be available to fund TIRZ expenditures prior to the end of the FY '23 Budget cycle (before Sep. 30, 2023).

Cost Sharing: If approved, TIRZ Budget is, however, still subject to the separate “Cost Sharing & Reimbursement Agreement” ILA which details and governs provisions for the sharing and reimbursement of TIRZ Priority Project Costs, between and amongst the Projects and various Stakeholders.

Staff and the Budget Subcommittee is recommending approval of the proposed FY'23 TIRZ Budget.

Respectfully Submitted:

Keenan E. Smith, AIA
TIRZ Project Manager

May 5, 2022 / 1125 hrs.

5/3/22 FY 2023 Draft TIRZ Budget Scenario

"Budget Subcommittee" - Final Draft

Project Scenario - Town Center > Alternative Site(s) + OFR PSE's + Parking Lot + Misc Project Support

1 Town Center Project:
"Town Center > Alternative Site(s)- TIRZ Team Support Planning & Feasibility Studies"

	approved FY 22	FY 22.amdmt	proposed FY 23
Town Center 2.0 Concept Planning & Feasibility			
Town Center Project Total:	\$ 90,000	\$ 30,000	\$ 60,000

notes

FY'22 rollover- if unspent ("split" FY'22-23 allocations)

2 Old Fitzhugh Rd Project:
"OFR PSE's Advanced Continuously per Project Scope & Schedule"

Illustrating FY'22 "Funding Ammendment" + FY '23 Cash Flow Projections

	FY 22	FY 22.amdmt	proposed FY 23
OFR Plans Specs & Estimates			
Old Fitzhugh Rd Project Total:	\$ 192,500	\$ 225,000	\$ 448,000

FY'23	FY 24
	\$38K

projected cost \$711K total*

3 Downtown Parking Project Project:
"Downtown Parking > Planning Coordination w/City Projects"

	FY 22	FY 22.amdmt	proposed FY 23
Misc. Supplemental "Parking Support" Tasks			
Downtown Parking Project Total:	\$ 10,000	\$ 10,000	\$ -

FY'22 rollover if unspent (or reallocate Town Center)

4 Triangle Project Project:
"Remains on Hold or Dropped"

	FY 22	FY 22.amdmt	proposed FY 23
Continue Task Order #3 Tech Issue Support Tasks			
Triangle Project Total:	\$ 5,000	\$ -	\$ -

zero-out

	FY 22	FY 22.amdmt	proposed FY 23
Direct Project Budget- Scenario Proposal:			
	\$ 297,500	\$ 265,000	\$ 508,000

if needed*

5/3/22 FY 2023 Draft TIRZ Budget Recap

"Budget Subcommittee" - Final Draft

Project Scenario - Town Center > Alternative Site(s) + OFR PSE's + Parking Lot + Misc Project Support

date FY 2023 Proposed TIRZ Budget Recap:

10/1/22	FY 2023 Draft TIRZ Budget Scenario	Direct Costs:	\$ 508,000	project subtot
10/1/22	TIRZ Project Manager: Amendment #6: KES	allowance	\$ 32,000	reduced fr '22
10/1/22	TIRZ Administrator: P3 Works (Administered by City of DS)	allowance	\$ 16,000	CODS verify
10/1/22	TIRZ Legal Assistance - CODS City Att'y (Administered by City of DS)	allowance	\$ 12,000	CODS verify
10/1/20	TIRZ Miscellaneous Consulting (Cost Estimating, Real Estate Svcs, Appraisals, etc. TBD)		\$ 5,000	reduced fr '22
		Indirect Costs:	\$ 65,000	subtotal
5/3/22	"Final Draft Budget Scenario" - FY'23	Direct + Indirect Costs:	\$ 573,000	grand total

5/3/22 "FY'23 Budget and Estimated TIRZ Cash Balance- Reconciliation"

Estimated Available TIRZ Cash Balance at End of FY '22: **\$ 764,574** re: analysis
 Less: Proposed FY '23 TIRZ Budget: \$ (573,000)

5/3/22 Estimated Remaining TIRZ Cash Balance at End of FY '22: \$ 191,574 available
 (before projected TIRZ FY'23 Revenue)



TIRZ Budget Subcommittee:
PM Analysis- 220503 / KES

**City of Dripping Springs
Tax Increment Reinvestment Zone
Executive Summary (Q1 2022)**

April 11, 2022



Project Participants

City of Dripping Springs
Hays County
Dripping Springs Independent School District
Dripping Springs Community Library District



Table 10: Total Cash Position

TIRZ NO. 1 CUMULATIVE REVENUES*	\$ 666,133
TIRZ NO. 2 CUMULATIVE REVENUES*	\$ 427,976
TOTAL TIRZ CUMULATIVE REVENUES*	\$ 1,094,109
LESS: CITY REIMBURSEMENT	\$ (188,073)
LESS: COUNTY REIMBURSEMENT	\$ (290,000)
LESS: DSISD REIMBURSEMENT	\$ (20,798)
LESS: LIBRARY REIMBURSEMENT	\$ (52,100)
LESS: TOTAL AMOUNT FUNDED DIRECTLY BY TIRZ	\$ (79,656)
	\$ (630,626)
TOTAL REMAINING TIRZ REVENUE	\$ 463,483

*Revenues received through FY 2021.



Table 11 - FY 2022 Budget and Estimated Ending Cash Balance

		*** Adjusted Projections: ↓ ↓ ↓
AVAILABLE CASH AS OF 3/31/2021	\$ 463,483	OK- \$463,483
LESS: FY 2022 BUDGET (a) (b)	\$ (434,000)	(b) (\$317,000)
PLUS: FY 2022 BUDGET SPENT AS OF 3/31/21	\$ 22,203	OK- \$22,203
REMAINING FY 2022 BUDGET	\$ (411,797)	(\$294,967)
ESTIMATED TOTAL CASH POSITION AT END OF FY 22 (EXCLUDING FY22 TIRZ REVENUE)	\$ 51,686	\$168,686
ESTIMATED TIRZ NO. 1 REVENUE FOR FY 2022 (EXPECTED JUNE 2022)	\$ 307,718	
ESTIMATED TIRZ NO. 2 REVENUE FOR FY 2022 (EXPECTED JUNE 2022)	\$ 365,170	
	\$ 672,888	(c) \$672,888
ESTIMATED TOTAL CASH POSITION AT END OF FY 22 (INCLUDING FY22 TIRZ REVENUE)	\$ 724,574	\$814,574 (d) (\$50,000)
		\$764,574 ↓ ↓ ↓

(a) Preliminary estimate. Assumes FY 2022 expenditures will occur prior to receiving TIRZ revenue paid ~~1/31/22~~ 6/22?

(b) TIRZ PM's Adjusted Projection of FY'22 Budgeted Expenditures > Sep. 30, 2022 (summary of separate analysis)

(c) Revenue Projection: Actuals to be verified by Hays CAD & City Treasurer

(d) Minimum Cash Balance (recommendation)

***Estimated Available Cash Balance:
(FY '23 Budget + Reimbursements)**



Table 12 - Reimbursements by Entity				
	Contribution		Reimbursed to	Amount to be
	Amount		Date	Reimbursed
Total	\$ 1,018,338	\$	550,971	\$ 467,367
City	\$ 482,631	\$	188,073	\$ 294,558
County	\$ 290,000	\$	290,000	\$ -
Library	\$ 174,450	\$	52,100	\$ 122,350
DSISD	\$ 71,257	\$	20,798	\$ 50,459

Total Remaining Reimbursements: \$467,367