



**TOWN OF TROPHY CLUB ECONOMIC DEVELOPMENT CORPORATION**

**REGULAR MEETING AGENDA**

November 20, 2025

6:00 PM

Council Chambers  
1 Trophy Wood Drive  
Trophy Club, Texas 76262

**CALL TO ORDER AND ANNOUNCE A QUORUM**

**PUBLIC COMMENT(S)**

*This is an opportunity for citizens to address the Board/Commission on any matter pursuant to Texas Government Code Sec. 551.007. The Board/Commission is not permitted to discuss or take action on any presentations made concerning matters that are not listed on the agenda. Presentations are limited to matters over which the Board/Commission has authority. Speakers have up to three (3) minutes or the time limit determined by the Presiding Officer. Each speaker must have submitted their request to speak by completing the Speaker's Form or may email [tdixon@trophyclub.org](mailto:tdixon@trophyclub.org)*

**REGULAR ITEMS**

1. Consider approval of the September 22, 2025, Joint Town Council/Economic Development Corporation meeting minutes and the October 15, 2025, Economic Development Corporation meeting minutes.
2. Discuss the Economic Development Corporation Board's roles and responsibilities.
3. Discuss and consider the appointment of an EDC Board president, vice president, secretary, treasurer, and assistant secretary.
4. Discuss the Economic Development Corporation members' role as the TIRZ Board.
5. Discuss state-compliant incentive programs for commercial projects.

**ADJOURN**

The Board/Commission may convene into executive session to discuss posted items as allowed by Texas Government Code Sections 551.071 through 551.076 and Section 551.087.

Notice is hereby given that a quorum of the Town of Trophy Club Town Council may be in attendance at this meeting. The Town Council will not deliberate or take any action.

**CERTIFICATION**

I do hereby certify that the Notice of Meeting was posted on the official bulletin board at the Town Hall for the Town of Trophy Club, Texas, in a place convenient and readily accessible to the general public at all times on the following date and time: November 10,

2025, at 2:15 p.m., and said Notice of Meeting was also posted concurrently on the Town's website in accordance with Texas Government Code Ch. 551 of the Texas Government Code.

          /s/ Tammy Dixon            
Tammy Dixon, Town Secretary

If you plan to attend this public meeting and have a disability that requires special needs, please contact the Town Secretary's Office at 682-237-2900, 48 hours in advance, and reasonable accommodations will be made to assist you.



## ECONOMIC DEVELOPMENT CORPORATION COMMUNICATION

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**MEETING DATE:** November 20, 2025

**FROM:** Tammy Dixon, Town Secretary

**AGENDA ITEM:** Consider approval of the September 22, 2025, Joint Town Council/Economic Development Corporation meeting minutes and the October 15, 2025, Economic Development Corporation meeting minutes.

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**BACKGROUND/SUMMARY:** The Town Council and Economic Development Corporation held a Joint Work Session on September 22, 2025, and the Economic Development Corporation held a Regular Meeting on October 15, 2025.

**BOARD REVIEW/CITIZEN FEEDBACK:** N/A

**FISCAL IMPACT:** N/A

**LEGAL REVIEW:** N/A

**ATTACHMENTS:**

1. 09.22.2025 Joint WS TC EDC Minutes
2. 10.15.2025 EDC Minutes

**ACTIONS/OPTIONS:**

Move to approve the September 22, 2025, Joint Town Council/Economic Development Corporation meeting minutes and the October 15, 2025, Economic Development Corporation meeting minutes.

Town of Trophy Club  
Joint Work Session Town Council and Parks & Recreation Board  
Meeting Minutes – September 22, 2025, 6:00 p.m.  
1 Trophy Wood Drive, Trophy Club, Texas 76262

**CALL WORK SESSION TO ORDER**

Mayor Tiffany called the work session to order at 6:00 p.m. and the Economic Development Corporation Board (EDC) at 6:23 p.m. after a quorum of the EDC was established.

**COUNCIL MEMBERS PRESENT**

Jeannette Tiffany, Mayor  
Rhylan Rowe, Mayor Pro Tem  
Stacey Bauer, Council Member Place 1  
Jeff Beach, Council Member Place 2  
Dennis Sheridan, Council Member Place 3  
Garry Ash, Council Member Place 5  
Steve Flynn, Council Member Place 6

**ECONOMIC DEVELOPMENT CORPORATION BOARD MEMBERS PRESENT**

James Calaway, Secretary  
Greg Fox (*arrived at 6:23 p.m.*)  
Scott Hinshaw  
Joseph Longo

**ECONOMIC DEVELOPMENT CORPORATION BOARD MEMBERS ABSENT**

Teri Addington, President  
Allan Pedersen  
Garrett Wallace

**STAFF MEMBERS PRESENT**

Brandon Wright, Town Manager  
Tammy Dixon, Town Secretary  
Dean Roggia, Town Attorney  
Tamara Smith, Assistant to the Town Manager  
Chase Ellis, Director of Parks and Recreation  
Jason Wise, Fire Chief  
Matt Cox, Director of Community Development  
April Duvall, Director of Finance  
Denise Deprato, Director of Human Resources  
Patrick Arata, Chief of Police

**WORK SESSION ITEM**

1. Presentation and discussion on the small area plan for The Grove at TC. (Tamara Smith, Assistant to the Town Manager).

Town Manager Brandon Wright presented background on the Small Area Plan for The Grove at Trophy Club, including its guiding principles—community space, connectivity, thriving businesses, and flexibility for future development. The discussion emphasized creating a vibrant mixed-use hub while maintaining adaptability for developers.

Council and EDC members generally agreed the plan should remain broad enough to guide development without restricting private sector proposals. Feedback emphasized:

- Avoiding multifamily rental housing, with any residential component limited to owner-occupied units.
- Ensuring that green space is thoughtfully integrated into commercial development rather than designated as large stand-alone amenities.
- Maintaining flexibility so the plan serves as a vision and marketing tool to attract developers, rather than a prescriptive site layout.
- Addressing long-term challenges such as parking and connectivity.

Mayor Tiffany invited public comment. The following residents spoke on potential impacts to adjacent neighborhoods, including building height, buffering, and traffic:

Richard Beaty, 18 Hillcrest Court  
Jan Beaty, 18 Hillcrest Court  
Mike Evans, 20 Hillcrest Court

Based on the discussion, staff will revise the draft Small Area Plan to clarify that any residential within mixed-use development must be owner-occupied, ensure references to green space reflect thoughtful integration into commercial opportunities, and maintain the plan as a flexible vision and marketing tool to guide future development.

## ADJOURNMENT

Mayor Tiffany adjourned the work session at 7:00 p.m.

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Jeannette Tiffany, Mayor

Attest:

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Tammy Dixon, Town Secretary

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Teri Addington, President

Attest:

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Tammy Dixon, Town Secretary

Town of Trophy Club Economic Development Corporation Meeting Minutes  
October 15, 2025, 6:00 p.m., Regular Meeting  
1 Trophy Wood Drive, Trophy Club, Texas 76262

**CALL TO ORDER**

President Addington called the meeting to order at 6:01 p.m.

**EDC BOARD MEMBERS PRESENT**

Teri Addington, President  
Allan Pedersen, Vice President  
Greg Fox  
Joseph Longo

**EDC BOARD MEMBERS ABSENT**

James Calaway, Secretary  
Scott Hinshaw  
Garrett Wallace

**STAFF PRESENT**

Brandon Wright, Town Manager  
Tamara Smith, Assistant to the Town Manager  
Tammy Dixon, Town Secretary

**PUBLIC COMMENTS**

There were none.

**REGULAR ITEMS**

1. Consider approval of the July 23, 2025, Economic Development Corporation Regular Meeting Minutes.

Director Longo moved to approve the July 23, 2025, meeting minutes as corrected.  
Director Fox seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Addison, Pedersen, Fox, Longo

**NAYES:** None

**ABSENT:** Calaway, Hinshaw, Wallace

**VOTE:** 4-0-3

**EXECUTIVE SESSION/OPEN SESSION**

Pursuant to the Open Meetings Act, Chapter 551, the Economic Development Corporation Board convened into a Closed Executive Session at 6:01 p.m. and reconvened into Regular Session at 6:18 p.m. in accordance with the Texas Government Code regarding:

- a. Section 551.087 Deliberation regarding economic development negotiations.
  - 1. Discuss Thrive Business Grant Applications. **No Action Taken.**
- 5. Consider approval of submitted grant applications for the approved amounts under the Thrive Business Grant.

Vice President Pedersen moved to approve the Thrive Business Grant application for Grace Development #1 in the amount of \$20,000 and authorize the Town Manager to negotiate, and the Economic Development President and Town manager to execute a performance agreement with the applicant and recommend approval of same to the Town Council. Director Fox seconded the motion.

**VOTE ON THE MOTION**

**AYES:** Addison, Pedersen, Fox, Longo

**NAYES:** None

**ABSENT:** Calaway, Hinshaw, Wallace

**VOTE:** 4-0-3

**ADOURN**

President Addington adjourned the meeting at 6:19 p.m.

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Teri Addington, President

**ATTEST:**

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Tammy Dixon, Town Secretary



## ECONOMIC DEVELOPMENT CORPORATION COMMUNICATION

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**MEETING DATE:** November 20, 2025

**FROM:** Tamara Smith, MSL, Assistant to the Town Manager

**AGENDA ITEM:** Discuss the Economic Development Corporation Board's roles and responsibilities.

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**BACKGROUND/SUMMARY:** The mission of the Trophy Club Economic Development Corporation (EDC) is to promote economic development within the Town and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the town by undertaking, developing, providing, and financing projects under the Economic Development Act and as defined in Section 4B of the Act.

The EDC is responsible for designing a strategy each year for the expenditure of the 1/2 cent sales and use tax receipts received by Trophy Club. These funds may be used for the purposes defined in the Development Corporation Act.

**BOARD REVIEW/CITIZEN FEEDBACK:** N/A

**FISCAL IMPACT:** N/A

**LEGAL REVIEW:** N/A

**ATTACHMENTS:**

1. Presentation

**ACTIONS/OPTIONS:**

This agenda item is being presented for discussion purposes only. No action will be taken by the Economic Development Corporation Board.



# **Economic Development Corporation Board Roles and Responsibilities**

# Purpose and Authority of the EDC



# Primary Purpose

The Trophy Club Economic Development Corporation (EDC) was created as a nonprofit public corporation to:

- Promote, assist, and enhance economic development within the Town of Trophy Club.
- Eliminate unemployment and underemployment and improve public welfare.
- Finance and undertake projects that promote commercial, industrial, and manufacturing growth.
- Carry out activities permitted under Section 4B of the Texas Development Corporation Act of 1979.

# Roles and Responsibilities



## Governance and Oversight

- The Board manages and controls all property and affairs of the Corporation.
- It operates subject to Town Council oversight and in accordance with the Articles of Incorporation, Bylaws, and state law.



# Roles and Responsibilities

## **Project Planning and Execution**

The Board develops, finances, and implements projects designed to promote economic growth.

These projects may include:

- Infrastructure improvements
- Parks, recreation, and community facilities
- Land acquisition for development
- Industrial or commercial enhancement projects

# Roles and Responsibilities

## Budget and Financial Management

The Board prepares an annual budget, submitted to the Town Council for approval at least 60 days before the fiscal year begins.

It authorizes expenditures only as approved by the Town Council.

It manages all corporate funds, ensuring they are deposited, invested, and used according to Texas Law and Town policies.



# Roles and Responsibilities

## Meeting and Reporting

The Board holds regular and special meetings to conduct EDC business.

It must report periodically to the Town Council on financial status and ongoing projects.

The secretary records meeting minutes and maintains official EDC records.



# Purpose and Authority of the EDC



# EDC Duties

## **President**

- Presides over meetings and directs overall operations.
- Executes documents and represents the EDC in official matters.

## **Vice President**

- Acts in the absence of the President and carries out delegated duties.

## **Treasurer**

- Oversees funds, investments, and accounting.
- Ensures compliance with state financial regulations and Town auditing requirements.

## **Secretary**

- Keeps all meeting minutes and records.
- Certifies corporate documents and manages legal correspondence.

# EDC Duties

## Functional Duties and Annual Planning

The EDC is also tasked with:

- Designing and executing an annual strategy for the use of sales and use tax receipts dedicated to economic development. (Budget)
- Submitting an annual economic development plan and oversight report to the Town Council by August 1<sup>st</sup> of each year. (Business Plan)
- Engaging in partnerships or agreements to enhance development opportunities, subject to Council approval.



# Questions





[social media](#) | [email](#) | [website](#)



## ECONOMIC DEVELOPMENT CORPORATION COMMUNICATION

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**MEETING DATE:** November 20, 2025

**FROM:** Tammy Dixon, Town Secretary  
Tamara Smith, MSL, Assistant to the Town Manager

**AGENDA ITEM:** Discuss and consider the appointment of an EDC Board president, vice president, secretary, treasurer, and assistant secretary.

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**BACKGROUND/SUMMARY:** According to Article III, Section 1 of the Bylaws of the Trophy Club Economic Development Corporation, "The Officers of the Corporation shall be a president, vice president, and secretary and a treasurer, and such other officers as the Board may, from time to time, elect or appoint."

Section 6, which pertains to the naming of Board members, specifies: "The president, each vice president, and the secretary shall be named from among the members of the Board. The treasurer and any assistant secretaries may, at the option of the Board, be persons other than members of the Board, but they may be employees of the Town."

The EDC meeting scheduled for November 20, 2025, marks the second meeting following the Council's appointment of the new board members. During this meeting, the board will take on the task of selecting a board member to serve as the president, vice-president, treasurer, secretary, and assistant secretary for the term spanning from October 20, 2025, to September 30, 2026.

**BOARD REVIEW/CITIZEN FEEDBACK:** N/A

**FISCAL IMPACT:** N/A

**LEGAL REVIEW:** N/A

**ATTACHMENTS:**

1. EDC Incorporation

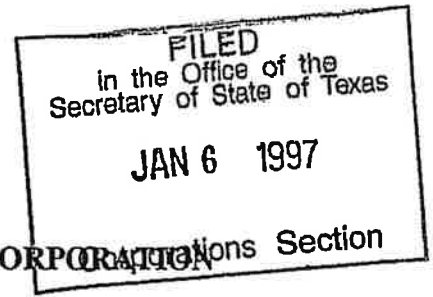
**ACTIONS/OPTIONS:**

Staff recommends that the EDC Board appoint an EDC Board president, vice president, and secretary from among the Board members. Additionally, staff recommends the Board nominate the Town Manager and/or his designee as Treasurer and nominate the Town Secretary and/or her designee as Assistant Secretary.

**ARTICLES OF INCORPORATION**

**OF**

**TROPHY CLUB ECONOMIC DEVELOPMENT CORPORATION**



**WE, THE UNDERSIGNED** natural persons, not less than three in number, each of whom is at least 18 years of age and is qualified elector of the Town of Trophy Club, Texas (the "Town"), acting as incorporators of a public instrumentality and non-profit industrial development corporation (the "Corporation") under the Development Corporation Act of 1979, Tex. Rev. Civ. Stat. Ann. art. 5190.6, as amended (the "Act"), with the approval of the Town Council (the "Town Council") of the Town, do hereby adopt the following Articles of Incorporation of the Corporation:

**ARTICLE ONE**

**NAME**

The name of the Corporation is "Trophy Club Economic Development Corporation."

**ARTICLE TWO**

**NON-PROFIT CORPORATION**

The Corporation is a non-profit industrial development corporation under the Act and is governed by Section 4B of the Act.

**ARTICLE THREE**

**DURATION**

Subject to the provisions of Article Eleven of these Articles, the period of duration of the Corporation is perpetual.

**ARTICLE FOUR**

**PURPOSE**

**A.** The purpose of the Corporation is to promote economic development within the Town and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the Town by undertaking, developing, implementing, providing, and financing projects under the Act and as defined in Section 4B of the Act.

**B.** In the fulfillment of its corporate purpose, the Corporation shall have the power to provide financing to pay the costs of the projects through the issuance or execution of bonds,

notes, and other forms of debt instruments, and to acquire, maintain, operate and lease and sell property, and interests therein, all to be done and accomplished on behalf of the Town and for its benefit and to accomplish its public and governmental purposes as its duly constituted authority and public instrumentality pursuant to the Act and under, and within the meaning of, the Internal Revenue Code of 1986, as amended, and the applicable regulations of the United States Treasury Department and the rulings of the Internal Revenue Service of the United States prescribed and promulgated thereunder.

C. In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph B of this Article, together with all of the other powers granted to corporations that are incorporated under the Act and that are governed by Section 4B thereof, and, to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of the State of Texas to nonprofit corporations under the Texas Non-Profit Corporation Act, Tex. Rev. Civ. Stat. Ann., article 1396-1.01, et seq., as amended.

D. The Corporation is a corporation having the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52-a of the Texas Constitution, but the Corporation does not have, and shall not exercise the powers of sovereignty of the Town, including the power to tax (except for the power to receive and use the sales and use and other taxes specified in Section 4B of the Act) and the police power, except that the Corporation shall have any may exercise the power of eminent domain when the exercise thereof is approved by the Town Council. However, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit and its actions are governmental functions.

E. No bonds, notes, or other debt instruments or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the contracts, agreements, bonds, notes, or other debt instruments or other obligations, or the lending of credit, or a grant of the public money or things of value, of, belonging to, or by the State of Texas, the Town, or any other political corporation, subdivision or agency of the State of Texas, or a pledge of the faith and credit of any of them. Any and all of such contracts, agreements, bonds, notes, and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds received by the Corporation from the sources authorized by Section 4B of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

## **ARTICLE FIVE**

### **MEMBERSHIP/STOCK**

The Corporation has no members and is a non-stock corporation.

## **ARTICLE SIX**

### **AMENDMENT OF ARTICLES**

These Articles of Incorporation may be amended in either one of the methods prescribed in this Article.

A. Pursuant to the powers of the Town contained in Section 17(b) of the Act, the Town Council, by resolution, may amend these Articles of Incorporation by filing amendments hereto with the Secretary of State as provided by the Act.

B. The board of directors of the Corporation may file a written application with the Town Council requesting approval of proposed amendments to these Articles of Incorporation, specifying in such application the proposed amendments. If the Town Council, by appropriate resolution, finds and determines that it is advisable that the proposed amendments be made, authorizes the same be made, and approves the form of the proposed amendments, the board of directors of the Corporation may proceed to amend these Articles of Incorporation in the manner provided by the Act.

C. The board of directors of the Corporation shall not have any power to amend these Articles of Incorporation except in accordance with the procedures established in paragraph B of this Article.

## **ARTICLE SEVEN**

### **INITIAL REGISTERED AGENT**

The street address of the initial registered office of the Corporation is 100 Municipal Drive, Trophy Club, Texas 76262, and the initial registered agent at such address is Donna Welsh.

## **ARTICLE EIGHT**

### **BOARD OF DIRECTORS**

The affairs of the Corporation shall be managed by a board of directors which shall be composed of seven (7) persons appointed by the Town Council, all of who are residents of the Town. At least three (3) members of the board of directors shall be persons who are not members of the Town Council and who are not employees or officers of the Town (the "Citizenmember Class"). No more than two (2) members of the board of directors shall be members of the Town Council (the "Councilmember Class"). The names and street addresses and date of expiration of their initial terms as directors, are as follows:

NAMES	ADDRESSES	DATE OF EXPIRATION OF TERM	CLASS OF DIRECTOR
Marshall Engelbeck	111 Forest Hill Trophy Club, Texas	05/21/98	Council Member
John Carter	2 Round Rock Ct. Trophy Club, Texas	05/21/98	Citizenmember
Robert Burns	3 Meadow Creek Ct. Trophy Club, Texas	05/21/98	Citizenmember
David Garlitz	1 Round Rock Ct. Trophy Club, Texas	05/21/98	Citizenmember
Pam Cates	4 Salida Drive Trophy Club, Texas	09/17/98	Citizenmember
Dan Heath	19 Meadowbrook Trophy Club, Texas	09/17/98	Citizenmember
Terry Christlieb	43 Cimmaron Dr. Trophy Club, Texas	09/17/98	Citizenmember

Each director shall hold office for the term for which the director is appointed unless sooner removed or resigned. Each director, including the initial directors, shall be eligible for reappointment. Directors are removable by the Town Council at will and may be removed by the Town Council at any time without cause, and must be appointed for a term of two (2) years. If a director of the Councilmember Class shall cease to be a member of the Town Council, such event shall constitute an automatic resignation as a director and such vacancy shall be filled in the same manner as for other vacancies of the same class. Any vacancy occurring on the board of directors through death, resignation or otherwise shall be filled by appointment by the Town Council to hold office until the expiration of the vacating member's term.

## ARTICLE NINE

### INCORPORATOR

The name and street address of each incorporator is:

Amy Skinner  
17 Monterey Drive  
Trophy Club, Texas 76262

William Pollick  
2 Crooked Creek Court  
Trophy Club, Texas 76262

Pearl O. Ford  
2 Spring Creek Court  
Trophy Club, Texas 76262  
P. O. Box 381  
Roanoke, Texas 76262

## ARTICLE TEN

### BYLAWS

A. The initial bylaws of the Corporation shall be in the form and substance approved by the Town Council. Such bylaws shall be adopted by the Corporation's board of directors and shall, together with these Articles of Incorporation, govern the internal affairs of the Corporation until and unless amended in accordance with this Article.

B. Neither the initial bylaws nor any subsequently effective bylaws of the Corporation may be amended without the consent and approval of the Town Council. The board of directors of the Corporation shall make application to the Town Council for the approval of any proposed amendments, but the same shall not become effective unless the same shall be approved by resolution adopted by the Town Council.

## ARTICLE ELEVEN

### ALTERING FORM OF CORPORATION; DISSOLUTION

A. The Town Council may, in its sole discretion, and at any time, alter or change the structure, organization, programs or activities of the Corporation, and it may terminate or dissolve the Corporation, subject to the provisions of paragraphs B and C of this Article.

B. The Corporation shall not be dissolved, and its business shall not be terminated, by act of the Town Council or otherwise, so long as the Corporation shall be obligated to pay any bonds, notes, or other obligations and unless the collection of the sales and use tax authorized by Section 4B of the Act is eligible for termination in accordance with the provisions of Section 4B(i) of the Act.

C. No action shall be taken pursuant to paragraphs A and B of this Article or pursuant to paragraph B of Article Twelve of these Articles, in any manner or at any time that would impair any contract, lease, right, or other obligation theretofore executed, granted, or incurred by the Corporation.

## ARTICLE TWELVE

### DIVIDENDS

A. No dividends shall ever be paid by the Corporation and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to the benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered.

B. If, after the close of any fiscal year, the board of directors shall determine that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then

any net earnings of the Corporation derived from sources other than the sales and use taxes collected for the account of the Corporation pursuant to Section 4B of the Act thereafter accruing and lease payments received in connection with projects financed pursuant to Section 4B of the Act shall be paid to the Town. All sales and use taxes collected for the account of the Corporation pursuant to Section 4B of the Act, and lease payments and other revenues received in connection with projects financed pursuant to Section 4B of the Act shall be used solely for the purposes permitted by Section 4B of the Act.

C. If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the Town after satisfaction or provision for satisfaction of all debts, claims, and contractual obligations, including any contractual obligations granting rights of purchase of property of the Corporation.

D. No part of the Corporation's activities shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in any political campaign of or in opposition to any candidate for public office.

## **ARTICLE THIRTEEN**

### **INDEMNIFICATION**

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him by action in court or otherwise by reason of his being or having been such director or officer, except in relation to matters as to which he shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. As provided in the bylaws, the Board of Directors shall have the power to define the requirements and limitations for the Corporation to indemnify directors and officers, whether present or former, of the Corporation.

## **ARTICLE FOURTEEN**

### **ACTION BY UNANIMOUS WRITTEN CONSENT**

Action may be taken by the board of directors without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors, and such written consent shall have the same force and effect as a unanimous vote of the directors. Each written consent must bear the date of signature of each person signing it. A consent signed by less than all of the directors or committee members is not effective to take the intended action. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, and addressed to the president or principal executive officer.



**BYLAWS OF THE  
TROPHY CLUB MUNICIPAL ECONOMIC DEVELOPMENT CORPORATION**

**ARTICLE I**

**PURPOSE AND POWERS**

Section 1. Purpose. The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the Town of Trophy Club, Texas (the "Town") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended, Tex. Rev. Civ. Stat. Ann. Art. 5190.6, as amended (the "Act"), and other applicable laws.

Section 2. Powers. In the fulfillment of its corporate purpose, the Corporation shall be governed by Section 4B of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

**ARTICLE II**

**BOARD OF DIRECTORS**

Section 1. Powers, Number and Term of Office.

(a) The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the "Board") and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws, the Board shall exercise all of the powers of the Corporation.

(b) The Board shall consist of seven (7) directors, each of whom shall be appointed by the Town Council (the "Council") of the Town, as provided in the Articles of Incorporation.

(c) The directors constituting the first Board shall be those directors named in the Articles of Incorporation. Successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.

(d) Any director may be removed from the office by the Town Council at will.

Section 2. Meetings of Directors. The directors may hold their meetings at such place or places in the Town as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Article V of these Bylaws.

Section 3. Notice of Meetings.

(a) Regular meetings of the Board shall be held without the necessity of written notice to the Directors at such times and places as shall be designated from time to time by the Board. Special meetings of the Board shall be held whenever called by the president, by the secretary, by a majority of the directors, by the Mayor of the Town or by a majority of the Town Council.

(b) The secretary shall give notice to each director of the Special Meeting in person or by mail, telephone or telegraph, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a Special Meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

(c) Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board need to be specified in the notice or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 4. Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, Chapter 551, Tex. Gov. Code, as amended.

Section 5. Quorum. A majority of the entire membership of the Board of Directors shall constitute a quorum for the conduct of official business of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of the Corporation unless the act of a greater number is required by law.

Section 6. Conduct of Business.

(a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.

(b) At all meetings of the Board, the president shall preside, and in the absence of the president, the vice president shall exercise the powers of the president.

(c) The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Committees of the Board. The Board may designate two or more directors to constitute an official committee of the Board to exercise such authority of the Board as may be specified in the resolution. It is provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

Section 8. Compensation of Directors. Directors shall not receive any salary or compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

### ARTICLE III

#### OFFICERS

Section 1. Titles and Term of Office.

(a) The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of the office shall be one (1) years with the right of an officer to be re-elected.

(b) All officers shall be subject to removal from an office at any time by a vote of the majority of the entire Board.

(c) A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the President.

The president shall be the chief executive officer of the Corporation, and, subject to the paramount authority of the Board, the president shall be in general charge of the properties and affairs of the Corporation, shall preside at all meetings of the Board, and may sign and execute all contracts, conveyances, franchises, deeds, assignments, and other instruments in the name of the Corporation.

Section 3. Vice President.

The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act.

Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. Treasurer.

The treasurer shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, and other obligations in or drawn upon such bank or banks or depositories as shall be designated by the Board consistent with these Bylaws. The treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his duties in such form and amount as the Board or the Council may require.

Section 5. Secretary.

The secretary shall keep the minutes of all meetings of the Board in books provided for that purpose, shall give and serve all notices, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, deeds, assignments, and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the Corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 6. Naming Board Members. The president, each vice president, and the secretary shall be named from among the members of the Board. The treasurer and any assistant secretaries may, at the option of the Board, be persons other than members of the Board, but they may be employees of the Town.

Section 7. Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder. Other officers may be compensated as directed by the Board.

## ARTICLE IV

### FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. General Corporate Duties and Authority:

(a) The Board shall, if directed by the Town, research, develop, prepare, finance, and implement a recreational facilities development plan.

(b) In carrying out its obligations under subsection (a), the Corporation shall be authorized to exercise all rights and powers granted under the Act, including, but not limited to Section 4B thereof, and with the objective and for the purpose of developing and diversifying the economy of the State of Texas and the Town, and the elimination of unemployment and underemployment in the State and the Town and the expansion of commerce within the State.

(c) The Board shall periodically submit reports to the Town Council as to the status of its activities in carrying out its obligations under this Section, and, with respect to each project undertaken by the Corporation, shall submit quarterly annual reports on the status and finances of such project.

(d) Any and all agreements between the Corporation and other parties shall be authorized, executed, approved, and delivered in accordance with applicable law, provided, that, prior to the authorization or execution of any such agreement a copy thereof shall be provided to the Town.

(e) All construction and other contracts let or entered into by the Corporation shall be let or entered into in accordance with the laws applicable to the letting or entering into of contracts by the Town, unless applicable law and the Town permit otherwise.

## Section 2. Annual Corporate Budget.

At least ninety (90) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditures of the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the Town Council. **The budget shall not be effective until the same has been approved by the Town Council.**

## Section 3. Books, Records, Audits.

(a) The Corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate fund activities and affairs.

(b) At the direction of the Town Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff and personnel of the Town.

(c) The Corporation, or the Town if the option described in subsection (b) is selected, shall cause its books, records, accounts, and financial statements to be audited at least once each fiscal year by an outside, independent auditing and accounting firm selected by the Corporation and approved by the Town Council. Such audit shall be at the expense of the Corporation.

Section 4. Deposit and Investment of Corporate funds.

(a) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their execution or issuance.

(b) Subject to the requirements of contracts, loan agreements, indentures or other agreements securing Obligations, all other monies of the Corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the Town. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasure and such other persons as the Board shall designate. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the finance director/treasurer of the Town.

Section 5. Expenditures of Corporate Money.

(a) The monies of the Corporation, including sales and use taxes collected pursuant to Section 4B of the Act, monies derived from the rents received from the lease or use of property, the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, and the proceeds derived from the sale of Obligations, may be expended by the Corporation for any of the purposes authorized by the Act, subject to the following limitations:

- (i) Expenditures from the proceeds of Obligations shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to and approved by the Town Council prior to the execution of loan or financing agreements or the sale and delivery of Obligations to the purchasers thereof required by Section 6 of this Article;
- (ii) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of monies derived from sources other than the proceeds of Obligations may be used for the purposes of financing or otherwise providing one or more "Projects," as defined in Section 4B of the Act. The specific expenditures shall be described in a resolution or order of the Board and shall be made only after the approval thereof by the Council;
- (iii) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 2 of this Article or in contracts meeting the requirements of Section 1(d) of this Article.

Section 6. Issuance of Obligations. No Obligations, including refunding Obligations, shall be authorized or sold and delivered by the Corporation unless the Town Council shall approve such Obligations by action taken no more than sixty (60) days prior to the date of delivery of such Obligations or refunding Obligations.

## ARTICLE V MISCELLANEOUS PROVISIONS

### Section 1. Principal Office.

(a) The principal office of the Corporation shall be the registered office of the Corporation specified in the Articles of Incorporation.

(b) The Corporation shall have and shall continually designate a registered agent at its registered office, as required by the Act.

Section 2. Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the Town.

Section 3. Seal. The seal of the Corporation shall be as determined by the Board.

Section 4. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Approval or Advice and Consent of the Council. To the extent that these Bylaws refer to any approval by the Town or the Council or refer to advice and consent by the Council, such approval, or advice and consent, shall be evidenced by a certified copy of a resolution, order, or motion duly adopted by the Council.

### Section 6. Indemnification of Directors, Officers and Employees.

(a) As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.

(b) The Corporation shall indemnify each and every member of the Board, its officers, and its employees, and each member of the Council and each employee of the Town, to the fullest extent permitted by law, against any and all liability or expense, including attorneys fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Corporation.

ARTICLE VI

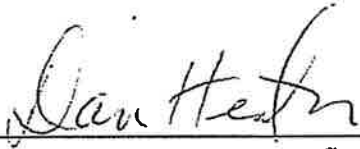
EFFECTIVE DATE, AMENDMENTS

Section 1. Effective Date. These Bylaws shall become effective upon the occurrence of the following events:

- (a) the adoption of these Bylaws by the Board; and
- (b) the approval of these Bylaws by the Town Council.

Section 2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation of the Corporation and these Bylaws may be amended only in the manner provided in the Articles of Incorporation and the Act.

EXECUTED this 27th day of January, 1997.

  
\_\_\_\_\_  
Dan Heath, Secretary

Mission Statement  
for  
Trophy Club Economic Development Corporation

**Purpose:** The purpose of the Corporation is to promote economic development within the Town and the State of Texas in order to eliminate unemployment and under employment, and to promote and encourage employment and the public welfare of, for and on behalf of the Town by undertaking, developing, providing and financing projects under the Act and as defined in Section 4B of the Act.

**Mission:** To design an annual strategy for the expenditure of 1/2% sales and use tax receipts for the purposes defined in Section B of Article 5190.6, V.T.C.S., of the Development Corporation Act of 1979, and consistent with the objectives of the Town of Trophy Club as defined in the Comprehensive Land Use Plan. The strategy, along with an implementation and oversight plan, will be presented to the Town Council, Town of Trophy Club not later than 1 August of each year.



## ECONOMIC DEVELOPMENT CORPORATION COMMUNICATION

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**MEETING DATE:** November 20, 2025

**FROM:** Tamara Smith, MSL, Assistant to the Town Manager

**AGENDA ITEM:** Discuss the Economic Development Corporation members' role as the TIRZ Board.

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### **BACKGROUND/SUMMARY:**

At the June 23, 2025, Town Council Meeting, the Town Council appointed the Economic Development Corporation (EDC) Board to serve as the Tax Increment Reinvestment Zone (TIRZ) Board.

The TIRZ is an economic development tool which is designed to attract investment and redevelopment by dedicating the increase in property tax revenues, known as the tax increment, to funding public infrastructure improvements. When a TIRZ is established, a base property value is set. As property values increase due to development, the additional tax revenue generated from the base is deposited into a dedicated fund. These funds may be used to finance public improvements and economic development incentives, such as roadway and utility projects, within the zone. Once the TIRZ expires, all tax revenues revert to the general taxing authorities.

### **Background**

The Town of Trophy Club formally created TIRZ #1 in 2013 through Ordinance No. 2013-23, following initial groundwork laid in 2007. The zone encompasses the area surrounding Trophy Wood Drive and State Highway 114 and is set to expire in 2034, or earlier if specific conditions are met.

The TIRZ has supported several development projects through developer participation agreements. Notably, the Bread Winners and HG Sply projects received reimbursements based on a percentage of the zone's incremental revenue, with final payments made in December 2024 totaling \$1,047,334. As of the end of 2024, the TIRZ fund balance was approximately \$70,000.

### **Connection to the Small Area Plan**

The Small Area Plan includes significant portions of land already located within TIRZ #1. The same financing structure could be expanded to support future development projects. The TIRZ

boundary may also be extended to include additional portions of the Small Area Plan area, subject to approval by both the TIRZ Board and the Town Council.

In addition to TIRZ funding, the EDC maintains a separate tax revenue fund that can serve as a complementary funding source. As of September 30, 2024, the EDC fund balance was approximately \$2.5 million.

## **Governance and Structure**

The TIRZ Board currently oversees the Tax Increment Financing Plan for the area surrounding Trophy Wood Drive and SH 114. Under State law, the Town Council may serve as the TIRZ Board, a practice often used to strengthen fiscal oversight and ensure alignment with municipal priorities. Alternatively, the EDC Board may continue serving in this capacity, as it has previously managed the TIRZ.

Although the Town Charter generally prohibits Council Members from serving on other boards or commissions, State law supersedes that provision for TIRZ Boards, expressly allowing Council Members to serve. On June 23, 2025, Town Council direction was to appoint the EDC Board members to the TIRZ Board.

## **Membership Requirements**

The TIRZ Board will consist of eight (8) members, the seven (7) members of the EDC Board, plus one (1) representative appointed by Tarrant County, if the County opts to participate. This structure would be authorized under Ordinance No. 2013-23 and the existing interlocal participation agreement.

## **Applicable Statute**

**Texas Tax Code, Section 311.009(a)** states:

“The board of directors of a reinvestment zone consists of at least five and not more than fifteen members... Each taxing unit other than the municipality or county that designated the zone that levies taxes on real property in the zone may appoint one member of the board if the taxing unit has approved the payment of all or part of the tax increment produced by the unit into the tax increment fund... The governing body of the municipality or county that designated the zone may appoint not more than ten directors to the board; except that if there are fewer than five directors appointed by taxing units other than the municipality or county, the governing body may appoint more than ten members, provided the total membership does not exceed fifteen.”

**BOARD REVIEW/CITIZEN FEEDBACK: N/A**

**FISCAL IMPACT:** N/A

**LEGAL REVIEW:** N/A

**ATTACHMENTS:**

1. Presentation

**ACTIONS/OPTIONS:**

This agenda item is being presented for discussion purposes only. No action will be taken by the Economic Development Corporation Board.



# **Trophy Club Tax Increment Reinvestment Zone (TIRZ)**



# TIRZ Zone



# TIRZ Zone

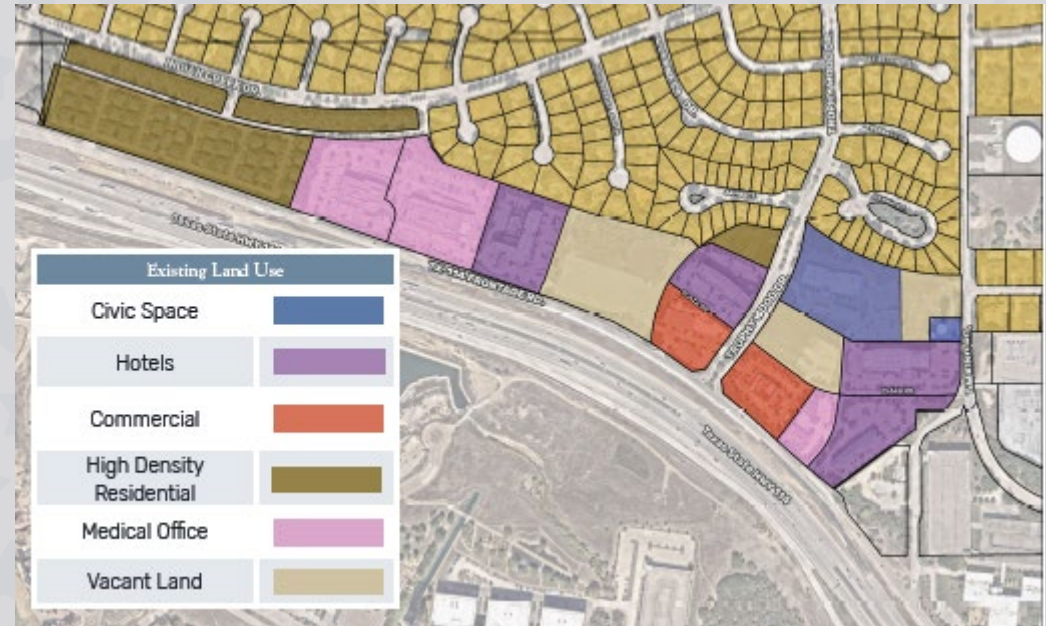
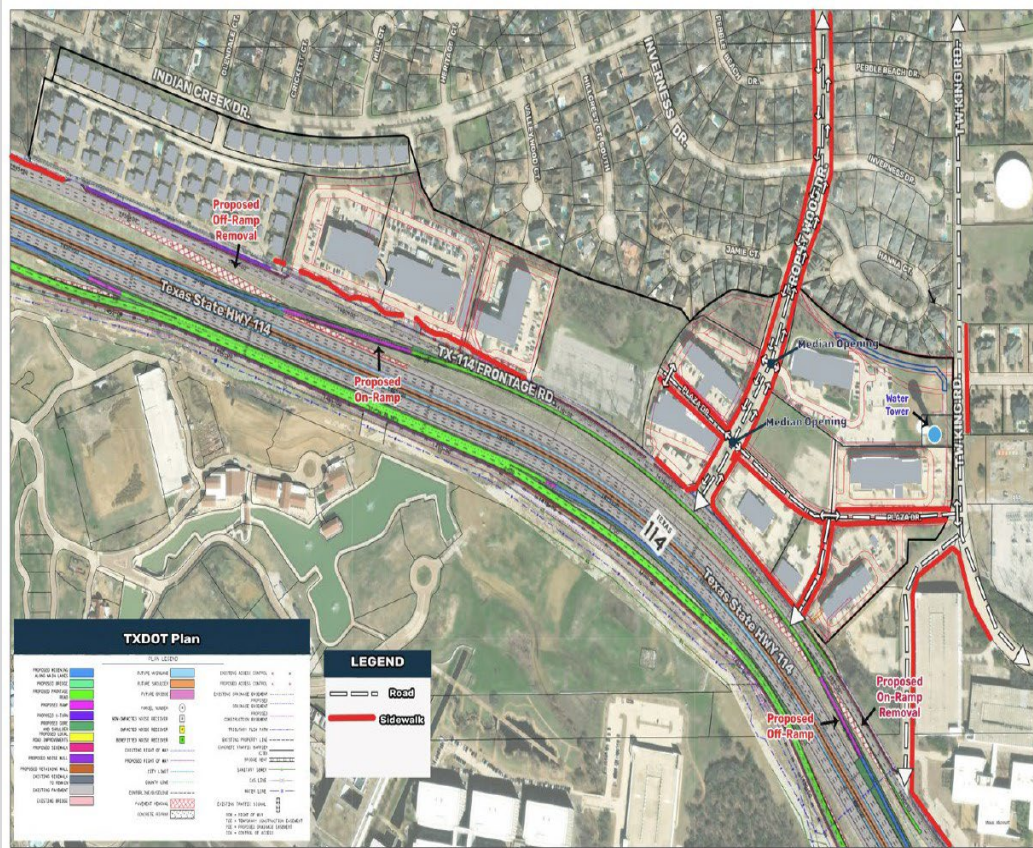
A Tax Increment Reinvestment Zone (TIRZ) is a special area set up to encourage new investment and redevelopment.

When property values in the zone go up, a portion of the extra property tax revenue (called the tax increment) is collected and used to pay for public improvements—like roads, utilities, and other projects that make the area better for businesses and residents.

TIRZs help stimulate growth in areas that might not attract development on their own.



# TIRZ Zone



Developed Zoning Map

2025

# TIRZ Creation and Financial Standing



# Trophy Club TIRZ Creation

- **2007: Resolution 2007-01 laid groundwork with tax abatement guidelines.**
- **2013: Ordinance 2013-23 officially created Reinvestment Zone Number One.**
- **2014: Ordinance 2014-01 approved the Project and Financing Plan.**
- **2016: Ordinance 2016-24 amended the budget and incentive agreements.**



# Trophy Club TIRZ#1

**Effective Date:** August 19, 2013, after adoption of Ordinance 2013-23

**Expiration Date:** The earlier of (i) December 31, 2034, or an earlier termination date designated by an ordinance adopted after the effective date of this Ordinance or (ii) the date on which all project costs, tax increment bonds and interest on those bonds have been paid in full.

# TIRZ Developer Agreements

Tract 2, Lot 2R-2 (Bread Winners) with developer OTD, TC, LLC

Zone will pay to Developer the Zone Reimbursement at a rate of 22.4966% of total incremental revenue generated from the entire Zone for twenty (20) years, or until such time as a maximum principle amount of \$592,667.89 and all interest which Developer had paid to a third party, is paid to Developer in Zone Reimbursements, whichever occurs first. Such payments shall be collateral and made annually in December.

Tract 1, Lots 1 and 2 (HG Sply) with developer OTD TC Compound, LLC

Zone will pay to Developer the Zone Reimbursement at a rate of 12.5034% of total incremental revenue generated from the entire Zone for twenty (20) years, or until such time as a maximum principle amount of \$407,332.11 and all interest which Developer had paid to a third party accumulated is paid to developer in zone reimbursements, whichever occurs first. Such payments shall be made annually in December.

Final payment fulfilling the commitment of the TIRZ paid in December 2024 – Final funds disbursed \$1,047,334.



**TIRZ Fund balance as of 12/31/2024 approx.  
\$70,000**

# TIRZ Purpose, Responsibilities, Term





**The TIRZ Board of Directors is created to help manage and oversee the development and financial operations of the Reinvestment Zone Number One in Trophy Club. The Zone's goal is to promote economic development and reinvestment in this specific area of town.**

# Composition of the Board

- The Board consists of five (5) members.
  - On June 23, 2025, the Town Council moved to direct staff to change the membership of the TIRZ board to align with the EDC board members.
- Each taxing unit (Tarrant County) that contributes funds to the TIRZ may appoint one member but is not required to do so.
- The Town Council appoints the remaining members as needed and selects the chairperson.
- Members serve staggered two-year, with some initial members serving one-year terms to start.

# Main Responsibilities

Board members serve in an advisory and planning capacity, not as independent decision-makers. TIRZ board member duties are:

- Making recommendations to the Town Council on how the Zone is managed and operated.
- Preparing and adopting a project plan and reinvestment zone financing plan. (Project Plan was adopted in 2014)
  - These plans outline proposed public improvements and the financing strategy.
  - Once adopted, the Board submits these plans to the Town Council for approval.
- Overseeing administration and operation of the zone in line with Chapter 311 of the Tax Code.

# Approved Uses

- **Public infrastructure improvements**
- **Incentive agreements for development**
- **Administrative costs related to TIRZ operation**

# Powers the Board Does *Not* Have

The Board cannot:

- Issue bonds or other debt instruments.
- Impose taxes or fees.
- Exercise eminent domain (the power to take property for public use).
- Give final approval to the project or financing plan (that power remains with the Town Council).

# Term and Impact

The TIRZ—and therefore the Board—exists until **December 31, 2034**, or until all financial obligations of the Zone are met. The Board plays a key role in ensuring that the Zone’s projects are implemented responsibly and in the public interest, while the Town retains final authority.

# Small Area Plan



1. A significant portion of the land within the Small Area Plan Project falls under the boundaries of TIRZ #1.

The Grove at TC  
Small Area Plan  
Town Of Trophy Club



2. TIRZ is a tool to encourage new development and redevelopment.



# Questions





[social media](#) | [email](#) | [website](#)



**ECONOMIC DEVELOPMENT CORPORATION  
COMMUNICATION**

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**MEETING DATE:** November 20, 2025

**FROM:** Tamara Smith, MSL, Assistant to the Town Manager

**AGENDA ITEM:** Discuss state-compliant incentive programs for commercial projects.

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**BACKGROUND/SUMMARY:**

One of the Town Council's Strategic Plan objectives for supporting business is to develop policies that foster a positive business environment and enhance Trophy Club's commercial aesthetics and cohesion. As part of this initiative, the Council aims to collaborate with the EDC to promote state-compliant incentive programs for commercial projects and establish clear business standards. During the FY 2026 Budget discussion, the EDC allocated \$150,000 to support this effort.

Tonight, the EDC Board will discuss potential focus areas and the types of initiatives the Board would like to pursue.

**BOARD REVIEW/CITIZEN FEEDBACK:** N/A

**FISCAL IMPACT:** For FY 2026, the EDC allocated \$150,000 to incentive programs.

**LEGAL REVIEW:** N/A

**ATTACHMENTS:**

1. Presentation

**ACTIONS/OPTIONS:**

This agenda item is being presented for discussion purposes only. No action will be taken by the Economic Development Corporation Board.



# Incentive Programs



## **Definition of Primary Job**

**A job that is available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and is included in one of the 16 NAICS sector codes: crop production, animal production, forestry and logging, commercial fishing, support activities for agriculture and forestry, transportation and warehousing, correctional institutions, utilities, scientific research and development services, securities commodity contracts and other financial investments and related activities, manufacturing, wholesale trade, management of companies and enterprises, information, telephone call centers, and mining.**

# Grant Incentives



# Grant Incentives

**Authority:** Local Gov't Code §§ 501.101–505.158

**Description:** The EDC can provide grants or loans to businesses that create or retain primary jobs or improve local business conditions.

**Requirements:**

- Must serve a public purpose (e.g., job creation, economic diversification).
- Must include performance agreements (required by §501.158).
- Recapture or claw-back clauses are required if job targets are not met.

**Common Uses:**

- Site development or building improvements
- Equipment purchases for expanding industries
- Job creation grants for qualifying employers

# Grant Incentives

## Sec. 501.101

PROJECTS RELATED TO CREATION OR RETENTION OF PRIMARY JOBS. In this subtitle, "project" includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that are:

- (1) for the creation or retention of primary jobs; and
- (2) found by the board of directors to be required or suitable for the development, retention, or expansion of:
  - (A) manufacturing and industrial facilities;
  - (B) research and development facilities;
  - (C) military facilities, including closed or realigned military bases;
  - (D) transportation facilities, including airports, hangars, railports, rail switching facilities, maintenance and repair

facilities, cargo facilities, related infrastructure located on or adjacent to an airport or railport facility, marine ports, inland ports, mass commuting facilities, and parking facilities;

- (E) sewage or solid waste disposal facilities;
- (F) recycling facilities;
- (G) air or water pollution control facilities;
- (H) facilities for furnishing water to the public;
- (I) distribution centers;
- (J) small warehouse facilities capable of serving as decentralized storage and distribution centers;
- (K) primary job training facilities for use by institutions of higher education; or
- (L) regional or national corporate headquarters facilities.

# Grant Incentives

## Sec. 505.158

### PROJECTS RELATED TO BUSINESS DEVELOPMENT IN CERTAIN SMALL MUNICIPALITIES.

- (a) For a Type B corporation authorized to be created by a municipality with a population of 20,000 or less, "project" also includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the corporation's board of directors to promote new or expanded business development.
- (b) A Type B corporation may not undertake a project authorized by this section that requires an expenditure of more than \$10,000 until the governing body of the corporation's authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings.

# Infrastructure Incentives



# Infrastructure Incentives

**Authority:** Texas Local Gov't Code §§ 501.103 and 505.155

**Description:** The EDC can fund public infrastructure improvements that directly support new or expanding businesses.

**Eligible Projects:**

- Streets, drainage, water, wastewater, utilities, broadband, site prep, parking
- Must be for a qualifying “project” (as defined by statute)

**Example:** EDC pays for off-site improvements needed for a commercial development.

# Infrastructure Incentives

## **Sec. 501.103**

### CERTAIN INFRASTRUCTURE IMPROVEMENT PROJECTS.

In this subtitle, "project" includes expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to:

- (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements;
- (2) telecommunications and Internet improvements; or
- (3) beach remediation along the Gulf of Mexico.

# Infrastructure Incentives

## **Sec. 505.155**

PROJECTS RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS.

For purposes of this chapter, "project" includes land, buildings, equipment, facilities, and improvements found by the board of directors to promote or develop new or expanded business enterprises that create or retain primary jobs, including:

- (1) a project to provide public safety facilities, streets and roads, drainage and related improvements, demolition of existing structures, general municipally owned improvements, and any improvements or facilities related to a project described by this subdivision; and
- (2) any other project that the board of directors in the board's discretion determines promotes or develops new or expanded business enterprises that create or retain primary jobs.

# Tax-Related or Partner Incentives



# Tax-Related or Partner Incentives

**Authority:** Tex. Loc. Gov't Code §§ 380.001 and 381.004

**Description:** Allows cities or counties to provide grants, loans, or rebates of taxes/fees to promote economic development.

**Use with EDC:**

- The EDC can fund or administer parts of a 380 Agreement.
- The Town can layer its 380 tools with EDC grants for a stronger incentive package.

**Example:** A property tax rebate combined with EDC-funded infrastructure.

# Tax-Related or Partner Incentives

## Sec. 380.001

### ECONOMIC DEVELOPMENT PROGRAMS.

(a) The governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality. For purposes of this subsection, a municipality includes an area that:

- (1) has been annexed by the municipality for limited purposes; or
- (2) is in the extraterritorial jurisdiction of the municipality.

(b) The governing body may:

- (1) administer a program by the use of municipal personnel;
- (2) contract with the federal government, the state, a political subdivision of the state, a nonprofit organization, or any other entity for the administration of a program; and
- (3) accept contributions, gifts, or other resources to develop and administer a program.

(c) Any city along the Texas-Mexico border with a population of more than 500,000 may establish not-for-profit corporations and cooperative associations for the purpose of creating and developing an intermodal transportation hub to stimulate economic development. Such intermodal hub may also function as an international intermodal transportation center and may be colocated with or near local, state, or federal facilities and facilities of Mexico in order to fulfill its purpose.

# Tax-Related or Partner Incentives

Chapter 381 authorizes counties to establish and administer programs to stimulate business and commercial activity, and provide loans, grants, or services to businesses or other entities as economic development incentives.

If the EDC wants to pursue a Chapter 381 partnership with Tarrant County, it can do so through an interlocal or economic development agreement, and that would allow Trophy Club to accept and coordinate incentives from the county if they're working together on a joint development project.

This is usually done when both the County and Municipality can benefit from the project. Or they are sharing costs or incentives.

# TIRZ Incentives



# TIRZ Increment

**Authority:** Chapter 311, Tax Code

**Description:** Captures the increase in property tax value (“increment”) in a zone to fund improvements in that area.

**Use with EDC:** EDC can co-invest in infrastructure or enhancements in the zone.

# What is a TIRZ?

A Tax Increment Reinvestment Zone (TIRZ) is a designated area established to encourage new investment and redevelopment.

It works by capturing the additional tax revenue (tax increments) generated from increased property values within the zone and reinvesting it to fund public improvements such as infrastructure, streets, and utilities.

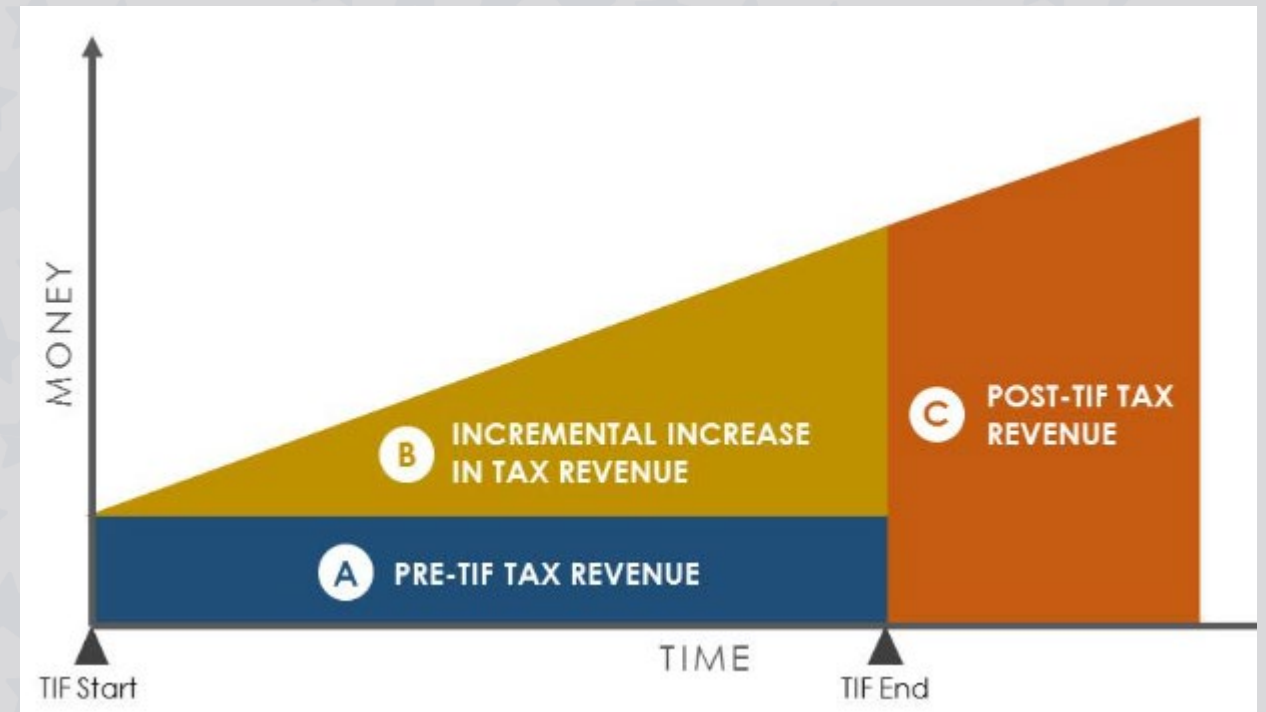
A TIRZ helps stimulate growth in areas that may not otherwise attract timely private development.

# What is Tax Increment?

When a Town creates a TIRZ, a record is made of all taxable value of property within that zone.

The year the TIRZ is created is the **base year**. The appraised value of property within the zone during the base year is the base value.

As development or redevelopment occurs, the appraised value of the property in the zone should increase. The difference between the increased appraised value and the base value is the **captured appraised value**.



# Property Tax Abatement Incentives



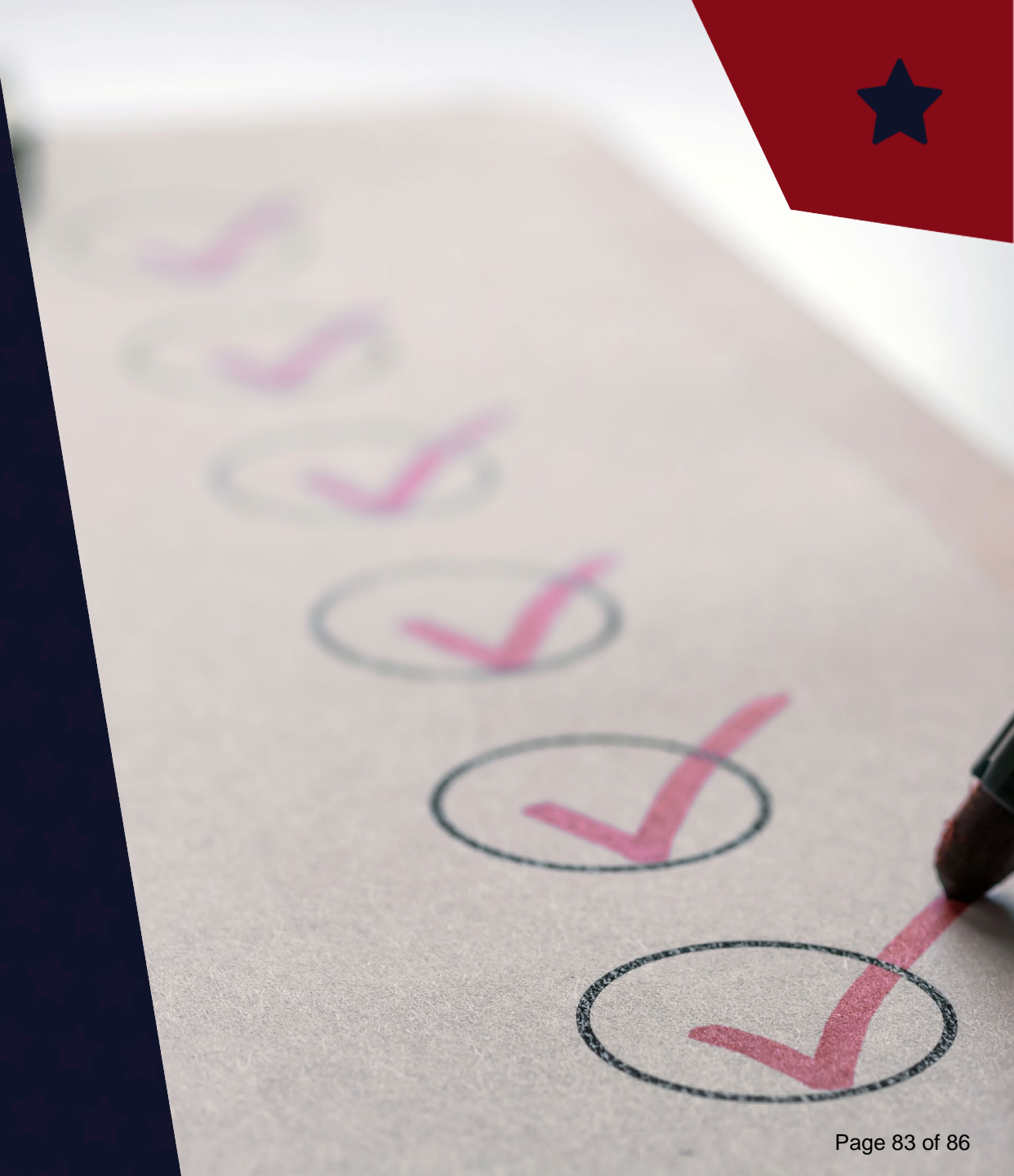
# Property Tax Abatement Incentives

**Authority:** Chapter 312, Tax Code

**Description:** City, County, or other taxing entities may abate a portion of property taxes for a set time (usually 5–10 years).

**Use with EDC:** The EDC can partner to provide supplemental grants or reimbursements.

# Compliance Checklist



# Compliance Checklist

- ✓ Confirm the project qualifies under State Law.
- ✓ Include a written performance agreement.
- ✓ Obtain Town Council approval when required.
- ✓ Maintain transparency and reporting for EDC audits and the Comptroller's database.



# Questions/Discussion





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