

Tax Increment Reinvestment Zone No. 1
May 10, 2023

A meeting of the Board of Directors of the Tax Increment Reinvestment Zone No. 1 (TIRZ) was held on Wednesday, May 10, 2023 at 3:15 p.m. in the Council Chamber at City Hall, 401 S. Rogers, Waxahachie, Texas.

Members Present: David Hill, Mayor, Chairman
Dusty Autrey
Brett Hess
Al Mack
Shane Henry

Members Absent: Brad Yates, Vice Chairman
Randy Vineyard

Others Present: Michael Scott, City Manager
Albert Lawrence, Deputy City Manager
Jami Bonner, Assistant City Secretary

1. Call to Order

Chairman David Hill called the meeting to order.

2. Public Comments

None.

3. Approval of minutes of the Tax Increment Reinvestment Zone No. 1 meeting of February 15, 2023

Action:

Mr. Dusty Autrey moved to approve the minutes of the Tax Increment Reinvestment Zone No. 1 meeting of February 15, 2023. Mr. Al Mack seconded, All Ayes.

4. Consider a request from the Texas Theater for renovation assistance

Jon Garrett, owner of the Texas Theater, presented the history of the Texas Theater, renovation information and plans for the future. Mr. Garrett noted the following:

- The property was purchased by the Garretts as is for \$450,000
- The property value has increased steadily over the years with 2022 appraisal value set as \$456,000. He noted he expected the value to increase significantly with the completed renovations.
- Renovation improvements include HVAC replacements, asbestos and abatement treatment, curtain installments to allow for a variety of uses, fire safety improvements, tile and bar upgrades, 1939 Texas Theater sign was recreated to scale, significant electrical overhaul, plumbing, lighting and sound system upgrades, and railing and ADA compliance updates. Mr. Garrett noted local contractors were hired as much as possible and preservation was top priority.

- Mr. Garrett shared performer details and explained the Texas Theater is a multi-purpose facility that can be utilized for community events, concerts, and other events such as plays, dance recitals, and comedy shows. He noted he is committed to bringing a variety of performers to the Texas Theater.
- Mr. Garrett explained the need to work with the restaurant coalition to coordinate with planned events to provide a good experience for patrons. He noted the economic impact will be felt throughout the Downtown area as local and out of town patrons will eat at restaurants, shop at boutiques, and visit bars.
- Mr. Garrett requested \$208,383 reimbursement from TIRZ for essential safety improvements and building modifications including costs for a new electrical system, mezzanine structure rebuild, and ADA compliance modifications. He explained the upgrades were essential for preservation purposes and patron safety. He noted the complete renovation cost \$776,606 and the Texas Theater meets all City code requirements.

Mr. Brett Hess thanked Mr. Garrett for purchasing and preserving the Texas Theater. He recognized the Texas Theater as an integral part of the Downtown square and noted he is supportive of the requested reimbursement.

Mr. Dusty Autrey asked City Manager Michael Scott to provide a breakdown of available TIRZ funding. Mr. Scott replied there is approximately \$1.168 million currently available and estimates \$750,000 to be collected for 2023. Mr. Autrey noted Mr. Garrett's request is approximately 27% of the total TIRZ budget.

Mr. Hess inquired about the Texas Theater's employment. Mr. Garrett replied he currently has six part time bar staff, a full-time general manager, and full-time bar lead. Mr. Hess asked if he has a projected net for the year. Mr. Garrett replied he projects approximately \$800,000 gross and \$50,000 net. He noted the Texas Theater is working on adding more revenue streams to increase the net.

Mr. Shane Henry asked for the number of seats available. Mr. Garrett replied there are approximately 225 fixed seats and 20 standing room.

Mr. Autrey noted the property taxes as currently set would pay back the request over 40 years according to the information provided; however, Mr. Garrett noted the property value of the Texas Theater is expected to significantly increase and he expects the surrounding properties to increase, as well. Mr. Scott also noted the electrical improvements will benefit the entire side of the square to prevent future damage.

Mr. Hess noted the Texas Theater will affect Downtown activities. Mr. Henry asked if Mr. Garrett has monthly plans to drive traffic Downtown. Mr. Garrett replied the current plans include to host events on Thursday, Friday, and Saturday nights and to work with the restaurant coalition to coordinate with Downtown special events.

Action:

Mr. Dusty Autrey moved to approve a request not to exceed \$208,383 for renovation assistance of the Texas Theater. Mr. Shane Henry seconded, All Ayes.

Tax Increment Reinvestment Zone No. 1

May 10, 2023

Page 3

5. Adjourn

There being no further business, the meeting adjourned at 3:50 p.m.

Respectfully submitted,

Jami Bonner

Assistant City Secretary