



## Elgin City Council Meeting Agenda Item Executive Summary

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**ITEM: RESOLUTION AUTHORIZING PROCEEDING WITH ISSUANCE OF CERTIFICATES OF OBLIGATIONS AND FURTHER DIRECTING THE PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF ELGIN, TEXAS COMBINATION TAX AND TAX INCREMENT REINVESTMENT ZONE NO. ONE REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019B**

**DEPARTMENT:** City Manager/Finance and Administration

**PROPOSED ACTION:** Council to approve Resolution as presented.

### **BACKGROUND:**

On November 6, 2012 the City Council Passed an Ordinance creating a Tax Increment Reinvestment Zone that would generate funds to promote local economic development and stimulate business and commercial activity. The purpose was to “enhance the value of all taxable real property....to the general benefit of the City”. Since that time, the Zone has begun to generate enough annual revenue to issue bonds, whose proceeds may be used to support improvements in infrastructure, that satisfy original plans for the District.

With mutual support between the Elgin Economic Development Corporation and the City of Elgin, a phased program of road improvements, namely construction of extensions of the Dildy/Roy Rivers Blvds have been planned, designed and partially constructed.

Proceeds from sale of these bonds will be used to fund Phases II and III of the DRR Blvds, as part of the City’s and EDC’s commitment to Seton for construction of the first phase of a hospital and Elgin Endeavors NH, LLC for construction of a skilled nursing facility.

### **BUDGET/FINANCIAL IMPACT:**

Funding for debt service related to the proposed bond issue will come from cash flow generated by the TIRZ #1. Conservative projections of anticipated property tax receipts will more than cover the estimated annual principal and interest payments on the bonds.

**RECOMMENDATION:** Recommended for approval.

**ATTACHMENTS:** 1.) Resolution authorizing proceeding with issuance of the bonds. 2.) Public Notice on issuance of the Bonds and 3.) List of projects and estimated costs that would be financed from the bond proceeds.

**{X} Staff will provide brief comments and answer questions on this item at the meeting.**  
*Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.*