



**CITY OF LA MARQUE  
TIRZ  
AGENDA  
of  
June 11, 2025**

Notice is hereby given that the TIRZ #2 Board of the City of La Marque, Texas will conduct a meeting on **June 11, 2025**, beginning at **3:00 PM** at **1109-B Bayou Road La Marque, Texas** **as well as via video-conference hosted through Zoom ([bczoom.cityoflamarque.org](https://bczoom.cityoflamarque.org))**. In accordance with Section 551.127(b) of the Texas Government Code the presiding officer and a quorum of the TIRZ #2 Board intend to be and will be physically present at 1109-B Bayou Road, La Marque, Texas. This location will be open to the public.

The Board will meet for the purpose of considering the following agenda:

1. CALL MEETING TO ORDER
2. ROLL CALL
3. CITIZENS PARTICIPATION  
**LIMITED TO THREE MINUTES PER PERSON**

Comments from the public will be heard at this time. Any person with city-related business who has signed up may speak to the TIRZ Board (limited to three (3) minutes). If wishing to speak give the presiding officer your full legal name and the item you wish to speak about. In compliance with Texas Open Meeting Act, the City may not deliberate on comments. Personal attacks will not be allowed, and personnel matters should be addressed to the City Manager during normal business hours. *Press \*6 to mute or unmute if you are participating by telephone, press the unmute button if attending via zoom on a smartphone, tablet or computer, or stand if attending in person, and the presiding officer will call on you in turn.*

4. OLD BUSINESS  
*Items presented for discussion and possible action:*
  - 4.I. Reviewing the updated final TIRZ Plan presented by Sue Darcy, MARSHDARCY LLP
5. REQUESTS AND ANNOUNCEMENTS
6. ADJOURNMENT

**CERTIFICATION:**

I hereby certify that the above notice of meeting was posted at 1109-B Bayou Road, La Marque, Texas on June 5, 2025 by 5:00 p.m.

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Kierra K. Nance, TRMC  
City Clerk

FINAL PROJECT PLAN AND  
REINVESTMENT ZONE FINANCING PLAN  
FOR  
TAX INCREMENT REINVESTMENT ZONE NO. 2  
CITY OF LA MARQUE

May 21, 2025

Prepared by

marshdarcy  
PARTNERS

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## **1. OVERVIEW**

### **1.1 Background**

The Omega Bay subdivision was constructed in several sections over a number of years within the City of La Marque, Texas. The subdivision consists of approximately 289 single family homes. The City of La Marque Tax Increment Reinvestment Zone #2 is coincident with the boundaries of the subdivision encompassing approximately 73.1 acres.

The location of La Marque Tax Increment Reinvestment Zone #2 within the City of La Marque is shown in Figure 1.

**Figure 1 – Vicinity Map**



### **1.2 The Challenge**

The streets within Omega Bay were originally platted as private streets and have been maintained as a private obligation of the home owners association funded by property owner assessments. Over time, affordable assessments have proven to be inadequate to fund a level of maintenance on par with the standards in other parts of the City. The roadway infrastructure condition within the subdivision has degraded to the point that complete reconstruction of the roadways is necessary.

### **1.3 Responding to the Challenge**

The City Council created Tax Increment Reinvestment Zone #2 (TIRZ) to create a funding mechanism to rebuild the streets to current minimum standards by Ordinance O-2019-002, adopted on February 11, 2019. The TIRZ will establish a dedicated revenue stream to fund the road improvements which will not negatively impact the overall financial resources of the City which are needed to provide services throughout the City.

## **2. PROJECT PLAN**

This Project Plan and Reinvestment Zone Financing Plan (“The Plan”) has been prepared in accordance with the requirements of Chapter 311.011 of the Texas Tax Code and outlines the improvements to be funded and implemented by the Tax Increment Reinvestment Zone Number 2, La Marque, Texas.

The TIRZ will allow the City and other participating entities, if any, to partner with each other to fund the necessary road improvements. It is anticipated that the natural appreciation of property values will provide the primary source of tax increment to fund the improvements. In the long run, improving the condition of the roadways will also tend to improve and stabilize property values. The road improvement projects are expected to be funded directly by the TIRZ as funds accrue and become available. TIRZ funds will not be expended on physical improvements until the ownership of the road rights-of-way is conveyed to the City or other public entity.

### **2.1 Existing Uses and Conditions, Proposed Use (311.011(b)(1))**

Existing uses within the TIRZ are residential and it is expected that future uses will continue to be residential. The properties are predominantly built out with the homes generally being in good condition. The roadways, and some associated bulkheads, are in poor condition and in need of complete reconstruction.

### **2.2 Changes to Municipal Ordinances Required (311.011(b)(2))**

There are no contemplated changes to the City’s Code of Ordinances, zoning ordinances, master plan, building codes, or subdivision rules and regulations necessary to implement the Plan.

### **2.3 Non-Project Costs (311.011(b)(3))**

There are no contemplated non-project costs associated with implementation of the TIRZ. However, Galveston County MUD 12 is responsible for maintenance and operation of the water, sanitary sewer, and drainage facilities within the proposed TIRZ. If it becomes necessary to modify any MUD facilities during reconstruction of the roadways, the MUD will be asked to fund such work.

### **2.4 Method of Relocation (311.011(b)(4))**

There will be no relocations required to implement the TIRZ.

### **3. REINVESTMENT ZONE FINANCING PLAN**

The TIRZ will provide a funding mechanism for complete reconstruction of the roadways within the Zone. The TIRZ may fund all or a portion of the eligible projects.

#### **3.1 Estimated Project Cost Description (311.011(c)(1))**

The project costs in Table 1 below comply with the categories established in Section 311.02 of the Texas Tax Code. The project cost estimates are approximate based on preliminary engineer's estimates of probable costs and are expressed in year 2025 dollars. Project Costs may be adjusted to actual development plans, bid costs and/or for inflation. Projects will be undertaken and paid for as funds are available from increment or other sources. The intent is to complete roadway reconstruction projects in logical discrete packages, such as a on a block by block basis or other method of prioritization, as can be funded from tax increment revenues notwithstanding whether the costs or tax increment exceed the estimates herein and costs may be moved among line items. The expenditure of all TIRZ funds will conform to City of La Marque expenditure policies.

**Table 1**

Project Description	Project Cost Estimate
Street Reconstruction - Complete Concrete Reconstruction	\$5,500,000
Professional Services Engineering, Surveying, Geotechnical (20% of construction)	\$1,100,000
Creation Costs and Zone Administration	\$200,000
<b>Total Estimated Project Costs</b>	<b>\$6,800,000</b>

In conjunction with the projects described above, the following categories established in Section 311.002 (1) of the Texas Tax Code as eligible project costs are considered eligible project costs. The TIRZ will fund project costs consistent with this Plan at the earliest feasible and practicable date(s), upon approval of the Board of Directors of the TIRZ.

- *Capital Projects* related to demolition, environmental abatement, and remediation including site work and fill, necessary to prepare sites and existing structures for roadway reconstruction, including adjoining bulkheads that have direct support for the road support structure; i.e., where bulkhead function is supporting road shoulder or road base and is not owned by individual property resident. This would include the dead-end roads terminating at a canal.
- *Land Costs* associated with property formally conveyed to the public in conjunction with the implementation of projects otherwise eligible for reimbursement may also be eligible for reimbursement.
- *Matching Funds* may be contributed in support of local, state, federal or other capital improvements programs that benefit the project and the region.
- *Professional Services* incurred for architectural, planning, engineering, legal, landscape architecture, financial, marketing, public relations, management, leasing, bookkeeping,

tax role verification, environmental, archaeological, and other services and advice necessary to a project.

- *Financing Costs* related to city interest, other financing interest, legal fees, underwriter’s fees, brokerage charges, transfer or placement charges, premium and fees paid for loans, credit enhancement fees, notes, bonds or other instruments of credit issued to pay for project costs.
- *Operational Expenses* as may be necessary to provide for the proper administration of the Zone, operation of Zone facilities and services provided therein, over the life of the TIRZ.

**3.2 Kind, Number and Location of Proposed Public Improvements (311.011(c)(2))**

The proposed public improvements include the complete concrete reconstruction of all streets within the Zone. The reconstruction may be completed in phases commensurate with available funds and based on the most advantageous sequencing.

**3.3 Economic Feasibility (311.011(c)(3))**

Marsh Darcy Partners prepared an analysis of the property value growth within Omega Bay for the five years since the creation of the Zone as shown in Table 2.

**Table 2**

	2020	2021	2022	2023	2024	Average
<b>Total Taxable Value</b>	\$ 70,654,176	\$ 79,627,335	\$ 89,358,333	\$ 100,650,341	\$ 107,473,261	NA
<b>Change from Prior</b>	NA	\$ 8,973,159	\$ 9,730,998	\$ 11,292,008	\$ 6,822,920	\$ 9,204,771
<b>% Change from Prior</b>	NA	12.7%	12.2%	12.6%	6.8%	11%

The average annual property value increase during this period was 11.0%. Recognizing that growth of that magnitude is not likely to be sustained for a 30-year period, an annual taxable value growth rate of 4% is projected. A 4% annual growth rate will yield approximately \$11.6 million in City incremental revenue during the 30-year life of the proposed Zone.

**3.4 Estimate of Bonded Indebtedness To Be Incurred (311.011(c)(4))**

It is not anticipated that bonds, notes or other obligations will be issued. However, the City, at its sole discretion, may issue or cause to be issued bonds, notes, or other obligations secured by tax increment revenues up to the maximum amount that may be financed by available increment. The use of the proceeds of such bonds would be limited to the eligible project costs defined in this Plan.

**3.5 Estimated Time When Monetary Obligations Are To Be Incurred (311.011(c)(5))**

Obligations will be incurred as increment is available to fund design and/or construction of the eligible street reconstruction projects or a subset of the eligible street reconstruction.

**3.6 Methods and Sources of Financing (311.011(c)(6))**

The primary source of revenue will be the ad valorem property taxes generated on the annual increment value above the base year value. Table 3 below shows the maximum participation rate of the City. This Plan does not preclude the lawful participation by any other taxing entity which may choose to participate in the Zone at any time.

**Table 3**

Jurisdiction	% Participation	Duration
City of La Marque	100%	30 Years

To ensure timely construction of public improvements, both pay-as-you-go and various methods of financing may be utilized. These include:

- *Tax Increment Bonds or Notes.* As allowed by annual incremental increases in Zone assessed value, tax-exempt tax increment bonds or notes may be issued to fund improvements.
- *Other private financing.* Some projects may be financed on a short-term basis through private financial institutions.
- *Grants/Other Public Funds.* To the extent permitted by law, efforts will be made to leverage TIRZ funds with other public funds and economic development tools.

**3.7 Current Appraised Value of Taxable Real Property (311.011(c)(7))**

Based upon the 2019 Galveston Central Appraisal District certified tax roll, the total taxable value of all real property in the TIRZ is \$67,979,945. The Zone was created in 2019 so base year value is \$67,979,945.

**3.8 Estimated Captured Appraised Value By Year (311.011(c)(8))**

Table 4, on the following page, shows the Captured Appraised Value and the resulting revenue from the City for the duration of the Zone.

**3.9 Duration of Zone (311.011(c)(9))**

The Zone was created for a 30-year period in 2019, with the final payment of increment being payable on values and at rates for tax year 2049, which revenue will be paid in budget year 2050, which ends September 30, 2050.

**Table 4**

TIRZ Year	Tax Year	Incremental Value Projection		Increment Revenue Projection		
		Taxable Value	Incremental Value	Tax Rate	Annual Incremental Revenue	Cumulative Revenue
1	2020	\$70,654,176	\$2,674,231	\$0.5507	\$7,168	\$7,168
2	2021	\$79,627,335	\$11,647,390	\$0.5508	\$63,674	\$70,842
3	2022	\$89,358,333	\$21,378,388	\$0.4616	\$97,075	\$167,917
4	2023	\$100,650,341	\$32,670,396	\$0.4180	\$133,973	\$301,890
5	2024	\$107,473,261	\$39,493,316	\$0.4180	\$143,617	\$445,507
6	2025	\$111,772,000	\$43,792,055	\$0.4180	\$176,644	\$622,151
7	2026	\$116,243,000	\$48,263,055	\$0.4180	\$194,679	\$816,830
8	2027	\$120,893,000	\$52,913,055	\$0.4180	\$213,435	\$1,030,265
9	2028	\$125,729,000	\$57,749,055	\$0.4000	\$222,911	\$1,253,177
10	2029	\$130,758,000	\$62,778,055	\$0.4000	\$242,323	\$1,495,500
11	2030	\$135,988,000	\$68,008,055	\$0.4000	\$262,511	\$1,758,011
12	2031	\$141,428,000	\$73,448,055	\$0.3900	\$276,422	\$2,034,433
13	2032	\$147,085,000	\$79,105,055	\$0.3900	\$297,712	\$2,332,145
14	2033	\$152,968,000	\$84,988,055	\$0.3900	\$319,853	\$2,651,997
15	2034	\$159,087,000	\$91,107,055	\$0.3900	\$342,881	\$2,994,879
16	2035	\$165,450,000	\$97,470,055	\$0.3900	\$366,829	\$3,361,707
17	2036	\$172,068,000	\$104,088,055	\$0.3900	\$391,735	\$3,753,443
18	2037	\$178,951,000	\$110,971,055	\$0.3900	\$417,640	\$4,171,082
19	2038	\$186,109,000	\$118,129,055	\$0.3900	\$444,579	\$4,615,661
20	2039	\$193,553,000	\$125,573,055	\$0.3900	\$472,594	\$5,088,255
21	2040	\$201,295,000	\$133,315,055	\$0.3900	\$501,731	\$5,589,986
22	2041	\$209,347,000	\$141,367,055	\$0.3900	\$532,035	\$6,122,021
23	2042	\$217,721,000	\$149,741,055	\$0.3900	\$563,550	\$6,685,572
24	2043	\$226,430,000	\$158,450,055	\$0.3900	\$596,327	\$7,281,898
25	2044	\$235,487,000	\$167,507,055	\$0.3900	\$630,413	\$7,912,311
26	2045	\$244,906,000	\$176,926,055	\$0.3900	\$665,861	\$8,578,172
27	2046	\$254,702,000	\$186,722,055	\$0.3900	\$702,728	\$9,280,901
28	2047	\$264,890,000	\$196,910,055	\$0.3900	\$741,071	\$10,021,972
29	2048	\$275,486,000	\$207,506,055	\$0.3900	\$780,949	\$10,802,921
30	2049	\$286,505,000	\$218,525,055	\$0.3900	\$822,419	\$11,625,340
				<b>Totals</b>	<b>\$11,625,340</b>	

**Notes:**

Years 2020-2024 taxable value, incremental value, and TIRZ revenue per actual Galveston County Tax Office reports (4/10/25).

- Base Year Value (2019): \$67,979,945
- Assumed Property Tax Rate: Per Stifel Public Finance Projection 10/22/24
- City TIRZ Participation Rate: 100%
- Property Tax Collection Rate: 96.5%
- Annual Taxable Value Growth Rate: 4%

**APPENDIX A**

TIRZ Boundary Legal Description

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, A, B, C, D, E, F, and, G of the Omega Bay Subdivision in the S.C. Bundick League and the J.C. League, Galveston county, Texas.

