



City of Sugar Land

Tax Increment Reinvestment Zone 1 Agenda

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Friday, September 5, 2025
Tax Increment Reinvestment Zone 1 Meeting
Cane Room 161
8:00 AM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at <https://youtube.com/live/3VLqZc-2rVU?feature=share>

II. Call to Order

III. Public Comment

Pursuant to Texas Government Code section 551.007, citizens are permitted to address the City Council, Board and/or Commission in person with regard to matters posted for consideration on the agenda. Each speaker must complete a "Request to Speak" form and give it to the City Secretary or designee, prior to the beginning of the meeting.

Each speaker is limited to 3 minutes, speakers requiring a translator will have 6 minutes, regardless of the number of agenda items to be addressed. Comments or discussion by City Council, Board, and/or Commission members, will only be made at the time the subject is scheduled for consideration.

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

IV. Minutes

A. MINUTES

Consideration of and action on the minutes of the June 8, 2025 meeting.

Linda Mendenhall, City Clerk

V. Budget

A. FISCAL YEAR BUDGET AMENDMENT AND ADOPTION

Consideration of and action on the Fiscal Year 2025 budget to projections amendment; and adoption of the proposed Fiscal Year 2026 Budget.

Justyn Mejorado, Assistant Director of Budget

VI. Adjournment

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the city secretary, (281) 275-2730. Requests for special services must be received 48 hours prior to the meeting time. Reasonable accommodations will be made to assist your needs.

The agenda and supporting documentation is located on the [City Website](#)

Posted on this 27th day of August, 2025 at 5:00 p.m.



Tax Increment Reinvestment Zone 1 Agenda Request September 5, 2025

Agenda Request No: IV.A.

Agenda of: Tax Increment Reinvestment Zone 1 Meeting

Initiated by: Ashley Newsome, Deputy City Clerk

Presented by: Linda Mendenhall, City Clerk

Responsible Department: City Clerk's Office

Agenda Caption:

MINUTES

Consideration of and action on the minutes of the June 8, 2025 meeting.

Recommended Action:

Consider the minutes of the June 8, 2025 meeting.

Executive Summary:

Consider the minutes of the June 8, 2025 meeting.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. 6.8.25 TIRZ 1 Meeting Minutes



City of Sugar Land

Tax Increment Reinvestment Zone 1 Minutes

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Friday, June 6, 2025
Tax Increment Reinvestment Zone 1 Meeting
Minutes
City Council Chamber
8:00 AM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at https://youtube.com/live/gnp_Odo0EuQ?feature=share.

II. Call to Order

QUORUM PRESENT

Sarwar Khan, Jennifer May, Robert Sawchuk, Donald Smithers, Jared Jameson, and Laura Richard were present.

Allen Bogard, Malvern Lusky, and Nick Dhanani were absent.

III. Public Comment

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Each speaker is limited to 3 minutes, speakers requiring a translator will have 6 minutes, regardless of the number of agenda items to be addressed. Comments or discussion by City Council, Board, and/or Commission members, will only be made at the time the subject is scheduled for consideration.

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

No members of the public addressed the Board.

IV. Minutes

A. Consideration of and action on the minutes of the December 6, 2024 meeting.

Linda Mendenhall, City Clerk

A motion to **Approve the minutes of the December 6, 2024 meeting**, was made by Laura Richard and seconded by Robert Sawchuk, the motion **Passed** .

Ayes: Sarwar Khan, Jennifer May, Robert Sawchuk, Donald Smithers, Jared Jameson, Laura

Richard
Absent: Allen Bogard, Malvern Lusky, Nick Dhanani

V. Contracts and Agreements

A. Contract with Reinvestment Zone Number One, City of Sugar Land, and Sugar Land Town Square Property Owners Association, Inc.

Consideration of and action on authorization of a Contract by and between Reinvestment Zone Number One, City of Sugar Land, and Sugar Land Town Square Property Owners Association, Inc., in the amount of \$344,245.00, for the Fiscal Year 2025 plaza events annual payment.

Teresa Preza, Director of Community Relations - Rebees

Teresa Preza, Director of Community Relations- Rebees, gave a presentation, made comments, and answered questions from the Board.

A motion to **Approve a contract by and between Reinvestment Zone Number One, City of Sugar Land, and Sugar Land Town Square Property Owners Association, Inc., in the amount of \$344,245.00, for the Fiscal Year 2025 plaza events annual payment**, was made by James Jameson and seconded by Laura Richard, the motion **Passed**.

Ayes: Sarwar Khan, Jennifer May, Robert Sawchuk, Donald Smithers, Jared Jameson, Laura Richard

Absent: Allen Bogard, Malvern Lusky, Nick Dhanani

VI. Adjournment

A motion to **Adjourn at 8:29 a.m.**, was made by James Jameson and seconded by Jennifer May; the motion **Passed**.

Ayes: Sarwar Khan, Jennifer May, Robert Sawchuk, Donald Smithers, Jared Jameson, Laura Richard

Absent: Allen Bogard, Malvern Lusky, Nick Dhanani

Linda Mendenhall, City Clerk





Tax Increment Reinvestment Zone 1 Agenda Request **September 5, 2025**

Agenda Request No: V.A.

Agenda of: Tax Increment Reinvestment Zone 1 Meeting

Initiated by: Mike Martinez, Budget Manager

Presented by: Justyn Mejorado, Assistant Director of Budget

Responsible Department: Budget

Agenda Caption:

FISCAL YEAR BUDGET AMENDMENT AND ADOPTION

Consideration of and action on the Fiscal Year 2025 budget to projections amendment; and adoption of the proposed Fiscal Year 2026 Budget.

Recommended Action:

Consideration of and action on the Fiscal Year 2025 budget to projections amendment; and adoption of the proposed Fiscal Year 2026 Budget.

Executive Summary:

Background

TIRZ 1 was created in December 1998 through Ordinance 1149 which established a 63.4-acre zone around the intersection of US Hwy 59 and Highway 6 that is set to expire in December 2024. TIRZ 1 has a nine-member board inclusive of two (2) state appointees, six (6) City appointees, and one (1) Fort Bend County appointee. In January 2000, Ordinance 1149 was amended by Ordinance 1229, which reduced the acreage to 32 acres and extended the zone's expiration to December 2025. This area is known today as Sugar Land Town Square.

Participating entities in the zone include City of Sugar Land, Fort Bend County and Levee Improvement District (LID 2); all contributing 100% of the tax increment generated by property taxes above the base value of \$5,570,200. The final Project Plan was approved in March 2002 which outlines the plans for a mix of retail, office, restaurant, hotel, and public space in an urban-style downtown development. The zone is responsible for funding roughly \$11.5M in public infrastructure.

Budget Process

Each year, the Board will adopt a budget for the upcoming fiscal year, which typically runs from October 1st to September 30th, however, FY26 will end on December 31, 2025 with the dissolution of the Zone. The budget will be presented to the Board for consideration upon receipt

of the certified incremental values and proposed tax rates for each participating entity.

Fiscal Year 2025

Fiscal Year 2025 revenues are projected to come in at \$1,600,691, which is \$62,549 less than budgeted. The decrease in revenues is driven by lower adopted tax rates from some participating taxing entities, as well as lower incremental values. Expenditures are projected at \$1,603,683, which is \$185,101 lower than originally budgeted and includes a reduction to the assignment to SLDC based on available fund balances and projected revenues. With these revisions, the ending balance is anticipated to be \$0.

Fiscal Year 2026

The FY26 total revenues are estimated at \$2,277,850, including interest income. The property tax revenues are based on the following incremental values and proposed tax rates for the participating entities:

Taxing Entity	Certified Value	Total Net Assessed Value*	Base Value	Incremental Value	Tax Rates**	Tax Increment at 98.5%
City of Sugar Land	\$265,361,207	\$261,203,910	\$5,570,200	\$255,633,710	\$0.36321	\$ 914,560
LID #2	265,361,207	261,203,910	5,570,200	255,633,710	0.11800	297,123
Fort Bend County	265,361,207	259,658,143	5,570,200	254,087,943	0.42200	1,056,167

**Total Net Assessed Values for City and LID #2 based on City’s certified grand total tax roll while County is based on the County’s certified grand total tax roll due to the City and County having different exemptions and abatements.*

*** City, County, and LID #2 tax rates are proposed rates and may be subject to change pending adoption / approval by the governing body.*

The proposed budget for FY26 includes operating expenditures that cover contractual services, support services, and insurance. The annual plaza event payments to the Town Square Property Owners Association (POA) and to the City’s Parks and Recreation Department will not be funded by TIRZ #1 in FY26, but rather via the City’s General Fund and SL4B corporation.

There are no planned assignments to the SLDC and SL4B Corporations for FY26.

In 2005, the Zone amended its Financing and Project Plan to provide for the financing of 400 additional parking spaces in the Texas Garage to serve Town Square and the Conference Center. The initial developer reimbursement was paid through SL4B issued Sales Tax Revenue Bonds, with the agreement that the Zone would allocate TIRZ revenues for repayment of the debt. The final payment will be made in Fiscal Year 2025, timed with the dissolution in December 2025.

The FY26 proposed budget shows an ending fund balance of \$2,258,942. Depending on final adopted tax rates, actual revenues from participating entities may differ from the estimated

amounts shown. These assumptions also capture a full year of collections, but actuals will vary depending on the collection rate through December 31st, 2025. Any revenues received after the Zone dissolves will go to the City’s General and Debt Service, respectively, based on the final tax rate allocation for Tax Year 2025.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

- 1. FY26 TIRZ1 Income Statement

**CITY OF SUGAR LAND
TAX INCREMENT REINVESTMENT ZONE No. 1
INCOME STATEMENT**

	FY24 Actuals	FY25 Current Budget	FY25 Projections	FY26 Base Budget	FY26 Changes	FY26 Budget
REVENUES						
Incremental Property Taxes - County	\$ 987,339	\$ 775,789	\$ 744,910	\$ 1,056,167	\$ -	\$ 1,056,167
Incremental Property Taxes - LID #2	344,602	229,358	210,172	297,123	-	297,123
Incremental Property Taxes - City	810,283	648,093	629,109	914,560	-	914,560
Interest Income	20,145	10,000	16,500	10,000	-	10,000
Total Revenues	2,162,368	1,663,240	1,600,691	2,277,850	-	2,277,850
EXPENDITURES						
Insurance	1,930	2,000	2,000	2,000	-	2,000
Town Square POA Events	312,950	344,245	344,245	-	-	-
Contractual Services	122	130	130	130	-	130
Support Services Reimb	10,443	3,751	3,751	16,778	-	16,778
Operating Expenditures	325,446	350,126	350,126	18,908	-	18,908
Plaza Events - Transfer to General Fund	70,000	70,000	70,000	-	-	-
Assignment to SLDC/SL4B	1,938,008	1,368,658	1,183,557	-	-	-
Non-Operating Expenditures	2,008,008	1,438,658	1,253,557	-	-	-
Total Expenditures	2,333,454	1,788,784	1,603,683	18,908	-	18,908
Revenues Over/(Under) Expenditures	(171,086)	(125,544)	(2,992)	2,258,942	-	2,258,942
Fund Balance - Beginning	174,078	2,992	2,992	-	-	-
Fund Balance - Ending	\$ 2,992	\$ (122,552)	\$ -	\$ 2,258,942	\$ -	\$ 2,258,942