

Tax Increment Reinvestment Zone No. 2 – The Island



TIRZ No. 2 Board Meeting
July 15, 2025



Reinvestment Zone #2

Statement of Revenues, Expenditures and Changes in Fund Balance as of May 31, 2025

| | Amended Budget | Actual YTD | Variance | % of Budget |
|----------------------------------|-------------------|--------------|--------------|----------------|
| Revenues | | | | |
| Taxes - Property/Ad Valorem | \$ 6,082,559 | \$ 6,139,152 | \$ 56,593 | 100.9% |
| Earnings on investments | 320,929 | 170,496 | (150,433) | 53.1% |
| Total Revenues | 6,403,488 | 6,309,648 | (93,840) | 98.5% |
| Expenditures | | | | |
| Brisco King Pavilion | 5,911,385 | 5,911,359 | 26 | 100.0% |
| Packery Channel Maintenance | 250,000 | - | 250,000 | 0.0% |
| Transfers Out to CIP Projects | 7,850,374 | 6,879,750 | 970,624 | 87.6% |
| Administrative Services | 184,896 | 123,264 | 61,632 | 66.7% |
| Total Expenditures | 14,196,655 | 12,914,373 | 1,282,282 | 91.0% |
| Net change in Fund Balance | (7,793,167) | (6,604,725) | 1,188,442 | 84.8% |
| Beginning FY25 Fund Balance | 11,189,721 | 11,189,721 | - | |
| Ending Fund Balance as of May 31 | \$ 3,396,554 | \$ 4,584,996 | \$ 1,188,442 | 135.0% |



Reinvestment Zone #2

5 Year Forecast of Funds Available for Commitments

| | | | COMMITMENTS | | | |
|-------------|------------------------|--------------------------|-------------------|---------------------|--------------------------|---|
| Fiscal Year | Beginning Fund Balance | Estimated Annual Revenue | Future Incentives | Capital Commitments | Admin and Other Expenses | Total Estimated Balance Available for Commitments |
| 2025** | \$10,579,045 | \$ 93,840 | \$ 598,620 | \$ 970,624 | \$ 311,632 | \$ 8,792,009 |
| 2026 | 8,792,009 | 6,422,025 | 3,066,667 | 4,819,032 | 454,245 | 6,874,090 |
| 2027 | 6,874,090 | 6,422,025 | 3,716,666 | 5,481,265 | 467,370 | 3,630,814 |
| 2028* | 3,630,814 | 6,422,025 | 5,470,314 | 3,695,487 | 481,151 | 405,887 |
| 2029 | 405,887 | 6,422,025 | 4,807,293 | - | 308,877 | 1,711,742 |

* The City's contribution to the TIRZ decreases from 100% to 75%. The County's contribution to TIRZ decreases from 75% to 70%.

** Includes \$5.9M reserve from CIP.



Project Specific Development Commitments as of May 31, 2025

| Projects | Developer | Total | FY25 | FY26 | FY27 | FY28 | FY29-42 |
|--|--------------------------------|---------------|------------|------------|--------------|------|--------------|
| Grand Total | | \$ 23,239,050 | \$ 259,700 | \$ 800,935 | \$ 4,600,000 | \$ - | \$13,639,050 |
| (I) Promenade * | Lake Padre Development Co, LLC | 13,639,050 | - | - | - | - | 13,639,050 |
| (I) Public Mobility Bridges * | Ashlar Interests, LLC | 4,000,000 | - | - | 4,000,000 | - | - |
| (I) Preserve Community Walking Trail * (a) | Ashlar Interests, LLC | 1,200,000 | - | 111,820 | - | - | - |
| (I) Aquarius Street Box Culvert Water Exchange * (a) | Ashlar Interests, LLC | 400,000 | - | - | - | - | - |
| (I) Preserve Ponds Interconnectivity * (a) | Ashlar Interests, LLC | 300,000 | 259,700 | - | - | - | - |
| (I) Aquarius Street Canal Walk * (a) | Ashlar Interests, LLC | 2,100,000 | - | 689,115 | - | - | - |
| (I) Kayak Launches at Public Parks * | Ashlar Interests, LLC | 600,000 | - | - | 600,000 | - | - |
| (I) Aquarius Street Water Quality Circulation Aqueduct * (a) | Ashlar Interests, LLC | 1,000,000 | - | - | - | - | - |

- The reimbursement is contingent on the property tax revenue incremental growth.
- (a) Project commitment decreases pending Board approval.



Reinvestment Zone #2

Commitments as of May 31, 2025

| Projects | Developer | Total | FY25 | FY26 | FY27 | FY28 | FY29 | FY30-42 |
|--|--------------------------------|---------------|-----------|-------------|-------------|-------------|-------------|---------|
| | Grand Total | \$ 20,110,940 | \$598,620 | \$3,066,667 | \$3,716,666 | \$5,470,314 | \$4,807,293 | \$ - |
| Golf Cart Path & Bridge | Lake Padre Development Co, LLC | 2,230,940 | - | - | - | 743,647 | 1,487,293 | - |
| Pedestrian Bridges | Lake Padre Development Co, LLC | 1,980,000 | - | - | - | 660,000 | 1,320,000 | - |
| Commodores Mobility Bridge | Ashlar Interests, LLC | 9,200,000 | - | 3,066,667 | 3,066,666 | 3,066,667 | - | - |
| Encantada Avenue Mobility Bridge (a) | Ashlar Interests, LLC | 2,700,000 | - | - | 650,000 | - | - | - |
| Public Mobility Bridge at Park Road 22 | Ashlar Interests, LLC | 3,000,000 | - | - | - | 1,000,000 | 2,000,000 | - |
| Whitecap Effluent Line to Preserve Ponds (a) | Ashlar Interests, LLC | 1,000,000 | 598,620 | - | - | - | - | - |

(a) Project commitment decreases pending Board approval.



Reinvestment Zone #2

Capital Commitments as of May 31, 2025

| Projects | | Total | FY25 | FY26 | FY27 | FY28 | FY29 |
|---|---------------|---------------|------------|-------------|-------------|-------------|------|
| Grand Total | | \$ 20,499,872 | \$ 970,624 | \$4,819,032 | \$5,481,265 | \$3,695,487 | \$ - |
| Paper Street (Sand Dollar & Crowsnest) | City Projects | 4,016,250 | - | 1,531,532 | 2,155,140 | 329,578 | - |
| North Padre Island Seawall Improvements | City Projects | 11,533,464 | - | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Parker Channel Capital Repairs | City Projects | 3,979,534 | - | 1,287,500 | 1,326,125 | 1,365,909 | - |
| Forcemain Bypass Project for Park Road 22 | City Projects | 970,624 | 970,624 | - | - | - | - |



Administration Services and Other Expenditures as of May 31, 2025

| Projects | | Total | FY25 | FY26 | FY27 | FY28 | FY29 |
|------------------------------------|------|--------------|------------|------------|------------|------------|------------|
| Grand Total | | \$ 2,023,275 | \$ 311,632 | \$ 454,245 | \$ 467,370 | \$ 481,151 | \$ 308,877 |
| Transfers to General Fund | City | 621,867 | 61,632 | 186,745 | 186,745 | 186,745 | - |
| Packery Channel Maintenance | City | 1,381,408 | 250,000 | 262,500 | 275,625 | 289,406 | 303,877 |
| Management & Professional Services | City | 20,000 | - | 5,000 | 5,000 | 5,000 | 5,000 |



Reinvestment Zone #2 CIP Projects

| Project | Budget | Expenditures to Date | Available Balance |
|--|---------------------|----------------------|---------------------|
| Park Road 22 Bridge | \$7,386,539 | \$7,325,336 | \$61,203 |
| Packery Channel: | | | |
| FEMA Restoration (Restoration and Sidewalk Projects) | 4,785,681 | 3,330,187 | 1,455,494 |
| Dredging | 4,192,056 | 4,097,008 | 95,048 |
| Packery Channel Capital Repairs | 2,056,000 | - | 2,056,000 |
| Other Projects: | | | |
| Whitecap and Gypsy Bridges Scour Protection | 300,000 | 37,160 | 262,840 |
| Sand Dollar (Verdemar Dr and Highway 361) | 2,008,125 | 57,590 | 1,950,535 |
| Whitecap Effluent Waterline Rehab & Extension | 1,500,000 | - | 1,500,000 |
| Crowsnest (Beach Access 4 to Whitecap) | 2,008,125 | 63,341 | 1,944,784 |
| North Padre Island Seawall Improvement | 3,887,500 | 483,913 | 3,403,587 |
| Commodore Park (Design Only) | 400,000 | - | 400,000 |
| Reserve Appropriation | 5,994,049 | - | 5,994,049 |
| Total | \$34,518,075 | \$15,394,535 | \$19,123,540 |