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## **TIRZ #1 BOARD JOINT TIRZ BOARDS MEETING CITY OF BAY CITY**

**Thursday, February 26, 2026 at 5:00 PM  
COUNCIL CHAMBERS | 1901 5th Street**

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### **Vision Statement**

**We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.**

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## **AGENDA**

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**CALL TO ORDER AND CERTIFICATION OF QUORUM**

**APPROVAL OF AGENDA**

**APPROVAL OF MINUTES**

1. **Minutes from Joint TIRZ Board meeting of February 13, 2025.**

**PUBLIC COMMENTS**

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL**

2. **Report ~ Discuss and Review Tax Increment Fund for TIRZ #1, TIRZ #2, TIRZ #3 and TIRZ #4 Annual Report for fiscal year 2025.** Scotty Jones, City Manager
3. **Report ~ Discuss and Review Tax Increment Fund for TIRZ #1, TIRZ #2, TIRZ #3 and TIRZ #4 1st Quarter Financials for FY2026.** Scotty Jones, City Manager
4. **Update on Valor Park in TIRZ #1A.**
5. **Update on Bold Fox Development in TIRZ #2.**
6. **Update on Marguerite Meadows Development in TIRZ #3.**
7. **Update on Russell Ranch Development in TIRZ #4.**

**TIRZ #1 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

8. **Consider and/or approve the TIRZ #1 Board meeting minutes of August 21, 2025.**
9. **Consider and/or approve the Tax Increment Fund for TIRZ #1 Annual Report for fiscal year 2025.** Scotty Jones, City Manager
10. **Consider, and/or approve the Tax Increment Fund for TIRZ #1 1st Quarter Financials for FY2026.** Scotty Jones, City Manager
11. **Discuss the proposed building improvement and resiliency / code compliance incentive program and take any action deemed necessary.**  
Scotty Jones, City Manager
12. **Authorize an allocation of \$100,000 from available TIRZ funds to the City of Bay City for the purpose of implementing a Downtown Facade and Building Improvement Program.**
13. **Discuss and appoint a Vice Chair for TIRZ Board #1.**

**TIRZ #2 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

14. **Consider and/or approve the Tax Increment Fund for TIRZ #2 Annual Report for fiscal year 2025.** Scotty Jones, City Manager
15. **Consider, and/or approve the Tax Increment Fund for TIRZ #2 1st Quarter Financials for FY2026.** Scotty Jones, City Manager
16. **Discuss and appoint a Vice Chair for TIRZ Board #2.**

**TIRZ #3 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

17. **Consider and/or approve the Tax Increment Fund for TIRZ #3 Annual Report for fiscal year 2025.** Scotty Jones, City Manager
18. **Consider, and/or approve the Tax Increment Fund for TIRZ #3 1st Quarter Financials for FY2026.** Scotty Jones, City Manager
19. **Discuss and appoint a Vice Chair for TIRZ Board #3.**

**TIRZ #4 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

20. **Consider and/or approve the Tax Increment Fund for TIRZ #4 Annual Report for fiscal year 2025.** Scotty Jones, City Manager
21. **Consider, and/or approve the Tax Increment Fund for TIRZ #4 1st Quarter Financials for FY2026.** Scotty Jones, City Manager

22. **Discuss and appoint a Vice Chair for TIRZ Board #4.**

**ITEMS/COMMENTS FROM BOARD MEMBERS**

**ADJOURN**

**AGENDA NOTICES:**

**Attendance By Other Elected or Appointed Officials:** It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

**CERTIFICATION OF POSTING**

This is to certify that the above notice of a Regular Called TIRZ #1 Board meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **February 20, 2026 before 5:00 p.m.** Any questions concerning the above items, please contact the Mayor and City Manager's office at (979) 245-2137.



# TIRZ BOARDS JOINT MEETING CITY OF BAY CITY

Thursday, February 13, 2025 at 5:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

## Vision Statement

We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.

## MINUTES

### **CALL TO ORDER AND CERTIFICATION OF QUORUM**

Board Chair James Folse, called the meeting to order at 5:00 p.m. All Boards certified to have a quorum.

#### **TIRZ #1 Board**

PRESENT

Board Chair Becca Sitz  
Board Member Bill Cornman  
Board Member DC Dunham  
Board Member James Folse  
Board Member Mike Estlinbaum  
Board Member Craig Hlavinka  
Board Member Tina Israel  
Board Member Bryan Prochnow.

#### **TIRZ #2 Board**

PRESENT

Board Chair Becca Sitz  
Board Member Bill Cornman  
Board Member DC Dunham  
Board Member James Folse  
Board Member Mike Estlinbaum  
Board Member Craig Hlavinka  
Board Member Tina Israel  
Board Member Bryan Prochnow.

#### **TIRZ #3 Board**

PRESENT

Board Chair James Folse  
Board Member DC Dunham  
Board Member Mike Estlinbaum  
Board Member Bryan Prochnow  
Board Member Becca Sitz

#### **TIRZ #4 Board**

PRESENT

Board Chair James Folse  
Board Member Samantha Denbow  
Board Member Mike Estlinbaum  
Board Member Craig Hlavinka  
Board Member Tina Israel  
Board Member Bryan Prochnow  
Board Member Jessica Russell  
Board Member Renee Savage

ABSENT FROM ALL BOARDS:

Board Member Bubba Cook

### **APPROVAL OF AGENDA**

Motion made by Board Member Jessica Russell to approve the agenda,  
Seconded by Board Member Becca Sitz. Voting Yea: All. Voting Nay: None.  
Motion carried.

### **PUBLIC COMMENTS**

There were no public comments.

## **REGULAR ITEMS FOR DISCUSSION**

**1. Report ~ Discuss and Review Tax Increment Fund for TIRZ #1, TIRZ #2, TIRZ #3 and TIRZ #4 Annual Report for fiscal year 2024.**

Scotty Jones, City Manager, reviewed the Tax Increment Fund for each TIRZ. TIRZ #1 taxable value for 2024 was \$40,945,591 generating \$17,069,831 in captured appraised value, resulting in \$210,218 in revenue for TIRZ #1 to be collected in FY 2025. TIRZ #1A taxable value for 2024 was \$1,131,480 generating \$0 in captured appraised value, resulting in \$0 revenue for TIRZ #1A to be collected in FY 2025. TIRZ #2 taxable value for 2024 was \$16,220,090 generating \$14,120,897 in captured appraised value, resulting in \$174,424 in revenue for TIRZ #2 to be collected in FY 2025. TIRZ #2A taxable value for 2024 was \$21,200 generating \$5,180 in captured appraised value, resulting in \$64 in revenue for TIRZ #2A to be collected in FY 2025. TIRZ #3 taxable value for 2024 was \$5,314,412 generating \$4,965,312 in captured appraised value, resulting in \$49,890 in revenue for TIRZ #3 to be collected in FY 2025. TIRZ #4 taxable value for 2024 was \$355,990 generating \$164,790 in captured appraised value, resulting in \$1,022 in revenue for TIRZ #4 to be collected in FY 2025.

**2. Report ~ Discuss and Review Tax Increment Fund for TIRZ #1, TIRZ #2, TIRZ #3 and TIRZ #4 1st Quarter Financials for FY2025.**

Scotty Jones, City Manager, presented the 1st Quarter Financials for FY2025. TIRZ #1 had an ending fund balance of \$529,176.27, TIRZ #2 had an ending fund balance of \$47,455.58, TIRZ #3 had an ending fund balance of \$52,947.95, and TIRZ #4 had an ending fund balance of \$998.59.

**3. Update on Valor Park in TIRZ #1A.**

DC Dunham provided the update on Valor Park in TIRZ #1A stating that Phase I was completed and sold, Phase II has sold 41 lots and they have acquired the Purchase Bond for Phase III and 16 lots have been closed on Phase IV.

**4. Update on Bold Fox Development in TIRZ #2.**

Jessica Russell, BCCDC Executive Director, provided the update on the Bold Fox Development in TIRZ #2 stating that they have not moved dirt but other developments in that area could spur movement.

**5. Update on Marguerite Meadows Development in TIRZ #3.**

Jessica Russell, BCCDC Executive Director, provided the update on Marguerite Meadows in TIRZ #3, stating that 22 lots sold and Phase II in development.

**6. Update on Russell Ranch Development in TIRZ #4.**

Jessica Russell, BCCDC Executive Director, provided the update on Russell Ranch in TIRZ #4 stating that they have sold 3 and the Model Home is almost complete.

**TIRZ #1 & #2 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

**7. Consider and/or approve TIRZ Board 1 & 2 Meeting minutes of February 8, 2024.**

Motion made by Board Member Tina Israel to approve the minutes of February 8, 2024, Seconded by Board Member DC Dunham. Voting Yea: Board Chair Becca Sitz, Board Member Bill Cornman, Board Member DC Dunham, Board Member James Folse, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow. Voting Nay: None. Motion carried.

**8. Consider and/or approve the Tax Increment Fund for TIRZ #1 & #2 Annual Report for fiscal year 2024.** Scotty Jones, City Manager

Motion made by Board Member Bryan Prochnow to approve the annual report for fiscal year 2024, Seconded by Board Member DC Dunham. Voting Yea: Board Chair Becca Sitz, Board Member Bill Cornman, Board Member DC Dunham, Board Member James Folse, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow. Voting Nay: None. Motion carried.

**9. Consider and approve the TIRZ #1 & #2 financial report for the month ending December 31, 2024.**

Motion made by Board Member DC Dunham to approve the financial report for month ending December 31, 2024, Seconded by Board Member Bryan Prochnow. Voting Yea: Board Chair Becca Sitz, Board Member Bill Cornman, Board Member DC Dunham, Board Member James Folse, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow. Voting Nay: None. Motion carried.

**10. Discuss and appoint a Vice Chair for TIRZ Board #1.**

Motion made by Board Member Mike Estlinbaum to appoint James Folse as Vice-Chair of TIRZ Board #1, Seconded by Board Member Bryan Prochnow. Voting Yea: Board Chair Becca Sitz, Board Member Bill Cornman, Board Member DC Dunham, Board Member James Folse,

Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow. Voting Nay: None. Motion carried.

**11. Discuss and appoint a Vice Chair for TIRZ Board #2.**

Motion made by Board Member DC Dunham to appoint James Folse as Vice-Chair of TIRZ Board #2, Seconded by Board Chair Becca Sitz. Voting Yea: Board Chair Becca Sitz, Board Member Bill Cornman, Board Member DC Dunham, Board Member James Folse, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow. Voting Nay: None. Motion carried.

**TIRZ #3 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

**12. Consider and/or approve TIRZ Board 3 Meeting minutes of May 14, 2024.**

Motion made by Board Member DC Dunham to approve the minutes of May 14, 2024, Seconded by Board Chair James Folse. Voting Yea: Board Chair James Folse, Board Member DC Dunham, Board Member Mike Estlinbaum, Board Member Bryan Prochnow, Board Member Becca Sitz. Voting Nay: None. Motion carried.

**13. Consider and/or approve the Tax Increment Fund for TIRZ #3 Annual Report for fiscal year 2024.**

Motion made by Board Member DC Dunham to approve the annual report for fiscal year 2024, Seconded by Board Member Bryan Prochnow. Voting Yea: Board Chair James Folse, Board Member DC Dunham, Board Member Mike Estlinbaum, Board Member Bryan Prochnow, Board Member Becca Sitz. Voting Nay: None. Motion carried.

**14. Consider and/or approve the Tax Increment Fund for TIRZ #3 financial report for the month ending December 31, 2024.**

Motion made by Board Member DC Dunham to approve the financial report for month ending December 31, 2024, Seconded by Board Member Mike Estlinbaum. Voting Yea: Board Chair James Folse, Board Member DC Dunham, Board Member Mike Estlinbaum, Board Member Bryan Prochnow, Board Member Becca Sitz. Voting Nay: None. Motion carried.

**15. Recommend approval of the amended development agreement between the City of Bay City, Texas and Marguerite Meadows, LLC to the City Council.**

Motion made by Board Member Bryan Prochnow to approve the amended development agreement between the City of Bay City and Marguerite Meadows, Seconded by Board Member Mike Estlinbaum. Voting Yea: Board Chair James Folse, Board Member DC Dunham, Board Member Mike Estlinbaum, Board Member Bryan Prochnow, Board Member Becca Sitz. Voting Nay: None. Motion carried.

**16. Discuss and appoint a Vice Chair for TIRZ Board #3.**

Motion made by Board Member Mike Estlinbaum to appoint Becca Sitz as Vice Chair to the TIRZ #3 Board, Seconded by Board Member DC Dunham. Voting Yea: Board Chair James Folse, Board Member DC Dunham, Board Member Mike Estlinbaum, Board Member Bryan Prochnow, Board Member Becca Sitz. Voting Nay: None. Motion carried.

**TIRZ #4 BOARD REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:**

**17. Consider and/or approve TIRZ Board 4 Meeting minutes of February 14, 2023.**

Motion made by Board Member Jessica Russell to approve the minutes of February 14, 2023, Seconded by Board Member Tina Israel. Voting Yea: Board Chair James Folse, Board Member Samantha Denbow, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow, Board Member Jessica Russell, Board Member Renee Savage. Voting Nay: None. Motion carried.

**18. Consider and/or approve the Tax Increment Fund for TIRZ #4 Annual Report for fiscal year 2024.**

Motion made by Board Member Jessica Russell to approve the annual report for fiscal year 2024, Seconded by Board Member Tina Israel. Voting Yea: Board Chair James Folse, Board Member Samantha Denbow, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow, Board Member Jessica Russell, Board Member Renee Savage. Voting Nay: None. Motion carried.

**19. Consider and/or approve the Tax Increment Fund for TIRZ #4 financial report for the month ending December 31, 2024.**

Motion made by Board Member Jessica Russell to approve the financial report for month ending December 31, 2024, Seconded by Board Member Tina Israel. Voting Yea: Board Chair James Folse, Board Member Samantha Denbow, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow, Board Member Jessica Russell, Board Member Renee Savage. Voting Nay: None. Motion carried.

**20. Discuss and appoint a Vice Chair for TIRZ Board #4.**

Motion made by Board Member Mike Estlinbaum to appoint Jessica Russell as Vice Chair to TIRZ #4 Board, Seconded by Board Chair James Folse. Voting Yea: Board Chair James Folse, Board Member Samantha Denbow, Board Member Mike Estlinbaum, Board Member Craig Hlavinka, Board Member Tina Israel, Board Member Bryan Prochnow, Board Member Jessica Russell, Board Member Renee Savage. Voting Nay: None. Motion carried.

**ITEMS/COMMENTS FROM BOARD MEMBERS**

Jessica Russell presented a summary of new proposed development, Porter Meadows, in the TIRZ #5 zone.

**ADJOURN**

The Joint Meeting of TIRZ #1, #2, #3, and #4 Boards adjourned at 5:47 p.m.

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
BOARD CHAIRMAN  
TIRZ BOARD #1

\_\_\_\_\_  
JEANNA THOMPSON  
CITY SECRETARY

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
BOARD CHAIRMAN  
TIRZ BOARD #2

\_\_\_\_\_  
JEANNA THOMPSON  
CITY SECRETARY

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
BOARD CHAIRMAN  
TIRZ BOARD #3

\_\_\_\_\_  
JEANNA THOMPSON  
CITY SECRETARY

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
BOARD CHAIRMAN  
TIRZ BOARD #4

\_\_\_\_\_  
JEANNA THOMPSON  
CITY SECRETARY

**REPORT~ DISCUSS AND REVIEW THE TAX INCREMENT FUND FOR TIRZ #1, TIRZ #2, TIRZ #3, AND TIRZ #4 ANNUAL REPORT FOR FISCAL YEAR 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

A local government that creates a TIF zone must send an annual report about the zone to each participating taxing unit on or before the 150th day following the end of the fiscal year of the municipality. In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund. The local government also submits to the Comptroller information about each tax increment reinvestment zone it creates.

**ATTACHMENTS:** Annual Report for FY 2025



***Tax Increment Reinvestment Zone***  
**Annual Report**  
**FY 2025**

***City of Bay City, Texas***  
**BAYCITYTX.GOV**

***#BayCityTX4U***

# ANNUAL REPORT REQUIREMENTS



## Annual Report Requirements

Texas state law requires the governing body of the municipality that created the TIRZ to submit an annual report to the chief executive officer of each taxing unit that levies taxes on property within the zone. The report must be provided within 150 days of the end of the city's fiscal year. The report must include the following items:

1. The amount and source of revenue in the tax increment fund established for the zone;
2. The amount and purpose of expenditures from the fund;
3. The amount of principal and interest due on outstanding bonded indebtedness;
4. The tax increment base and current captured appraised value retained by the zone;
5. The captured appraised value shared by the city and other taxing units;
6. The total amount of tax increments received; and
7. Any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the city.

A copy of the above report must be sent to the Texas State Comptroller's Office.

## What is Tax Increment Financing (TIF)?

Tax Increment Financing (TIF) is a tool to help finance public improvements and development projects within a defined area. A municipality makes an area eligible for TIF by designating it a Tax Increment Reinvestment Zone (TIRZ). Within the designated zone all of the incremental tax revenue growth flows to an established tax increment fund to help pay for public improvements within the zone.

Following incremental growth in property values, and the collection of tax revenue in the established TIRZ fund, the TIRZ board and the City Council disburse funds to promote revitalization efforts within the zone.

While TIRZ's are generally established by cities, other taxing jurisdictions are allowed to participate in the zone at their own discretion.

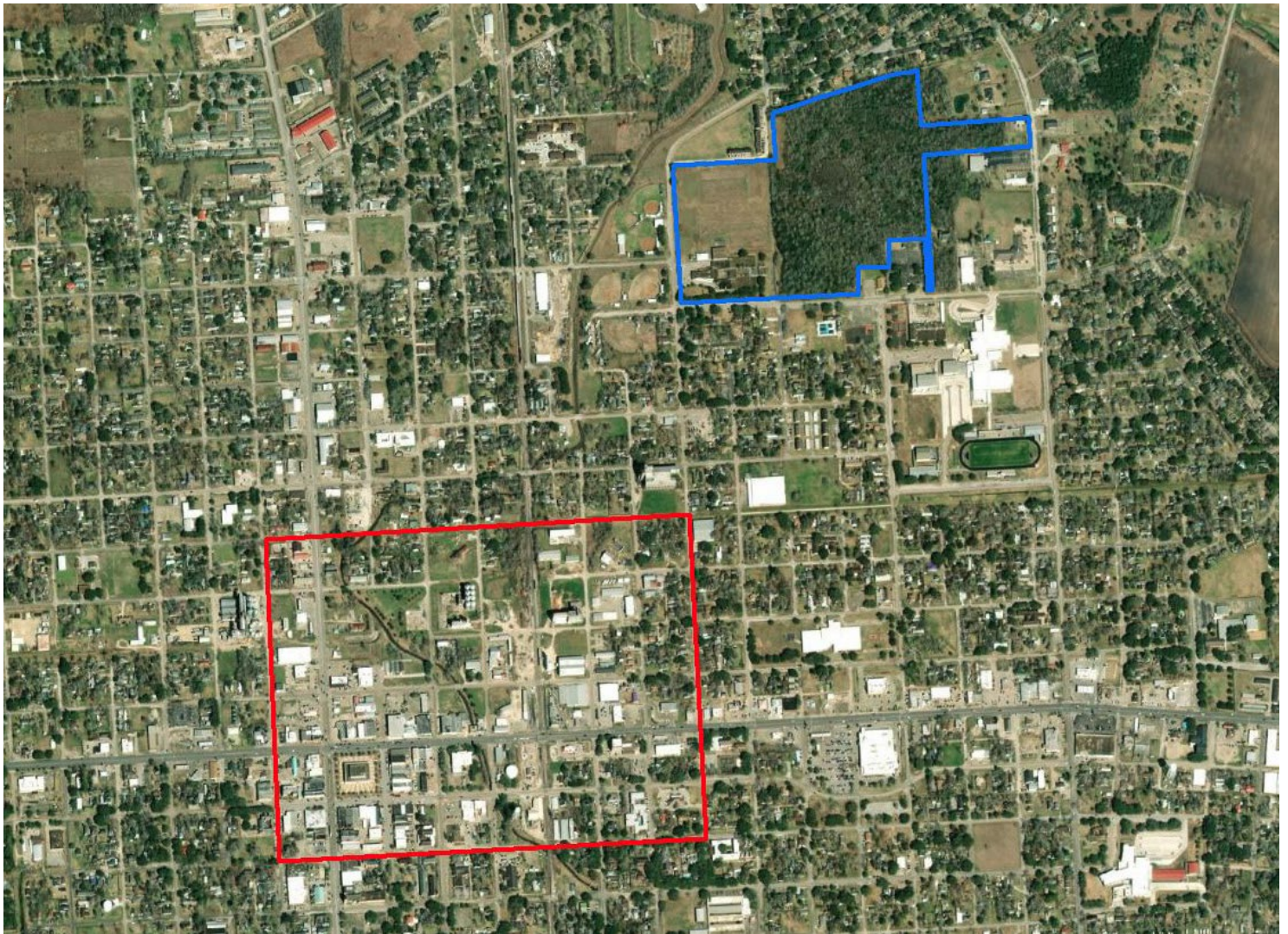




# BAY CITY TAX INCREMENT REINVESTMENT ZONE #1 & 1A

The City of Bay City Tax Increment Reinvestment Zone (TIRZ) Number One (TIRZ #1) was established in 2015 and is located in the City's central core encompassing approximately 160 acres. Bay City TIRZ #1 is bounded by 11th Street to the north, Avenue E to the west, 5th Street to the south, and Avenue L on the eastern border.

In 2022, the TIRZ was expanded to encompass approximately 54.441 acres bringing total acreage to 214.41 acres. The expanded boundaries are non-contiguous to the north of the original TIRZ boundaries.

While the sites hold great potential due to its locations, it lacks the infrastructure necessary to support commercial and residential development. As such, the sites will not be developed to its full potential but for the creation of a TIRZ.



-  - TIRZ #1 Boundary
-  - TIRZ #1A Boundary



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #1 & 1A

## **Board of Directors**

**Becca Sitz**

**(Chairperson)**

City Representative  
(Council member)

**Jim Folse**

**(Vice Chair)**

City Representative  
(Council Member)

**William Cornman**

City Representative

**Tina Israel**

City Representative

**Craig Hlavinka**

Port of Bay City  
Authority

**Edward “Bubba” Cook**  
County Commissioner

**Mike Estlinbaum**  
County Commissioner

**Bryan Prochnow**  
Matagorda Regional  
Medical Center

**D.C. Dunham**  
Matagorda Regional  
Medical Center

## **Tax Increment Revenue Overview- TIRZ 1 (Downtown Area)**

The City of Bay City TIRZ #1 base value was established in 2015 with a real property taxable value base of \$23,875,760. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund for a period of 30 years.

The taxable value for 2024 was \$40,945,591 generating \$17,069,831 in captured appraised value, resulting in \$202,854 in revenue for TIRZ #1 collected in FY2025. In FY2025 TIRZ #1 had \$5,071 expenditures from the fund and the fund balance as of September 30, 2025 was \$733,503.

The taxable value for 2025 was \$42,133,030 generating \$18,257,270 in captured appraised value, resulting in \$211,766 in revenue for TIRZ #1 to be collected in FY2026.

## **Tax Increment Revenue Overview- TIRZ 1A (Valor Park)**

In 2022, the boundaries of TIRZ 1A was extended. The City of Bay City TIRZ #1A base value was established in 2022 with a real property taxable value base of \$2,297,980.

The taxable value for 2024 was \$1,131,480 generating \$0 in captured appraised value, resulting in \$0 revenue for TIRZ #1A collected in FY 2025.

The taxable value for 2025 was \$9,070,280 generating \$6,772,300 in captured appraised value, resulting in \$75,560 revenue for TIRZ #1A to be collected in FY 2026.



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #1 & 1A

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	100%	0.56916
Matagorda Cty	0.34033	100%	0.34033
Matagorda Cty Hospital	0.23995	100%	0.23995
Port of Bay City	0.04743	100%	0.04743
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>1.19687</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.56916	48%	\$97,155
Matagorda Cty	0.34033	28%	\$57,308
Matagorda Cty Hospital	0.23995	20%	\$40,405
Port of Bay City	0.04743	4%	\$7,986
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>1.19687</b>	<b>100.00%</b>	<b>\$202,854</b>

## TIRZ 1

2015 Base Value	
<u>Real Property</u>	
City of Bay City	\$23,875,760
Matagorda Cty	\$23,489,232
Matagorda Cty Hospital	\$23,489,232
Port of Bay City	\$23,489,232
2024 Tax Year	
<u>Real Property</u>	
City of Bay City	\$40,945,591
Matagorda Cty	\$40,328,117
Matagorda Cty Hospital	\$40,328,117
Port of Bay City	\$40,328,117
Captured Appraised Value	
<u>Real Property</u>	
City of Bay City	\$17,069,831
Matagorda Cty	\$16,838,885
Matagorda Cty Hospital	\$16,838,885
Port of Bay City	\$16,838,885
Incremental Revenue Collected in FY 2025	
<u>Real Property</u>	
City of Bay City	\$97,155
Matagorda Cty	\$57,308
Matagorda Cty Hospital	\$40,405
Port of Bay City	\$7,986
<b>Total</b>	<b>\$202,854</b>



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #1 & 1A

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	100%	0.56916
Matagorda Cty	0.34033	100%	0.34033
Matagorda Cty Hospital	0.23995	100%	0.23995
Port of Bay City	0.04743	100%	0.04743
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>1.19687</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.56916	48%	\$0
Matagorda Cty	0.34033	28%	\$0
Matagorda Cty Hospital	0.23995	20%	\$0
Port of Bay City	0.04743	4%	\$0
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>1.19687</b>	<b>100.00%</b>	<b>\$0</b>

## TIRZ 1A

2022 Base Value	
<u>Real Property</u>	
City of Bay City	\$2,297,980
Matagorda Cty	\$2,297,980
Matagorda Cty Hospital	\$2,297,980
Port of Bay City	\$2,297,980
2024 Tax Year	
<u>Real Property</u>	
City of Bay City	\$1,131,480
Matagorda Cty	\$1,131,480
Matagorda Cty Hospital	\$1,131,480
Port of Bay City	\$1,131,480
Captured Appraised Value	
<u>Real Property</u>	
City of Bay City	\$-1,166,500
Matagorda Cty	\$-1,166,500
Matagorda Cty Hospital	\$-1,166,500
Port of Bay City	\$-1,166,500
Incremental Revenue Collected in FY 2025	
<u>Real Property</u>	
City of Bay City	\$0
Matagorda Cty	\$0
Matagorda Cty Hospital	\$0
Port of Bay City	\$0
<b>Total</b>	<b>\$0</b>



## BAY CITY TAX INCREMENT REINVESTMENT ZONE #2 & 2A


The City of Bay City Tax Increment Reinvestment Zone Number Two (TIRZ #2) consists of approximately 344 acres of land located in the eastern sector of the City along TX-35.

Originally, the purpose of TIRZ #2 was to help pay for infrastructure costs associated with the development of a large mixed-use development totaling more than 2,200,000 square feet of new construction. It is expected to facilitate the construction of both residential and commercial development.

In 2021, the TIRZ was expanded to encompass approximately 147.27 acres bringing total acreage to 491.27 acres. The expanded boundaries are contiguous to the west of the original TIRZ boundaries.



 - TIRZ #2 Boundary

 - TIRZ #2A Boundary

# BAY CITY TAX INCREMENT REINVESTMENT ZONE #2 & 2 A

## **Board of Directors**

**Becca Sitz**

**(Chairperson)**

City Representative  
(Council member)

**Jim Folse**

**(Vice Chair)**

City Representative  
(Council Member)

**William Cornman**

City Representative

**Tina Israel**

City Representative

**Craig Hlavinka**

Port of Bay City  
Authority

**Mike Estlinbaum**

County Commissioner

**Edward “Bubba” Cook**

County Commissioner

**Bryan Prochnow**

Matagorda Regional  
Medical Center

**D.C. Dunham**

Matagorda Regional  
Medical Center

## **Tax Increment Revenue Overview- TIRZ 2**

The City of Bay City TIRZ #2 base value was established in 2015 with a real property taxable value base of \$2,099,193. The City of Bay City has chosen to contribute 100% of their incremental tax revenue to the TIRZ fund for a period of 30 years.

The taxable value for 2024 was \$16,220,090 generating \$14,120,897 in captured appraised value, resulting in \$168,299 revenue for TIRZ #2 collected in FY 2025. In FY 2025 TIRZ #2 had \$204,207 expenditures from the fund and the fund balance as of September 30, 2025 was \$16,808.

The taxable value for 2025 was \$17,633,760 generating \$15,534,567 in captured appraised value, resulting in \$180,982 in revenue for TIRZ #2 to be collected in FY 2026.

## **Tax Increment Revenue Overview- TIRZ 2A**

In 2021, the boundaries of TIRZ 2 was extended. The City of Bay City TIRZ #2A base value was established in 2021 with a real property taxable value base of \$16,020.

The taxable value for 2024 was \$21,200 generating \$5,180 in captured appraised value, resulting in \$62 revenue for TIRZ #2A collected in FY 2025. In FY 2025 TIRZ #2A had \$0 expenditures from the fund and the fund balance as of September 30, 2025 was \$0.

The taxable value for 2025 was \$22,800 generating \$6,780 in captured appraised value, resulting in \$79 in revenue for TIRZ #2A to be collected in FY 2026.



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #2 & 2A

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	100%	0.56916
Matagorda Cty	0.34033	100%	0.34033
Matagorda Cty Hospital	0.23995	100%	0.23995
Port of Bay City	0.04743	100%	0.04743
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>1.19687</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.56916	48%	\$80,370
Matagorda Cty	0.34033	28%	\$47,673
Matagorda Cty Hospital	0.23995	20%	\$33,612
Port of Bay City	0.04743	4%	\$6,644
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>1.19687</b>	<b>100.00%</b>	<b>\$168,299</b>

## TIRZ 2

2015 Base Value	
<u>Real Property</u>	
City of Bay City	\$2,099,193
Matagorda Cty	\$2,220,022
Matagorda Cty Hospital	\$2,220,022
Port of Bay City	\$2,220,022
<b>2024 Tax Year</b>	
<u>Real Property</u>	
City of Bay City	\$16,220,090
Matagorda Cty	\$16,227,780
Matagorda Cty Hospital	\$16,227,780
Port of Bay City	\$16,227,780
<b>Captured Appraised Value</b>	
<u>Real Property</u>	
City of Bay City	\$14,120,897
Matagorda Cty	\$14,007,758
Matagorda Cty Hospital	\$14,007,758
Port of Bay City	\$14,007,758
<b>Incremental Revenue Collected in FY 2025</b>	
<u>Real Property</u>	
City of Bay City	\$80,370
Matagorda Cty	\$47,673
Matagorda Cty Hospital	\$33,612
Port of Bay City	\$6,644
<b>Total</b>	<b>\$168,299</b>



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #2 & 2A

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	100%	0.56916
Matagorda Cty	0.34033	100%	0.34033
Matagorda Cty Hospital	0.23995	100%	0.23995
Port of Bay City	0.04743	100%	0.04743
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>1.19687</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.56916	48%	\$30
Matagorda Cty	0.34033	28%	\$18
Matagorda Cty Hospital	0.23995	20%	\$12
Port of Bay City	0.04743	4%	\$2
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>1.19687</b>	<b>100.00%</b>	<b>\$62</b>

## TIRZ 2 A

2021 Base Value	
<u>Real Property</u>	
City of Bay City	\$16,020
Matagorda Cty	\$16,020
Matagorda Cty Hospital	\$16,020
Port of Bay City	\$16,020
2024 Tax Year	
<u>Real Property</u>	
City of Bay City	\$21,200
Matagorda Cty	\$21,200
Matagorda Cty Hospital	\$21,200
Port of Bay City	\$21,200
Captured Appraised Value	
<u>Real Property</u>	
City of Bay City	\$5,180
Matagorda Cty	\$5,180
Matagorda Cty Hospital	\$5,180
Port of Bay City	\$5,180
Incremental Revenue Collected in FY 2025	
<u>Real Property</u>	
City of Bay City	\$0
Matagorda Cty	\$0
Matagorda Cty Hospital	\$0
Port of Bay City	\$0
<b>Total</b>	<b>\$0</b>

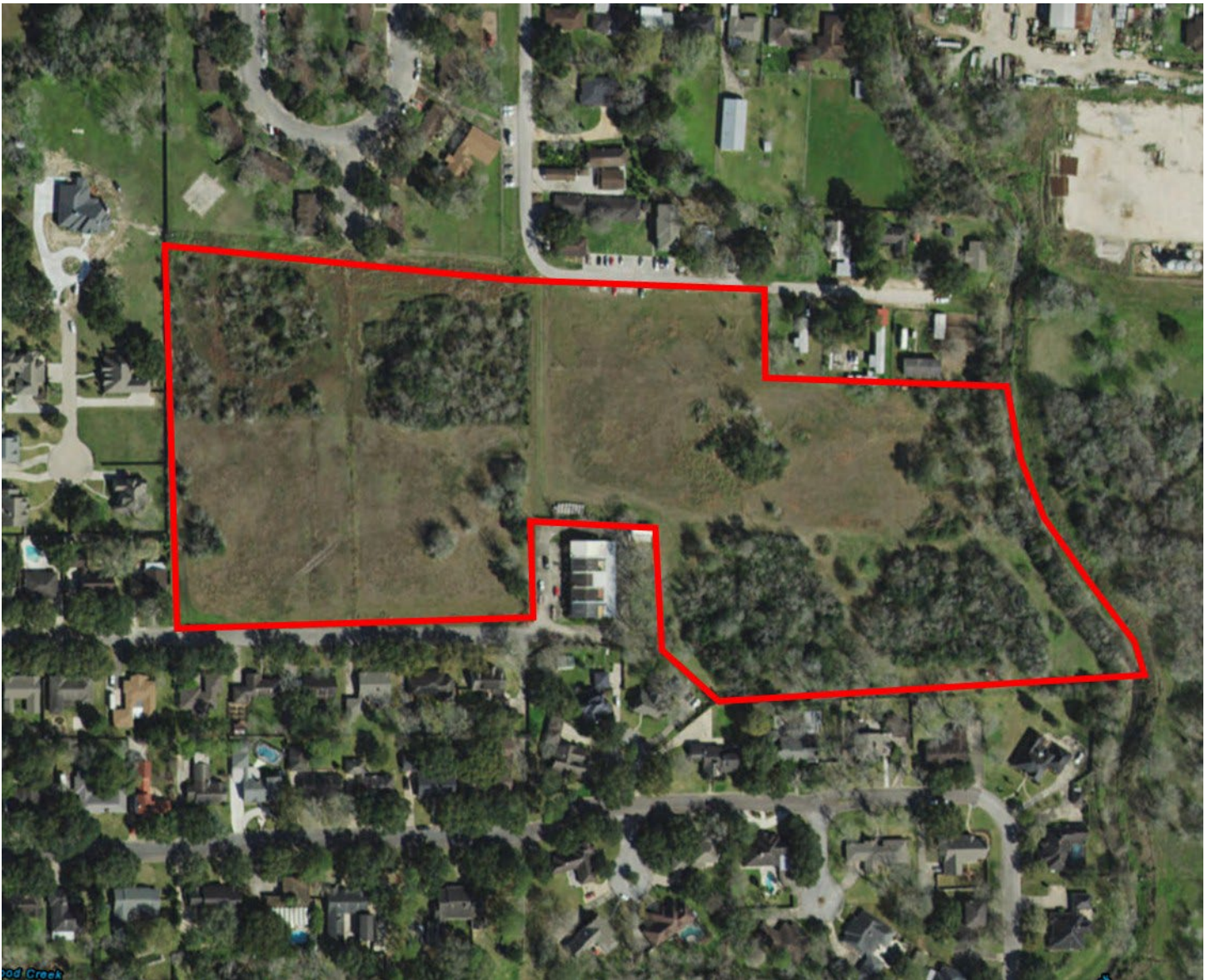
Note: FY 25 Revenue of Earned to be collected in FY 26- **\$62.00**



## BAY CITY TAX INCREMENT REINVESTMENT ZONE #3

The City of Bay City Tax Increment Reinvestment Zone (TIRZ) Number Three (TIRZ #3) was established in 2017 and consists of 20 acres of land, located on the eastern portion of Marguerite Street. Bay City TIRZ #3 fronts Marguerite Street and is then bounded to the West by Carrington Oaks Subdivision, to the North by Pearl Street and to the East by Cottonwood Creek and to the South by Valhalla Subdivision.

All real property within the boundaries is underdeveloped and the sidewalks and street layout are inadequate. As such, the site will not be developed to its full potential but for the creation of a TIRZ.



\*TIRZ #3 Boundary

# BAY CITY TAX INCREMENT REINVESTMENT ZONE #3

## **Board of Directors**

**Jim Folse**

**(Chairperson)**

City Representative

(Councilmember)

**Becca Sitz**

**(Vice Chair)**

City Representative

(Councilmember)

**Mike Estlinbaum**

County Commissioner

**Edward “Bubba” Cook**

County Commissioner

**Bryan Prochnow**

Matagorda Regional  
Medical Center

**D.C. Dunham**

Matagorda Regional  
Medical Center

## **Tax Increment Revenue Overview**

The City of Bay City TIRZ #3 base value was established in 2017 with a real property taxable value base of \$349,100. The City of Bay City has chosen to contribute **90%** of their incremental tax revenue to the TIRZ fund for a period of 25 years.

The taxable value for 2024 was \$5,314,412 generating \$4,468,781 in captured appraised value, resulting in \$48,176 revenue collected in FY 2025. In FY 2025 TIRZ #3 had \$97,409 expenditures from the fund and the fund balance as of September 30, 2025 was \$3,851.

The taxable value for 2025 was \$5,411,792 generating \$4,556,423 in captured appraised value, resulting in \$47,300 revenue for TIRZ #3 to be collected in FY 2026.



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #3

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	90%	0.51224
Matagorda Cty	0.34033	90%	0.30630
Matagorda Cty Hospital	0.23995	90%	0.21596
Port of Bay City	0.04743	0%	0.00000
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>1.034496</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.51224	49%	\$25,434
Matagorda Cty	0.30630	30%	\$13,338
Matagorda Cty Hospital	0.21596	21%	\$9,404
Port of Bay City	0.00000	0%	\$0
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>1.034496</b>	<b>100.00%</b>	<b>\$48,176</b>

## TIRZ 3

2017 Base Value	
<u>Real Property</u>	
City of Bay City	\$349,100
Matagorda Cty	\$349,100
Matagorda Cty Hospital	\$349,100
2024 Tax Year	
<u>Real Property</u>	
City of Bay City	\$5,314,412
Matagorda Cty	\$4,703,696
Matagorda Cty Hospital	\$4,703,696
Captured Appraised Value @ 90%	
<u>Real Property</u>	
City of Bay City	\$4,468,781
Matagorda Cty	\$3,919,136
Matagorda Cty Hospital	\$3,919,136
Incremental Revenue Collected in FY 2025	
<u>Real Property</u>	
City of Bay City	\$25,434
Matagorda Cty	\$13,338
Matagorda Cty Hospital	\$9,404
<b>Total</b>	<b>\$48,176</b>



## BAY CITY TAX INCREMENT REINVESTMENT ZONE #4

The City of Bay City Tax Increment Reinvestment Zone (TIRZ) Number Four (TIRZ #4) was established in 2022 and consists of 49.71 acres of land, located on the eastern portion of the City of Bay City. Bay City TIRZ #4 is generally bounded by 7<sup>th</sup> Street to the south, Rose Street to the west, and Old Van Vleck Road to the east.

All real property within the boundaries is underdeveloped. As such, the site will not be developed to its full potential but for the creation of a TIRZ.



\*TIRZ #4 Boundary

# BAY CITY TAX INCREMENT REINVESTMENT ZONE #4

## Board of Directors

**Jim Folse**

**(Chairperson)**

City Representative

**Jessica Russell**

**(Vice Chair)**

City Representative

**Tina Israel**

City Representative

**Samantha Denbow**

City Representative

**Craig Hlavinka**

Port of Bay City

Authority

**Mike Estlinbaum**

County Commissioner

**Edward “Bubba” Cook**

County Commissioner

**Bryan Prochnow**

Matagorda Regional

Medical Center

**Rene Savage**

Matagorda Regional

Medical Center

## **Tax Increment Revenue Overview**

The City of Bay City TIRZ #4 base value was established in 2022 with a real property taxable value base of \$191,200. The City of Bay City has chosen to contribute **50%** of their incremental tax revenue to the TIRZ fund for a period of 36 years.

The taxable value for 2024 was \$355,990 generating \$82,395 in captured appraised value, resulting in \$986 revenue collected in FY 2025. In FY 2025 TIRZ #4 had \$25 expenditures from the fund and the fund balance as of September 30, 2024 was \$1,963.

The taxable value for 2025 was \$4,118,790 generating \$1,963,795 in captured appraised value, resulting in \$22,966 revenue for TIRZ #4 to be collected in FY 2026.



# BAY CITY TAX INCREMENT REINVESTMENT ZONE #4

## 2024 Taxing Jurisdiction Participation Rates

	Tax Rates	Participation	Participation Rate
City of Bay City	0.56916	50%	0.28458
Matagorda Cty	0.34033	50%	0.17017
Matagorda Cty Hospital	0.23995	50%	0.11998
Port of Bay City	0.04743	50%	0.02372
Drainage District #1	0.03447	0%	0.00000
Coastal Plains GW	0.00309	0%	0.00000
Cons & Recl	0.00733	0%	0.00000
Bay City ISD	1.01338	0%	0.00000
<b>TOTAL</b>	<b>2.25514</b>	<b>-</b>	<b>.598435</b>

## 2024 Taxing Jurisdiction Contributions

	Participation Rate	Percentage of Total	TIRZ Contribution
City of Bay City	0.28458	47%	\$469
Matagorda Cty	0.17017	29%	\$280
Matagorda Cty Hospital	0.11998	20%	\$198
Port of Bay City	0.02372	4%	\$39
Drainage District #1	0.00000	0%	\$0
Coastal Plains GW	0.00000	0%	\$0
Cons & Recl	0.00000	0%	\$0
Bay City ISD	0.00000	0%	\$0
<b>TOTAL</b>	<b>.598435</b>	<b>100.00%</b>	<b>\$986</b>

## TIRZ 4

2022 Base Value	
<u>Real Property</u>	
City of Bay City	\$191,200
Matagorda Cty	\$191,200
Matagorda Cty Hospital	\$191,200
Port of Bay City	\$191,200
2024 Tax Year	
<u>Real Property</u>	
City of Bay City	\$355,990
Matagorda Cty	\$355,990
Matagorda Cty Hospital	\$355,990
Port of Bay City	\$355,990
Captured Appraised Value	
<u>Real Property</u>	
City of Bay City	\$164,790
Matagorda Cty	\$164,790
Matagorda Cty Hospital	\$164,790
Port of Bay City	\$164,790
Incremental Revenue Collected in FY 2025	
<u>Real Property</u>	
City of Bay City	\$469
Matagorda Cty	\$280
Matagorda Cty Hospital	\$198
Port of Bay City	\$39
<b>Total</b>	<b>\$986</b>

**REPORT~DISCUSS AND REVIEW TAX INCREMENT FUND FOR TIRZ #1, TIRZ #2,  
TIRZ #3 AND TIRZ #4 1ST QUARTER FINANCIALS FOR FY 2026**



## **EXECUTIVE SUMMARY**

**BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** Financial Report as of 12-31-25 (ALL TIRZ FUNDS)

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #1**  
**December 31, 2025**

<b>TIRZ 1</b>	<b>Notes:</b>
<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 733,502.90</b>
<b>Revenues</b>	
TIRZ # 1 City	-
TIRZ # 1 County	-
TIRZ # 1 Hospital	-
TIRZ # 1 Port of Bay City	-
Interest Income	2,103.33
<b>Total Revenues</b>	<b>2,103.33</b>
<b>Expenditures</b>	
City Admin Fee 2.5%	
City - Legal Fees	-
Park Improvements	-
Bank Charges	-
<b>Total Expenditures</b>	<b>-</b>
<b>Net Revenue (Expenditures)</b>	<b>2,103.33</b>
<b>Ending Fund Balance</b>	<b>\$ 735,606.23</b>

<b>Due to TIRZ in FY 2026 (to be collected)</b>		
TIRZ # 1 City	101,824.45	Accounts Receivable
TIRZ # 1 County	60,475.62	Accounts Receivable
TIRZ # 1 Hospital	41,109.62	Accounts Receivable
TIRZ # 1 Port of Bay City	8,356.71	Accounts Receivable
	<b>\$ 211,766.40</b>	
<b>Recap of Disbursements FY 2026:</b>		
		<b>Paid</b>
	<b>\$ -</b>	

**Total After TIRZ Deposits**                      **\$ 947,372.63**

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #1A**  
**December 31, 2025**

<b>TIRZ 1</b>			Notes:
<b>Beginning Fund Balance 10-1-25</b>	-		
<b>Revenues</b>			
TIRZ # 1 City	-		
TIRZ # 1 County	-		
TIRZ # 1 Hospital	-		
TIRZ # 1 Port of Bay City	-		
Interest Income	-		
<b>Total Revenues</b>	-		
<b>Expenditures</b>			
City Admin Fee 2.5%	-		
City - Legal Fees	-		
Park Improvements	-		
Bank Charges	-		
<b>Total Expenditures</b>	-		
<b>Net Revenue (Expenditures)</b>	-		
<b>Ending Fund Balance</b>	-		

<b>Due to TIRZ in FY 2026 (to be collected)</b>		
TIRZ # 1 City	37,770.47	Accounts Receivable
TIRZ # 1 County	20,786.90	Accounts Receivable
TIRZ # 1 Hospital	14,130.35	Accounts Receivable
TIRZ # 1 Port of Bay City	2,872.40	Accounts Receivable
	<b>\$ 75,560.12</b>	

<b>Recap of Disbursements FY 2026:</b>	Paid
<b>\$ -</b>	

**Total After TIRZ Deposits** **\$ 75,560.12**





**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #3**  
**December 31, 2025**

**TIRZ 3**

<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 3,851.14</b>
---------------------------------------	--------------------

**Revenues**

TIRZ # 3 City	
TIRZ # 3 County	
TIRZ # 3 Hospital	
Interest Income	1.34
<b>Total Revenues</b>	<b>1.34</b>

**Expenditures**

City Admin Fee 5%	
City - Legal Fees	
Developer Reimbursement	
<b>Total Expenditures</b>	<b>-</b>

<b>Net Revenue (Expenditures)</b>	<b>1.34</b>
-----------------------------------	-------------

<b>Ending Fund Balance</b>	<b>\$ 3,852.48</b>
----------------------------	--------------------

Due to TIRZ in FY 2026 (to be collected)		
TIRZ # 3 City	\$25,412.08	Accounts Receivable
TIRZ # 3 County	\$13,030.51	Accounts Receivable
TIRZ # 3 Hospital	\$8,857.77	Accounts Receivable
	<b>\$47,300.36</b>	

<b>Total After TIRZ Deposits</b>	<b>\$ 51,152.84</b>
----------------------------------	---------------------

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #4**  
**December 31, 2025**

**TIRZ 4**

<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 1,962.76</b>
---------------------------------------	--------------------

**Revenues**

TIRZ # 4 City	
TIRZ # 4 County	
TIRZ # 4 Hospital	
TIRZ # 4 Port of Bay City	
Interest Income	0.68
<b>Total Revenues</b>	<b>\$ 0.68</b>

**Expenditures**

City Admin Fee 2.5%	
City - Legal Fees	
Developer Reimbursement	
<b>Total Expenditures</b>	-

<b>Net Revenue (Expenditures)</b>	<b>0.68</b>
-----------------------------------	-------------

<b>Ending Fund Balance</b>	<b>\$ 1,963.44</b>
----------------------------	--------------------

**Due to TIRZ in FY 2026 (to be collected)**

City of Bay City	\$10,952.48	Accounts Receivable
TIRZ # 4 County	\$6,608.37	Accounts Receivable
TIRZ # 4 Hospital	\$4,492.18	Accounts Receivable
Port of Bay City	\$913.16	Accounts Receivable
	<b>\$22,966.19</b>	

<b>Total After TIRZ Deposits</b>	<b>24,929.63</b>
----------------------------------	------------------



**CITY OF BAY CITY**  
**Planning & Development Services Division**  
1217 Avenue J, Bay City, Texas, 77414  
(979) 323-1173



# DEVELOPMENT UPDATE

*February 26, 2026*

**KRYSTAL MASON**

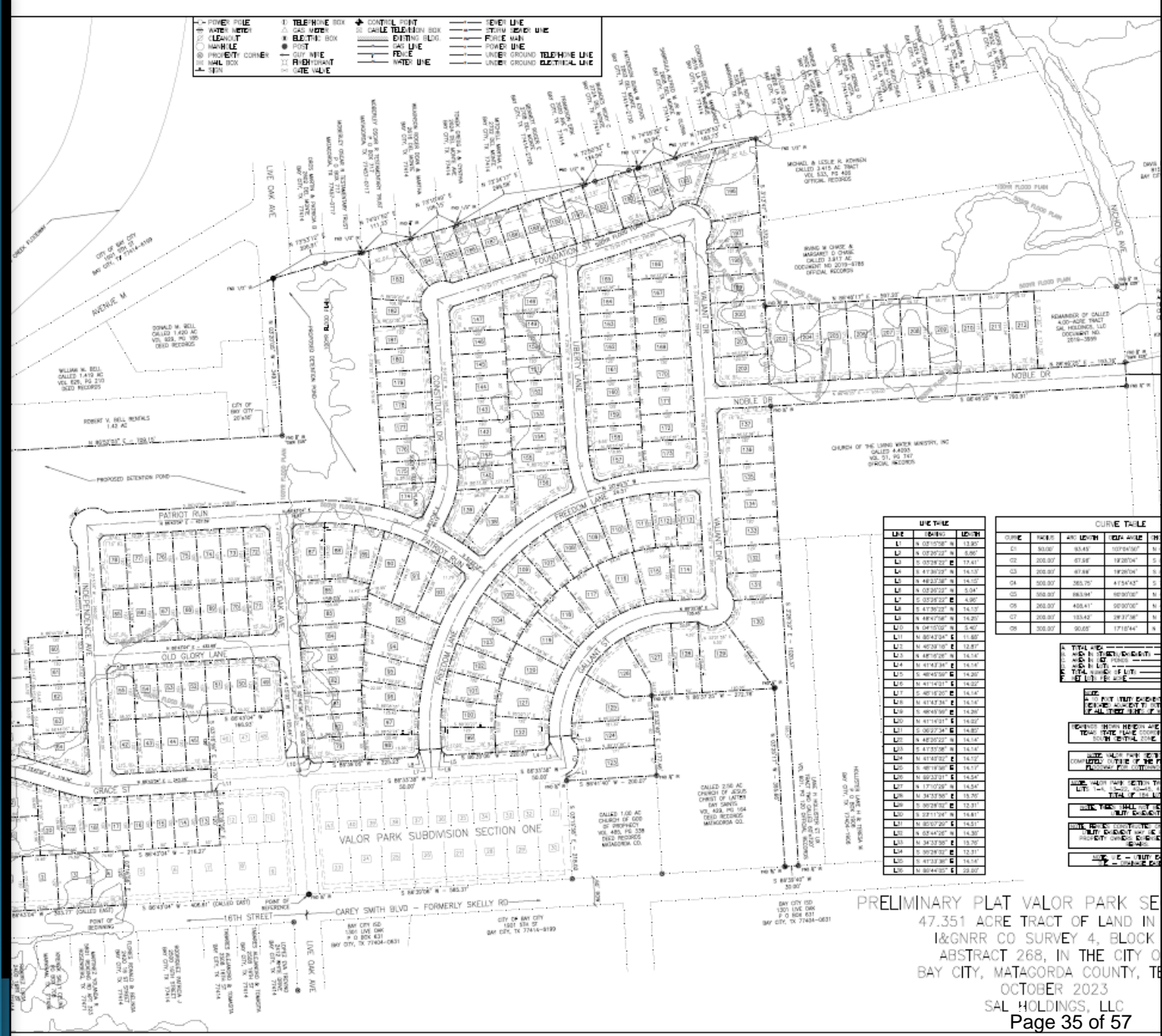
*Assistant Director of Public Works*



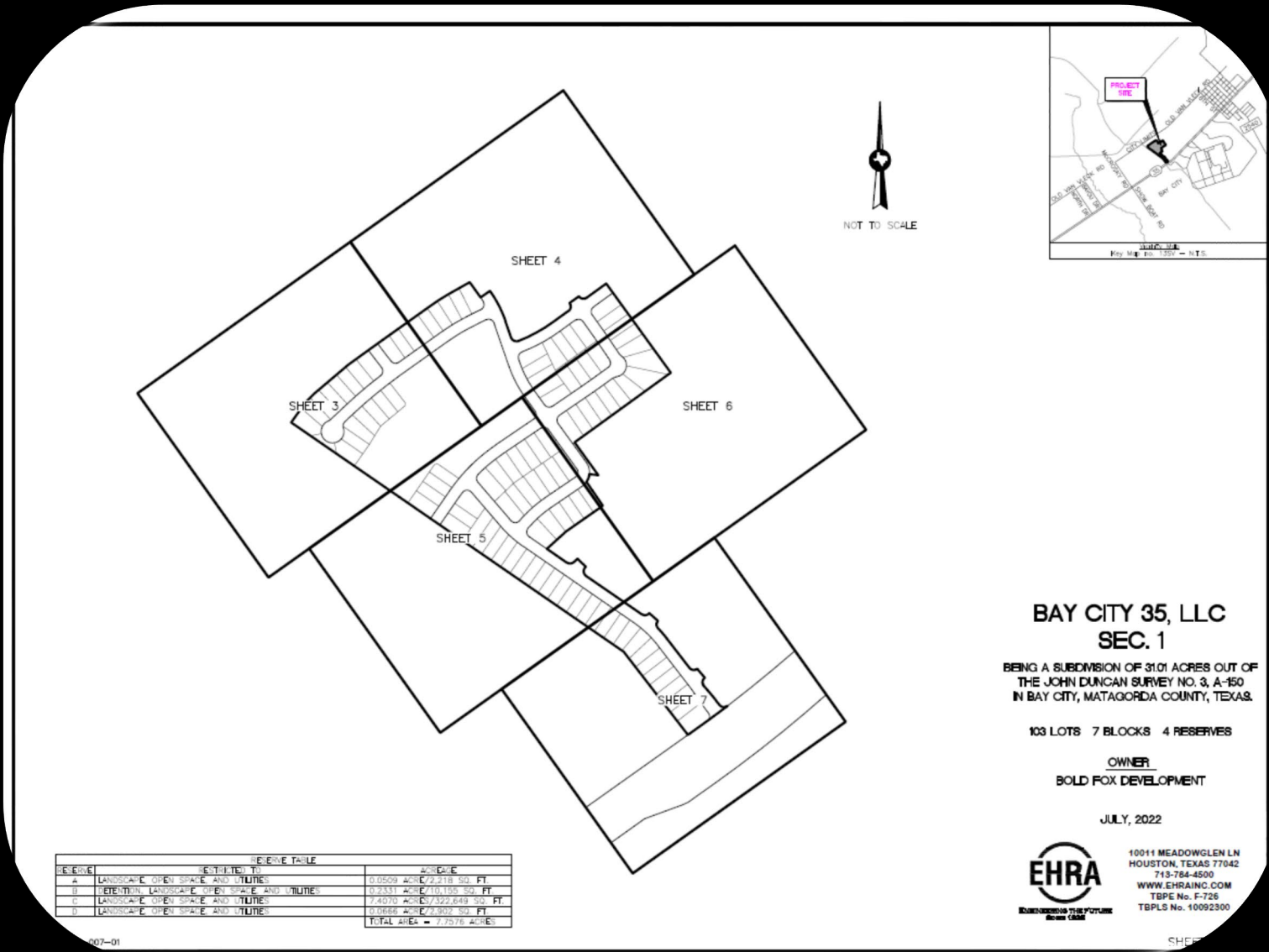
1217 Ave J  
(979) 323-1659  
kmason@baycitytx.gov

# TIRZ 1A VALOR PARK SUBDIVISION

- Section 1
- 30 Lots
- Public Improvements Complete
- 29 Building Permits Issued
- Section 2
- 184 Lots
- Public Improvements Near Complete
- 107 Building Permits Issued



# TIRZ 2 SANDHILL SUBDIVISION



## BAY CITY 35, LLC SEC. 1

BEING A SUBDIVISION OF 31.01 ACRES OUT OF  
THE JOHN DUNCAN SURVEY NO. 3, A-150  
IN BAY CITY, MATAGOORDA COUNTY, TEXAS.

103 LOTS 7 BLOCKS 4 RESERVES

OWNER  
BOLD FOX DEVELOPMENT

JULY, 2022



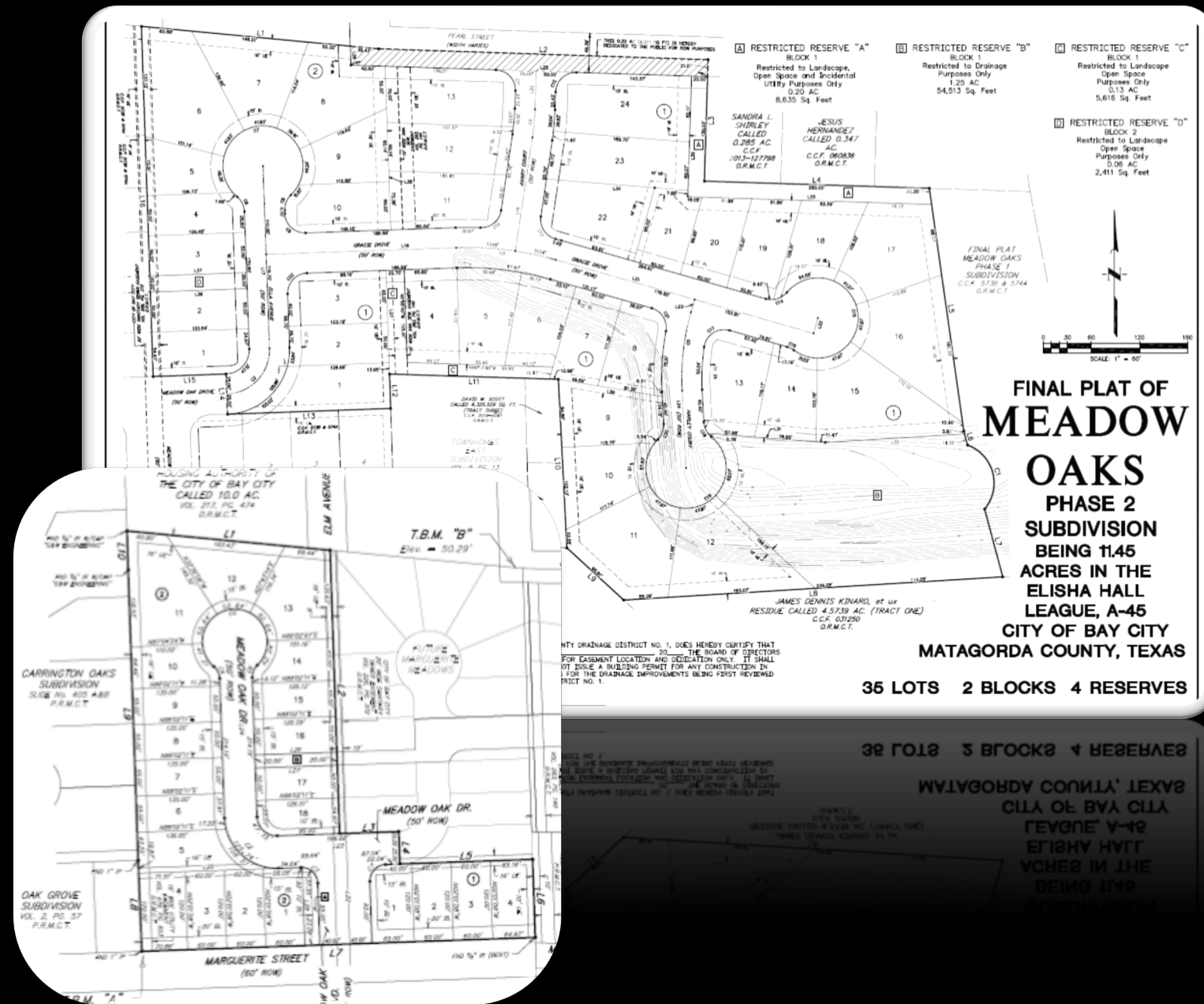
10011 MEADOWGLEN LN  
HOUSTON, TEXAS 77042  
713-784-4500  
WWW.EHRAINCO.COM  
TBPE No. F-726  
TBPLS No. 10092300

RESERVE	RESERVE TYPE	ACRES
A	LANDSCAPE, OPEN SPACE AND UTILITIES	0.0509 ACRES/2,218 SQ. FT.
B	RETENTION, LANDSCAPE, OPEN SPACE AND UTILITIES	0.2331 ACRES/10,195 SQ. FT.
C	LANDSCAPE, OPEN SPACE AND UTILITIES	7.4070 ACRES/322,849 SQ. FT.
D	LANDSCAPE, OPEN SPACE AND UTILITIES	0.0666 ACRES/2,902 SQ. FT.
TOTAL AREA =		7.7576 ACRES

- Section 1
- 103 Lots
- No Public Improvements to Date
- No Building Permits Issued

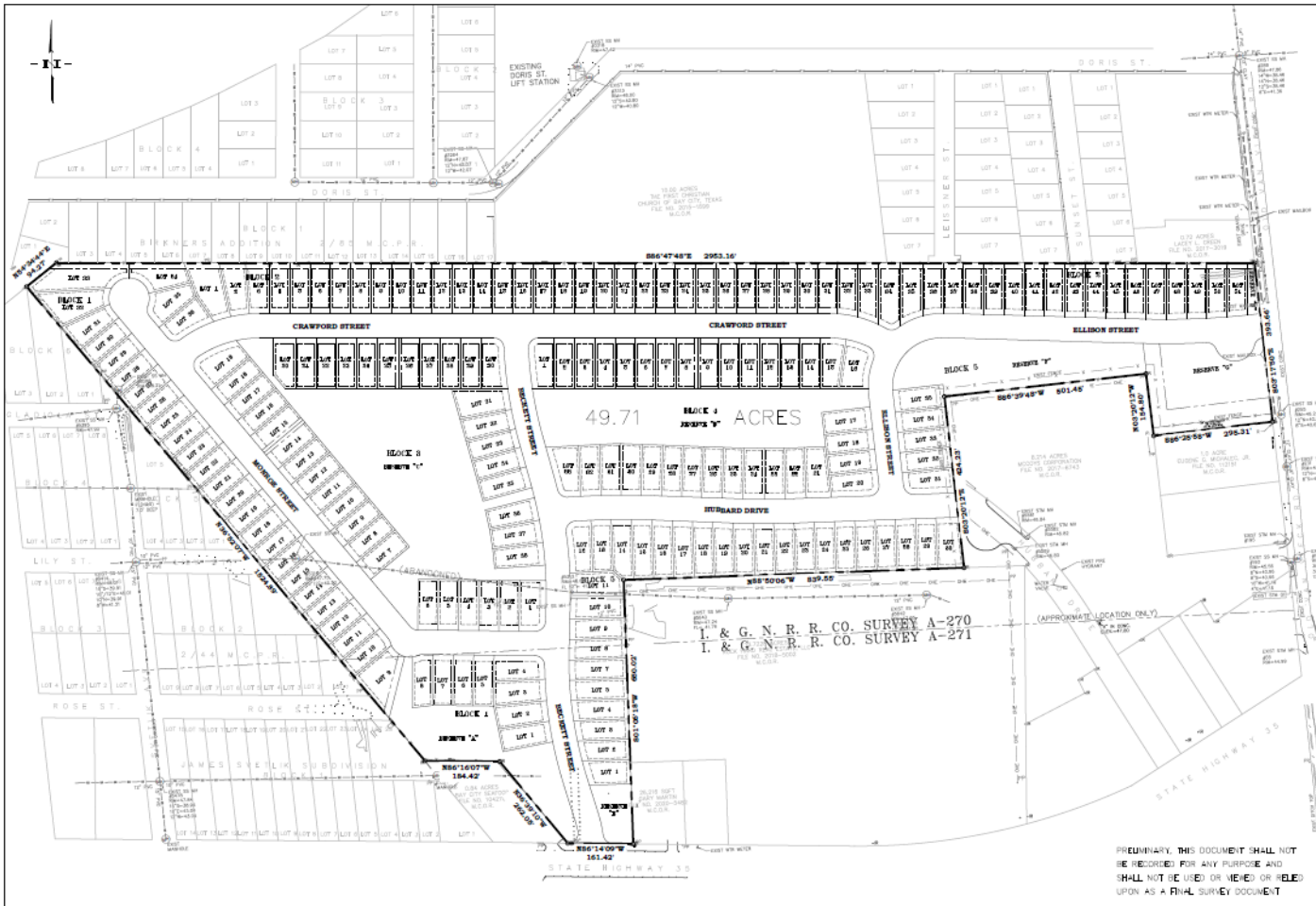
# TIRZ 3 MEADOW OAKS SUBDIVISION

- Phase 1
- 22 Lots
- Public Improvements Complete
- 22 Building Permits Issued
- Phase 2
- 35 Lots
- No Public Improvements to Date
- No Building Permits Issued



# RUSSELL RANCH SUBDIVISION

49.71 ACRE SUBDIVISION  
I. & G. N. R. R. CO. SURVEY, ABSTRACT NO. 270 & 271  
MATAGORDA COUNTY, TEXAS



DRAWN BY:	SPM
CHECKED BY:	SPM
DATE:	NOV. 23, 2021
SCALE:	1" = 150'

**G & W ENGINEERS, INC.**  
ENGINEERING • SURVEYING • PLANNING  
208 W. LUE AVE., SUITE 107, LUBBOCK, TEXAS 79409  
TEL: 806.799.1000  
(817) 532-1009, PORT LAVACA (936) 325-7100, BAY CITY

FILE NO.:	0000-000
JOB NO.:	8716.002
SHEET NO.:	1 OF 1

PRELIMINARY PLAT

PRELIMINARY. THIS DOCUMENT SHALL NOT BE RELIED UPON FOR ANY PURPOSE AND SHALL NOT BE USED OR MEIED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

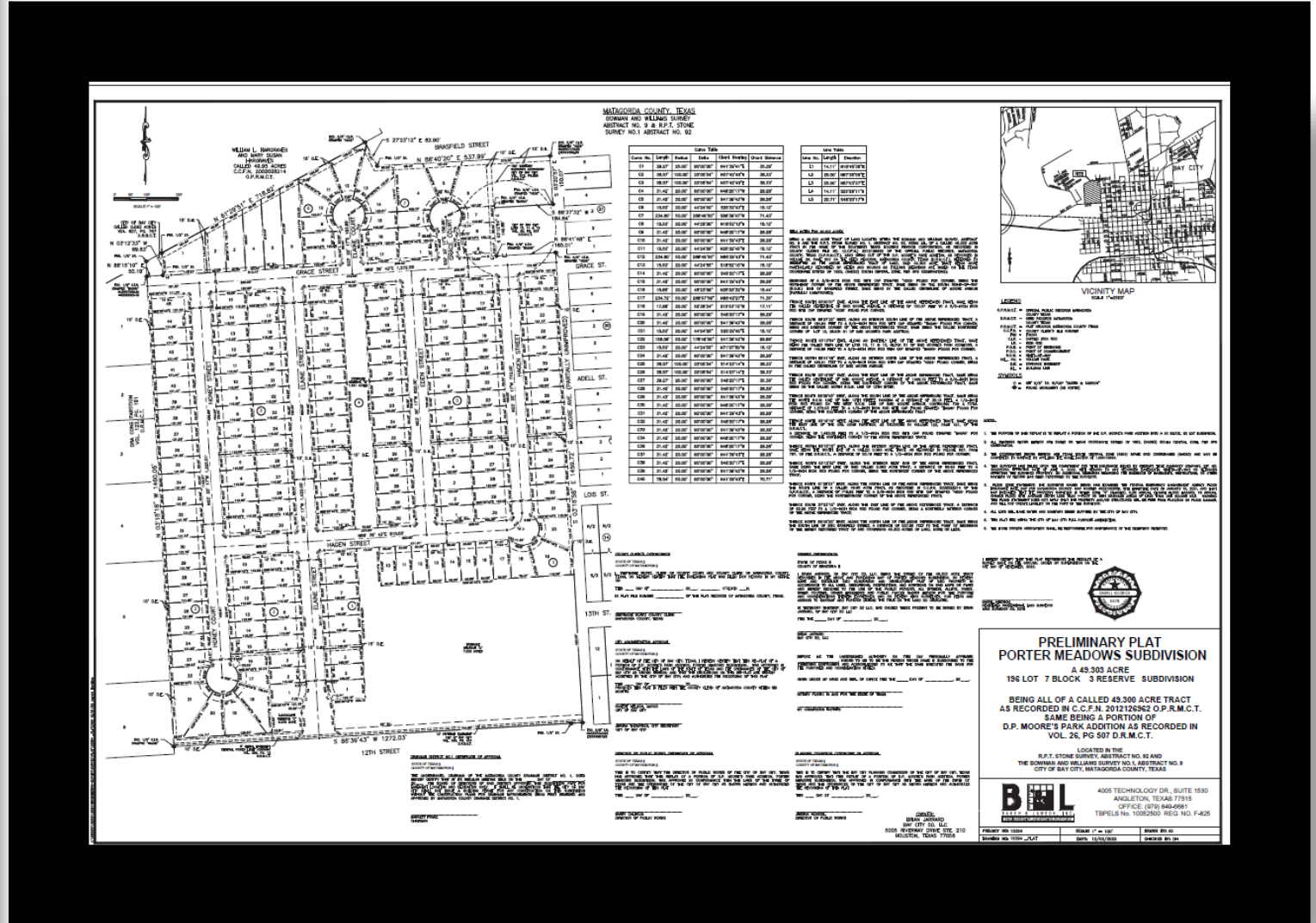
11-23-2022

# TIRZ 4 RUSSELL RANCH SUBDIVISION

- Phase 1
- 192 Lots
- Public Improvements Complete
- 37 Building Permits Issued

# TIRZ 5 MEADOW LAKE SUBDIVISION

- Located at 12<sup>th</sup> & Moore
- Proposed 196 Lots
- Phased Development
  - Section 1, 98 lots
- Drainage Review Complete (Section 1)
- Annexation & Development Agreement in progress



# TIRZ 5 COMMERCIAL DEVELOPMENT



## TACO BELL

- Located at 7<sup>th</sup> St & Norvell
- Construction in Progress



## THE RESERVE AT RIVER BEND (Phase 1)

- Located at Nile Valley Rd & Dr. MLK Blvd
- 83-unit multi-family complex
- Construction is in progress
- Phase 2 development is expected (proposed mixed use)



## VORTEX

- Located on NW corner of Hwy 60 & FM 3156
- Convenience store
- Construction is in progress

## POPEYE'S

- Adjacent to Bay City Vet & Hampton Inn
- Plan review complete
- Once General Contractor is named, building permit will be issued

## BAY CITY STORAGE

- Located in Matagorda Plaza (ACE Shopping Center)
- Climate controlled storage facility (3 buildings)
- Building permit issued

# OTHER COMMERCIAL DEVELOPMENT

## TAKE 5 OIL CHANGE

- Adjacent to Walgreens
- Construction Complete!



## CITY BREEZE

- Located on South Industrial Park Dr
- Battery storage facility
- Building permit issued; land clearing in progress

## BARRIO RESOURCES

- Located outside the city limits
- Data storage facility
- Plat approved
- This project is outside the city limits; permitting handled by Matagorda County



# TIRZ #1 BOARD CITY OF BAY CITY

Thursday, August 21, 2025 at 5:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

## COUNCIL MEMBERS

**Board Chair: Jim Folse**

**Board Members: DC Dunham, William Cornman, Tina Israel, Craig Hlavinka, Bryan Prochnow, Mike Estlinbaum, Edward "Bubba" Cook**

### Vision Statement

**We envision Bay City as a thriving, family-centered community where our citizens can live, work, worship, and play, while welcoming visitors to experience our beautiful environment and diverse culture.**

## MINUTES

### CALL TO ORDER AND CERTIFICATION OF QUORUM

Board Chair Jim Folse called the board meeting to order at 5:00 p.m. and a quorum was certified.

#### PRESENT

Board Chair Jim Folse  
Vice-Chair DC Dunham  
Board Member William Cornman  
Board Member Tina Israel  
Board Member Craig Hlavinka  
Board Member Mike Estlinbaum

#### ABSENT

Board Member Bryan Prochnow  
Board Member Edward "Bubba" Cook

### APPROVAL OF AGENDA

Motion by Board Member Estlinbaum to approve the agenda and to remove item 1. Second by Board Member Israel. Voting Yea: Board Chair Jim Folse, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Tina Israel, Board Member Craig Hlavinka, Board Member Mike Estlinbaum. Motion carried.

### APPROVAL OF MINUTES

#### 1. Minutes from TIRZ Boards #1 & #2 meeting of February 8, 2024

Removed from agenda (approved on February 13, 2025)

#### 2. Minutes from Joint TIRZ Boards meeting on February 13, 2025

Motion by Board Member Cornman to approve the minutes of Joint TIRZ Board meeting on February 13, 2025. Second by Vice-Chair DC Dunham. Voting Yea: Board Chair Jim Folse, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Tina Israel, Board Member Craig Hlavinka, Board Member Mike Estlinbaum. Motion carried.

**PUBLIC COMMENTS**

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL**

**3. Proposal for professional surveying services for North Downtown Development (Cottonwood Park Area). Gabriel Lopez, Engineering Tech**

Gabriel Lopez, Engineering Tech, presented the proposal from CivilCorp for surveying services for utility locates, for providing a baseline for schematic design, cost estimates, elevations and park improvements.

Motion by Board Member Cornman to approve the proposal for professional surveying services for North Downtown Development (Cottonwood Park Area) for City Council consideration. Second by Vice-Chair DC Dunham. Voting Yea: Board Chair Jim Folse, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Tina Israel, Board Member Craig Hlavinka, Board Member Mike Estlinbaum. Motion carried.

**4. Discuss, consider, and/or approve the Tax Increment Fund for TIRZ #1 Financials as of June 30, 2025. Scotty Jones, City Manager**

Scotty Jones, City Manager, presented the TIRZ #1 Financials.

Motion by Board Member Israel to approve the Tax Increment Fund for TIRZ #1 Financials as of June 30, 2025.. Second by Vice-Chair DC Dunham. Voting Yea: Board Chair Jim Folse, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Tina Israel, Board Member Craig Hlavinka, Board Member Mike Estlinbaum. Motion carried.

**5. Discuss use of Tax Increment Funds of TIRZ #1 for Economic Development Grants and take any action deemed necessary. Scotty Jones, City Manager**

Scotty Jones, City Manager, encouraged the board members to bring the board any economic development ideas that would work similar to a 380 agreement that would stimulate redevelopment downtown with a possibly using only city contributions.

**ITEMS/COMMENTS FROM BOARD MEMBERS**

There were no comments from the board members.

**ADJOURN**

The Board adjourned at 5:37 p.m.

**PASSED AND APPROVED**, this \_\_\_ day of \_\_\_\_\_, 2026

\_\_\_\_\_  
JIM FOLSE, BOARD CHAIR  
CITY OF BAY CITY, TEXAS

\_\_\_\_\_  
JEANNA THOMPSON  
CITY SECRETARY

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ # 1 ANNUAL REPORT FOR FISCAL YEAR 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

A local government that creates a TIF zone must send an annual report about the zone to each participating taxing unit on or before the 150th day following the end of the fiscal year of the municipality. In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund. The local government also submits to the Comptroller information about each tax increment reinvestment zone it creates.

**ATTACHMENTS:** Annual Report and TIRZ # 1 (Full report under agenda item #2)

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ #1 FINANCIAL REPORT FOR MONTH ENDING DECEMBER 31, 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** TIRZ # 1 Financial Report as of 12-31-25

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #1**  
**December 31, 2025**

<b>TIRZ 1</b>		Notes:
<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 733,502.90</b>	
<b>Revenues</b>		
TIRZ # 1 City	-	
TIRZ # 1 County	-	
TIRZ # 1 Hospital	-	
TIRZ # 1 Port of Bay City	-	
Interest Income	2,103.33	
<b>Total Revenues</b>	<b>2,103.33</b>	
<b>Expenditures</b>		
City Admin Fee 2.5%		
City - Legal Fees	-	
Park Improvements	-	
Bank Charges	-	
<b>Total Expenditures</b>	<b>-</b>	
<b>Net Revenue (Expenditures)</b>	<b>2,103.33</b>	
<b>Ending Fund Balance</b>	<b>\$ 735,606.23</b>	

<b>Due to TIRZ in FY 2026 (to be collected)</b>		
TIRZ # 1 City	101,824.45	Accounts Receivable
TIRZ # 1 County	60,475.62	Accounts Receivable
TIRZ # 1 Hospital	41,109.62	Accounts Receivable
TIRZ # 1 Port of Bay City	8,356.71	Accounts Receivable
	<b>\$ 211,766.40</b>	
<b>Recap of Disbursements FY 2026:</b>		
		Paid
	<b>\$ -</b>	

**Total After TIRZ Deposits** **\$ 947,372.63**

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #1A**  
**December 31, 2025**

TIRZ 1	Notes:
<b>Beginning Fund Balance 10-1-25</b>	-
<b>Revenues</b>	
TIRZ # 1 City	-
TIRZ # 1 County	-
TIRZ # 1 Hospital	-
TIRZ # 1 Port of Bay City	-
Interest Income	-
<b>Total Revenues</b>	-
<b>Expenditures</b>	
City Admin Fee 2.5%	-
City - Legal Fees	-
Park Improvements	-
Bank Charges	-
<b>Total Expenditures</b>	-
<b>Net Revenue (Expenditures)</b>	-
<b>Ending Fund Balance</b>	-

Due to TIRZ in FY 2026 (to be collected)		
TIRZ # 1 City	37,770.47	Accounts Receivable
TIRZ # 1 County	20,786.90	Accounts Receivable
TIRZ # 1 Hospital	14,130.35	Accounts Receivable
TIRZ # 1 Port of Bay City	2,872.40	Accounts Receivable
	<b>\$ 75,560.12</b>	

Recap of Disbursements FY 2026:	Paid
	-
	<b>\$ -</b>

**Total After TIRZ Deposits** **\$ 75,560.12**

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ # 2 ANNUAL REPORT FOR FISCAL YEAR 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

A local government that creates a TIF zone must send an annual report about the zone to each participating taxing unit on or before the 150th day following the end of the fiscal year of the municipality. In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund. The local government also submits to the Comptroller information about each tax increment reinvestment zone it creates.

**ATTACHMENTS:** Annual Report and TIRZ # 2 (Full report under agenda item #2)

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ #2 FINANCIAL REPORT FOR MONTH ENDING DECEMBER 31, 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** TIRZ # 2 Financial Report as of 12-31-25

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #2**  
**December 31, 2025**

**TIRZ 2**

<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 16,808.34</b>
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**Revenues**

TIRZ # 2 City	
TIRZ # 2 County	
TIRZ # 2 Hospital	
TIRZ # 2 Port of Bay City	
Interest Income	1,744.41
<b>Total Revenues</b>	<b>\$1,744.41</b>

**Expenditures**

City Admin Fee 2.5%		
City - Legal Fees		
Developer Reimbursement- BCCDC*	-	Schulman Parking Lot
Bank Charges	-	
<b>Total Expenditures</b>	<b>-</b>	<i>Board approved \$2,845,190.62 on May 18, 2018 Reimbursement made as funds are available</i>
<b>Net Revenue (Expenditures)</b>	<b>1,744.41</b>	<i>are verified</i>

<b>Ending Fund Balance</b>	<b>\$ 18,552.75</b>
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**Due to TIRZ in FY 2026 (to be collected)**

TIRZ # 2 City	\$86,639.39	Accounts Receivable
TIRZ # 2 County	\$51,894.65	Accounts Receivable
TIRZ # 2 Hospital	\$35,276.52	Accounts Receivable
TIRZ # 2 Port of Bay City	\$7,170.96	Accounts Receivable
	<b>\$180,981.52</b>	

*\*Balance Due BCCDC* 1,724,462.69 as of 12-31-25

<b>Total After TIRZ Deposits</b>	<b>\$ 199,534.27</b>
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**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #2A**  
**December 31, 2025**

**TIRZ 2**

<b>Beginning Fund Balance 10-1-25</b>	-
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**Revenues**

TIRZ # 2 City	-
TIRZ # 2 County	-
TIRZ # 2 Hospital	-
TIRZ # 2 Port of Bay City	-
Interest Income	-
<b>Total Revenues</b>	<b>\$0.00</b>

**Expenditures**

City Admin Fee 2.5%	-
City - Legal Fees	-
Bank Charges	-
<b>Total Expenditures</b>	<b>\$0.00</b>

<b>Net Revenue (Expenditures)</b>	<b>\$0.00</b>
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<b>Ending Fund Balance</b>	-
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**Due to TIRZ in FY 2026 (to be collected)**

TIRZ # 2 City	\$67.29	Accounts Receivable
TIRZ # 2 County	\$40.45	Accounts Receivable
TIRZ # 2 Hospital	\$27.94	Accounts Receivable
TIRZ # 2 Port of Bay City	\$5.61	Accounts Receivable
	<b>\$141.29</b>	

*\*Balance Due BCCDC*

<b>Total After TIRZ Deposits</b>	<b>141.29</b>
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**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ # 3 ANNUAL REPORT FOR FISCAL YEAR 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

A local government that creates a TIF zone must send an annual report about the zone to each participating taxing unit on or before the 150th day following the end of the fiscal year of the municipality. In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund. The local government also submits to the Comptroller information about each tax increment reinvestment zone it creates.

**ATTACHMENTS:** Annual Report and TIRZ # 3 (Full report under agenda item #2)

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ #3 FINANCIAL REPORT FOR MONTH ENDING DECEMBER 31, 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** TIRZ # 3 Financial Report as of 12-31-25

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #3**  
**December 31, 2025**

**TIRZ 3**

<b>Beginning Fund Balance 10-1-25</b>	<b>\$</b>	<b>3,851.14</b>
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**Revenues**

TIRZ # 3 City		
TIRZ # 3 County		
TIRZ # 3 Hospital		
Interest Income		1.34

<b>Total Revenues</b>		<b>1.34</b>
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**Expenditures**

City Admin Fee 5%		
City - Legal Fees		
Developer Reimbursement		
<b>Total Expenditures</b>		<b>-</b>

<b>Net Revenue (Expenditures)</b>		<b>1.34</b>
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<b>Ending Fund Balance</b>	<b>\$</b>	<b>3,852.48</b>
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**Due to TIRZ in FY 2026 (to be collected)**

TIRZ # 3 City	\$25,412.08	Accounts Receivable
TIRZ # 3 County	\$13,030.51	Accounts Receivable
TIRZ # 3 Hospital	\$8,857.77	Accounts Receivable
	<b>\$47,300.36</b>	

<b>Total After TIRZ Deposits</b>	<b>\$</b>	<b>51,152.84</b>
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**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ # 4 ANNUAL REPORT FOR FISCAL YEAR 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

A local government that creates a TIF zone must send an annual report about the zone to each participating taxing unit on or before the 150th day following the end of the fiscal year of the municipality. In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund. The local government also submits to the Comptroller information about each tax increment reinvestment zone it creates.

**ATTACHMENTS:** Annual Report and TIRZ # 4 (Full report under agenda item #2)

**DISCUSS, CONSIDER, AND/OR APPROVE THE TIRZ #4 FINANCIAL REPORT FOR MONTH ENDING DECEMBER 31, 2025.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** TIRZ # 4 Financial Report as of 12-31-25

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #4**  
**December 31, 2025**

**TIRZ 4**

<b>Beginning Fund Balance 10-1-25</b>	<b>\$ 1,962.76</b>
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**Revenues**

TIRZ # 4 City	
TIRZ # 4 County	
TIRZ # 4 Hospital	
TIRZ # 4 Port of Bay City	
Interest Income	0.68
<b>Total Revenues</b>	<b>\$ 0.68</b>

**Expenditures**

City Admin Fee 2.5%	
City - Legal Fees	
Developer Reimbursement	
<b>Total Expenditures</b>	-

<b>Net Revenue (Expenditures)</b>	<b>0.68</b>
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<b>Ending Fund Balance</b>	<b>\$ 1,963.44</b>
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**Due to TIRZ in FY 2026 (to be collected)**

City of Bay City	\$10,952.48	Accounts Receivable
TIRZ # 4 County	\$6,608.37	Accounts Receivable
TIRZ # 4 Hospital	\$4,492.18	Accounts Receivable
Port of Bay City	\$913.16	Accounts Receivable
	<b>\$22,966.19</b>	

<b>Total After TIRZ Deposits</b>	<b>24,929.63</b>
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