



CITY COUNCIL COMMUNICATIONS

December 8, 2015

SUBJECT: Consider Approval of Ordinance No. 2096 Approving the Project and Financing Plan for Tax Increment Reinvestment Zone Number Four

SUBMITTED BY: Loretta Getchell, City Manager

REFERENCE NO: Ordinance No. 2096

ACTION REQUESTED:

Consider Approval of Ordinance No. 2096 approving the Project and Financing Plan for Tax Increment Reinvestment Zone Number Four, City of Euless, Texas – Euless Midtown.

ALTERNATIVES:

- Table the request
- Deny the request

SUMMARY OF SUBJECT:

The City Council held a public hearing and approved Ordinance No. 2089 creating Tax Increment Reinvestment Zone Number Four (TIRZ #4) on September 22, 2015. This action included creation of a Board of Directors as required by Chapter 311 of the Tax Code. Following creation of the zone, a meeting of the Board of Directors was held on November 30, 2015 for consideration and approval of the Project and Financing Plan.

The boundary of the zone includes property along S.H. 10, F.M. 157 and S.H. 183. The project includes \$16,582,160 of public improvements including land, right-of-way, demolition, streets, water and wastewater, drainage and other public improvements.

The project and financing plan also shows expected net benefit to the taxing entities of approximately \$95.4M over the life of the TIRZ. No portion of current revenues from any taxing entity would be impacted. The City has requested participation from Tarrant County at 75% of the increment for the first 15 years and 50% for the remaining 10 years. The JPS Health Network is being asked to participate at 50% for the first 15 years and 35% for the remaining 10 years. The Tarrant County College District is being asked to participate at 50% for 25 years. No participation is requested from the HEB ISD. The City of Euless participation is included at 75% of the increment in addition to 50% of the unrestricted one cent sales tax revenue. Based on these participation rates,

it is estimated that the City of Euless will pay approximately 57% of the project costs with the other taxing entities paying the remaining 47%.

The City of Euless would issue Certificates of Obligation to fund the improvements and intends to repay the debt with proceeds from a Public Improvement District and the TIRZ.

Staff recommends and request approval of the TIRZ #4 Project and Financing Plan.

FINANCIAL CONSIDERATIONS:

Revenue Sources:

Expenditure Accounts:

Budgeted Fiscal Year(s):

Estimated Expenditure:

Over/Under Projection By:

Other Comments:

SUPPORTING DOCUMENTS:

- Ordinance No. 2096

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **KS** _____

City Secretary's Office