



TIRZ #4 BOARD COMMUNICATIONS

November 30, 2015

SUBJECT: Consider Approval of Resolution No. 2015-01 TIRZ#4 Approving a Project and Financing Plan for Tax Increment Reinvestment Zone Number Four

SUBMITTED BY: Loretta Getchell, City Manager

REFERENCE NO:

ACTION REQUESTED:

Consider Approval of Resolution No. 2015-01 TIRZ#4 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) 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 Board of Directors for the Zone must be presented a copy of the Project and Financing Plan for consideration and approval.

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 infrastructure and issuance costs including land, right-of-way, demolition, streets, water & wastewater, drainage and other public improvements.

The project and financing plan 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 the life of the TIRZ. No participation is requested from the HEB ISD. The City of Euless participation is included at 75% of the increment for

the life of the TIRZ in addition to 50% of the unrestricted one cent sales tax revenue generated in the Zone. 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 43%.

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

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:

- Resolution No. 2015-01 TIRZ#4
- TIRZ#4 Project and Financing Plan

APPROVED BY:

City Manager's Office

City Secretary's Office