

Mayor and Council Communication

DATE: 09/13/22

M&C FILE NUMBER: M&C 22-0681

LOG NAME: 17TIF9AMEND2

SUBJECT

(CD 2 and CD 9) Conduct Public Hearing and Adopt Ordinance Extending the Term of Tax Increment Reinvestment Zone Number Nine, City of Fort Worth, Texas and Approving Amended Project and Financing Plans for the Trinity River Vision TIF

(PUBLIC HEARING - a. Report of City Staff: Michael Hennig; b. Public Comment; c. Council Action: Close Public Hearing and Act on the M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public hearing concerning the extension of the term of Tax Increment Reinvestment Zone No. 9, City of Fort Worth, Texas, (Trinity River Vision TIF) and the approval of amended Project and Financing Plans for the Trinity River Vision TIF and the concept of tax increment financing generally; and
 2. Adopt the attached Ordinance which (i) extends the term of the Trinity River Vision TIF to the earlier of December 31, 2054, or the date on which all TIF project costs, tax increment bonds and interest on those bonds (if applicable), and other obligations have been paid in full; (ii) approves amended Project and Financing Plans for the Trinity River Vision TIF, as previously approved by the Trinity River Vision TIF's Board of Directors; and (iii) contains specific findings of fact in support of the foregoing.
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DISCUSSION:

On December 16, 2003, the City Council adopted Ordinance No. 15797 designating Tax Increment Reinvestment Zone No. 9, (Trinity River Vision TIF) (TIF), which was expanded to include additional property on December 15, 2009 through Ordinance No. 18975-12-2009. The TIF is located north and west of the downtown Central Business District in the vicinity of the Trinity River.

The TIF was created to help fund public infrastructure improvements associated with needed flood protection and mitigation as well as to encourage development and redevelopment along the Trinity River. The City has agreed to contribute 80 percent of its tax increment to the TIF.

The current term of the TIF expires on the earlier of December 31, 2044, or the date as of which all TIF projects have been paid in full. The overall project cost is now estimated to be \$1.16 billion. On May 5, 2018, the Tarrant Regional Water District (TRWD) held a special bond election authorizing \$250 million in bonds to be issued in support of the project. It is proposed that debt service associated with the TRWD bonds be reimbursed by the TIF. In order to ensure sufficient funding for all current TIF obligations and the proposed TRWD bond issuance, it is necessary that the term of the TIF be extended. Accordingly, pursuant to authority granted by Section 311.017(a)(1) of the Texas Tax Code, it is recommended that the term of the TIF be extended to expire on the earlier of December 31, 2054, or the date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full.

The amended Project and Financing Plans for the TIF is attached as Exhibit "A" to the proposed Ordinance. The TIF Board approved amended Project and Financing Plans and recommended extended the term of the TIF as set forth above.

After conducting the public hearing regarding the proposed extension of the TIF's term, the amended Project and Financing Plans and the concept of tax increment financing in general and after affording a reasonable opportunity for all interested persons to speak for or against the same, it is recommended that the City Council adopt the attached Ordinance extending the term of the TIF and approving the amended Project and Financing Plans for the TIF.

Notice of this hearing was published in a newspaper of general circulation at least seven days prior to this public hearing.

The affected property is located in COUNCIL DISTRICTS 2 and 9 and the overall project benefits the entire City.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this agreement will have no material effect on the Fiscal Year 2022 Budget. While no current year impact is anticipated from this action, any effect on expenditures and revenues will be budgeted in future Fiscal Years and will be included in the long-term financial forecast.

Submitted for City Manager's Office by: Reginald Zeno 8517

Originating Business Unit Head: Robert Sturns 2663

Additional Information Contact: Michael Hennig 6024