

Mayor and Council Communication

DATE: 08/17/21

M&C FILE NUMBER: M&C 21-0571

LOG NAME: 17EDTARIZ101

SUBJECT

(CD 3) Conduct Public Hearing and Adopt the Attached Ordinance Designating Tax Abatement Reinvestment Zone No. 101, City of Fort Worth, Texas, for Property Located in the City of Fort Worth's Extra-Territorial Jurisdiction Near the Intersection of Interstate-20 and Bentley Road for Construction of a Vehicle Manufacturing Facility and Associated Industrial Facilities

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

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public hearing concerning the designation of Tax Abatement Reinvestment Zone No. 101, City of Fort Worth, Texas, for property located in the City of Fort Worth's Extra-Territorial Jurisdiction near the intersection of Interstate-20 and Bentley Road for the construction of a vehicle manufacturing facility and associated industrial facilities;
 2. Find that the intended improvements, which are set forth in more detail below, are feasible and practical and would be a benefit to the land to be included in Tax Abatement Reinvestment Zone No. 101 and to the City after the expiration of any tax abatement agreements; and
 3. Adopt the attached ordinance designating Tax Abatement Reinvestment Zone No. 101, City of Fort Worth, Texas, pursuant to and in accordance with Chapter 312 of the Texas Tax Code.
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DISCUSSION:

The proposed Tax Abatement Reinvestment Zone No. 101, City of Fort Worth, Texas is for the property located near the intersection of Interstate-20 and Bentley Road in the extra-territorial jurisdiction of the City of Fort Worth ("City"). A more detailed description of the property is included as Exhibit A to the attached Ordinance. Rivian Automotive, LLC, or an Affiliate, (Company) is considering the construction of a vehicle manufacturing facility and associated industrial facilities at this site. The proposed project is anticipated to result in at least \$5 billion in real and business personal property investment (\$2 billion for construction of the facilities and \$3 billion in business personal property that will be installed at the facilities), along with the creation of approximately 7,500 full-time jobs.

Designating this area as a reinvestment zone allows the City, Tarrant County, Parker County, and any other eligible taxing unit the option to enter into tax abatement agreements with the Company to help facilitate development within this area.

As required by Chapter 312 of the Texas Tax Code, a public hearing must be conducted regarding the creation or expansion of a Reinvestment Zone. Notice of this hearing was delivered to the presiding officer of the governing body of each affected taxing unit and published in a newspaper of general circulation at least seven days prior to this hearing.

Pursuant to Chapter 312 of the Texas Tax Code, the area encompassing the proposed TARZ 101 meets the statutory criteria for designation as a Tax Abatement Reinvestment Zone because the area is likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in TARZ 101 that would be a benefit to the property and that would contribute to the economic development of the City. Further, the intended improvements and investments are feasible and practical and would be a benefit to the land to be included in TARZ 101 and to the City after the expiration of any tax abatement agreement.

The term of the proposed TARZ 101 will be five years from the date of adoption of the attached Ordinance and may be renewed for periods not to exceed five years each unless otherwise allowed by law.

The proposed zone is located in COUNCIL DISTRICT 3.

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

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FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

Submitted for City Manager's Office by: Jay Chapa 5804

Originating Business Unit Head: Robert Sturns 2663

Additional Information Contact: Michael Hennig 6024

Expedited