

Mayor and Council Communication

DATE: 12/03/19

M&C FILE NUMBER: M&C 19-0347

LOG NAME: 20CD9 STREET REPAIR AND RECONSTRUCTION AMENDMENT

SUBJECT

Adopt a Resolution Authorizing the Execution of Amendment No. 1 to City Secretary No. 45858, the Funding Agreement with Fort Worth South, Inc. in the Amount of \$3,000,000.00 for the Near Southside Medical District Street Repair and Reconstruction Program for a Revised Amount of \$13,000,000.00; Authorize the Acceptance of Funds in an Amount Up to \$1,500,000.00 from Tax Increment Reinvestment Zone No. 4 and Adopt Appropriation Ordinances; and Amend the FY 2020-2024 CIP (COUNCIL DISTRICT 9)

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached Resolution authorizing the execution of Amendment No. 1 to City Secretary No. 45858, the Funding Agreement with Fort Worth South, Inc., in the amount of \$3,000,000 for the Near Southside Medical District Street Repair and Reconstruction Program for a revised amount of \$13,000,000.00;
2. Authorize the acceptance of funding in the amount up to \$1,500,000.00 from Tax Increment Reinvestment Zone No. 4;
3. Adopt the attached appropriation ordinance increasing appropriations in the TIRZ #4 - Southside Med Dist Fund in the amount up to \$1,500,000.00 for the purpose of transferring to the TIRZ - General Capital fund;
4. Adopt the attached appropriation ordinance increasing the estimated receipts and appropriations in the TIRZ - General Capital Fund in the amount up to \$1,500,000.00, upon receipt of funds, for the Council District 9 Street Repair and Reconstruction Program;
5. Adopt the attached appropriation ordinance increasing the appropriations in the Street Rehabilitation Fund from available funds in the amount up to \$1,500,000.00, upon receipt of funds, for the Council District 9 Street Repair and Reconstruction Program; and
6. Amend the FY 2020-2024 CIP by increasing funding in the Near Southside Medical District Street Repair and Reconstruction Program by \$3,000,000.

DISCUSSION:

On August 5, 2014, (M&C C-26906) the City Council adopted Resolution No. 4342-08-2014 authorizing a Funding Agreement with Fort Worth South, Inc., in the amount of \$10,000,000.00 for Council District 9 Near Southside Medical District Street Repair and Reconstruction Program (City Secretary No. 45858). The Program leveraged funding in an amount up to \$5,000,000.00 from the Tax Increment Reinvestment Zone No. 4 (Southside TIF) over four years. The City of Fort Worth matched the funds in an amount up to \$5,000,000.00 using 2014 Bond Program-Grant Matches Funds. The program included 50 street segments to be constructed in four sequential projects.

As delivery of the projects has progressed, it has become clear that the remaining funding is insufficient to complete the original scope. The revised estimate, based on recent pricing, to complete the remaining work requires approximately \$3,000,000.00 in additional funding. The revised Funding Agreement increases the total commitment by \$3,000,000.00 for which the costs will be split 50/50 between the City and the Tax Increment Reinvestment Zone No. 4 (Southside TIF). The City participation will be matched with legacy residuals from the Street Rehabilitation Fund.

Funding for this project was not included in the FY2020-2024 Capital Improvement Plan due to insufficient funding to complete the original scope. The action in this M&C will amend the FY2020-2024 Capital Improvement Plan.

This program is located in COUNCIL DISTRICT 9.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Fort Worth South, Inc.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the TIRZ #4 - Southside Med Dist Fund, the TIRZ - General Capital Fund, and the Street Rehabilitation Fund. Prior to an expenditure being incurred, the Transportation & Public Works Department has the responsibility of verifying the availability of funds.

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