City of Colleyville

Tax Increment Financing District Board Agenda

City Hall
100 Main Street
Colleyville, Texas 76034
817. 503.1000
www.colleyville.com

Wednesday, September 17, 2014 | Executive Conference Room
12:00 - Noon | Third Floor, City Hall

1. CALL TO ORDER

2. CONSENT: READING AND PUBLIC HEARING- Resolution R-14-01

2a Approval of the minutes of the Tax Increment Financing District Board of Directors meeting of July 16, 2013

3. PRESENTATION AND DISCUSSION

3a Presentation of the Annual Tax Increment Financing District Report

3b Review and discuss the status of the Colleyville Tax Increment Financing District

4. ADJOURNMENT

I hereby certify this agenda was posted on City Hall bulletin boards Friday, September 12, 2014, by 5:00 p.m.

Amy Shelley, TRMC
City Secretary

Any matter on this agenda may, at the discretion of the governing body, be opened for public comment and discussion.

If you plan to attend this public meeting and have a disability that requires special accommodations, please advise the Executive Secretary at least 48 hours in advance at 817.503.1110, and reasonable accommodations will be made to assist you.

RESOLUTION R-14-01

A RESOLUTION APPROVING MINUTES OF THE TAX INCREMENT FINANCING DISTRICT BOARD OF DIRECTORS MEETING

WHEREAS, the Colleyville Tax Increment Financing District Board of Directors held a meeting on July 16, 2013.

NOW, THEREFORE, BE IT RESOLVED BY THE TAX INCREMENT FINANCING DISTRICT BOARD OF DIRECTORS OF THE CITY OF COLLEYVILLE TEXAS:

Sec 1. THAT the minutes of the Tax Increment Financing District Board of Directors meeting held July 16, 2013 are hereby approved.

AND IT IS SO RESOLVED.

APPROVED BY A VOTE OF ___ AYES, ___ NAYS, AND ___ ABSTENTIONS ON THIS THE 17TH DAY OF SEPTEMBER 2014.

ATTEST:	**COLLEYVILLE TAX INCREMENT FINANCING DISTRICT BOARD**
Amy Shelley, TRMC City Secretary	David Kelly Chairman

City of Colleyville

Tax Increment Financing District Board Minutes - Draft

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Tuesday, July 16, 2013 — Executive Conference Room
4:00 p.m. — Third Floor, City Hall

The Tax Increment Financing District Board of Directors meeting was called to order by Chairman David Kelly on July 16, 2013, at 4:02 p.m.

ROLL CALL: Chairman David Kelly, Vice Chairman Mike Taylor, Directors Carol Wollin, Stan Hall, Tom Hart, Mark McClendon, Carolyn Sims, and John Eubanks.

Absent: Director Scott Rule

City Manager Jennifer Fadden, Assistant City Manager and Chief Financial Officer Terry Leake, Economic Development Director Marty Wieder, Strategic Services Manager Adrienne Lothery, Finance Manager Karen Hines, City Attorney Matthew Boyle, and City Secretary Amy Shelley.

2. EXECUTIVE SESSION - In accordance with Texas Government Code Chapter 551, Subchapter D

Section 551.071 - Legal - Consultation with attorney on legal issues raised by public hearing or action items on the agenda

Section 551.087 – Economic Development - Discuss or deliberate regarding commercial or financial information that the City has received from business prospects that the City seeks to have locate, stay, or expand in the City and with which the City is conducting economic development negotiations; deliberate the offer of a financial or other incentive to a business prospect

Chairman Kelly explained the Executive Session had been called in accordance with the Texas Government Code, Chapter 551, Subchapter D, Section 551.071, Legal and Section 551.072, Economic Development. He further explained there would be no decisions made or action taken during this time.

The Executive Session was adjourned at 4:38 p.m.

RESUME REGULAR MEETING

Chairman Kelly reconvened the regular meeting at 5:07 p.m.

3. EXECUTIVE SESSION: CONSIDER AND TAKE ANY ACTION(S) NECESSARY RELATIVE TO ITEMS DISCUSSED IN EXECUTIVE SESSION - Resolution R-13-01

Chairman Kelly read Resolution R-13-01 in its entirety.

Chairman Kelly opened the public hearing at 5:07 p.m.

There was no one present wishing to speak and Chairman Kelly closed the public hearing at 5:08 p.m.

Director Hall moved to approve Resolution R-13-01.

Director Hart seconded the motion.

The motion carried by the following vote:

Aye: 8 – Chairman David Kelly, Vice Chairman Mike Taylor, Directors Carol Wollin, Stan Hall, Tom Hart, Mark McClendon, Carolyn Sims and John Eubanks

Absent: 1 – Director Scott Rule

4. CONSENT: READING AND PUBLIC HEARING - Resolution R-13-02

4a Approval of the minutes of the Tax Increment Financing District Board of Directors meeting of November 20, 2012

Chairman Kelly read Resolution R-13-02 in its entirety.

Chairman Kelly opened the public hearing at 4:03 p.m.

There was no one present wishing to speak and Chairman Kelly closed the public hearing at 4:03 p.m.

Director Wollin moved to approve Resolution R-13-02.

Vice Chairman Mike Taylor seconded the motion.

The motion carried by the following vote:

Aye: Chairman David Kelly, Vice Chairman Mike Taylor, Directors Carol Wollin, Stan Hall, Tom Hart, Mark McClendon, Carolyn Sims, and John Eubanks

Absent: 1 – Director Scott Rule

5. PRESENTATION AND DISCUSSION

5a Presentation of the Annual Tax Increment Financing District Report

Assistant City Manager/Chief Financial Officer Terry Leake presented the Annual Tax Increment Financing District Report.

Vice Chairman Taylor stated he would like to see the interest rate on the bond information. Assistant City Manager/Chief Financial Officer Terry Leake replied the interest rate on the bond can be reflected moving forward.

5b Review and discuss the status of the Colleyville Tax Increment Financing District

Assistant City Manager/Chief Financial Officer Terry Leake presented the status of the Colleyville Tax Increment Financing District.

Director Mark McClendon questioned staff regarding the forecast value at the end of the period. Assistant City Manager/Chief Financial Officer Terry Leake replied the value is estimated to cover the project cost, which ends in 2030, to be a little over the $44 million.

Vice Chairman Taylor questioned staff regarding the changes. Assistant City Manager/Chief Financial Officer Terry Leake replied the update includes the changes where the project plan stands today.

Director Hall questioned staff regarding the $4.7 million outstanding bond issue, what does that include? Assistant City Manager/Chief Financial Officer Terry Leake replied those are for the City Hall and Library complex and the John McCain road project. She added the City has not had to issue debt for other projects included in the project plan.

Chairman Kelly questioned staff regarding the available cash as of today. Assistant City Manager/Chief Financial Officer Terry Leake replied it is over $11 million, and in the amount of uncommitted funds is over $8 million.

Vice Chairman Taylor questioned staff regarding the Village Park portion of the TIF before and after the improvements. Economic Development Director Marty Wieder replied not having that dollar amount for this meeting, but that it can be provided, however it is not TIF specific.

Vice Chairman Taylor questioned staff regarding if the name of the Village Park addition will now be called Colleyville Downs? Director Wieder replied yes.

City Manager Jennifer Fadden questioned Vice Chairman Taylor, for clarification, if he is questioning the ad valorem taxes paid or the value? Vice Chairman Taylor stated today, versus what is being brought in for projections. City Manager Jennifer Fadden explained staff has the actual ad valorem taxes paid, and from that staff can extrapolate the projected value of the shopping center.

Director McClendon explained there are multipliers in place.

Director Hall questioned staff regarding the 2011 bond payment. Assistant City Manager/Chief Financial Officer Terry Leake replied those bonds were actually refunded at that time. She stated the average debt service is $687,000 annually. She added the 2002 bond was totally refunded.

Chairman Kelly recessed the regular meeting at 4:40 p.m. to move into Executive Session.

6. ADJOURNMENT

There being no further business before the Tax Increment Financing District Board, Chairman Kelly adjourned the meeting at 5:09 p.m.

APPROVED BY A VOTE OF _________ AYES, _________ NAYS, AND _________ ABSTENTIONS, ON THIS THE _________ DAY OF _________ _________.

Minutes taken and prepared by:

Amy Shelley
City Secretary

City of Colleyville
Tax Increment Financing District Board
Agenda Briefing

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Agenda Number 3a **Agenda Date** 09/17/2014 **Number** 4a
Type Presentation and Discussion
Department City Manager

Title
Presentation of the Annual Tax Increment Financing District Report

Explanation
Terry Leake, City of Colleyville Assistant City Manager / Chief Financial Officer, will present the attached Annual Tax Increment Financing District Report for Fiscal Year 2013.

Attachments
1. Fiscal Year 2013 Annual Tax Increment Financing District Report

TIF REPORT - CITY OF COLLEYVILLE
FISCAL YEAR ENDED SEPTEMBER 30, 2013

TAX YEAR 2012 / FISCAL YEAR 2013 TAXABLE VALUE	$327,030,225
1998 BASE VALUE	$75,821,735
INCREMENTAL VALUE INCREASE	$251,208,490

REVENUES:

TAX INCREMENT REVENUES -	
CITY OF COLLEYVILLE	$894,051
GRAPEVINE COLLEYVILLE ISD -NET PAYMENT ^	$1,849,511
GRAPEVINE COLLEYVILLE ISD **	$753,495
TARRANT COUNTY #	$0
TARRANT COUNTY COLLEGE DISTRICT	$375,547
TARRANT COUNTY HOSPITAL DISTRICT #	$0
TOTAL	$3,872,605

^ TOTAL PAYMENT FROM GCISD IS $2,499,338.90 AND 26% OF THE PAYMENT ($649,828.11) IS RETURNED TO GCISD PER CONTRACT FOR A NET TOTAL OF $1,849,510.79

** THIS IS A SUPPLEMENTAL PAYMENT FOR TAX YEAR 2011 FOR DIFFERENCE IN ACTUAL TAX RATE AND $1.47 TAX RATE

CONTRACTUAL OBLIGATION FOR PAYMENT OF INCREMENTAL REVENUES HAS BEEN MET

EXPENDITURES:

SERIES 2011 REFUNDING BOND PAYMENT	$679,650
TOTAL	$679,650

OUTSTANDING DEBT SERVICE SCHEDULE

SERIES 2011 TAX INCREMENT REVENUE AND REFUNDING BONDS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	INTEREST RATE
2014	$555,000	$128,700	$683,700	3%
2015	$565,000	$114,675	$679,675	3%
2016	$585,000	$97,425	$682,425	3%
2017	$600,000	$79,650	$679,650	3%
2018	$615,000	$61,425	$676,425	3%
2019	$640,000	$39,400	$679,400	4%
2020	$665,000	$13,300	$678,300	4%
TOTAL	$4,225,000	$534,575	$4,759,575	

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Agenda Number 3b **Agenda Date** 09/17/2014 **Number** 4b
Type Presentation and Discussion
Department City Manager

Title
Review and discuss the status of the Colleyville Tax Increment Financing District

Explanation
Terry Leake, City of Colleyville Assistant City Manager / Chief Financial Officer, will provide an update of the Fiscal Year 2014 status of the Colleyville Tax Increment Financing (TIF) District.

Attachments
1. Colleyville TIF Fiscal Year 2014 Update presentation

Colleyville Tax Increment Financing District

Fiscal Year 2014 Update

September 17, 2014

Purpose of a Tax Increment Financing (TIF) District

- Chapter 311 of the Texas Tax Code
- To accelerate commercial development in an underdeveloped area (geographic zone) or to renovate existing blighted development in an area
- Provides for debt issuance for infrastructure improvements within the zone

TIF District Resources/Expenditures

- Entities contribute ad valorem taxes received from the incremental value increase on property within the zone

- Debt issued for improvements within the TIF District is repaid from the participating entity's ad valorem tax contributions

Colleyville TIF History

- November 1998: Tax Increment Financing Reinvestment Zone Number One (Colleyville TIF) is established by Ordinance O-98-1124*
  - 633 acres along Colleyville Blvd. (SH26)
  - Base year (1998) taxable value: $75,821,735
  - Termination to occur December 31, 2018 or when all project costs are paid and all debt is retired, whichever comes first

    *O-98-1131 amends O-98-1124 and provides for a termination date of 12/31/2030

  - Estimated incremental taxable value at termination: $246,667,800

Colleyville TIF History

- November 2012: Tax Increment Financing Reinvestment Zone Number One (Colleyville TIF) is amended by Resolution R-12-04
  - Expanded TIF boundaries to include mostly additional vacant, underutilized land and some commercial property
  - Additions to the Project Plan include:

Economic Development TIF Grant Program	$17,256,185
Roadway Improvements	20,000,000
Trails and Public Amenities	5,500,000
Administrative Expenses	1,700,000
Total New Project Costs	$44,456,185

CITY OF COLLEYVILLE TEXAS

Fiscal Year 2014 Contributed Tax Rate by Entity
Total TIF Contributed Tax Rate: $1.24487

City of Colleyville	$.35590
Grapevine-Colleyville ISD*	$.74000
Tarrant County**	$.0000
Tarrant County College	$.14897
Tarrant County Hospital District**	$.0000

* GCISD contributes 74% of the compressed operations and maintenance tax rate

** Tarrant County and Tarrant County Hospital District participation capped at $4.35M and $3.85M respectively; participation ended in FY2012

Fiscal Year 2014 TIF Taxable Value Recap

FY 1998 Taxable Base Value:	$75,821,735
FY 2014 Taxable Value:	$329,363,634
Incremental Value Increase:	$253,541,899
FY 2014 New Construction:	$4,939,755

Expanded TIF Area Base Value:	$30,796,078
FY 2014 Taxable Value:	$31,311,386
Incremental Value Increase:	$ 515,308
FY 2014 New Construction:	$ 781,799

Colleyville TIF District Commitments

- Outstanding Bond Issues:
  Series 2011: $4,075,875
  (Balance at September 30, 2014)

- *Incentified Developer Asset Repurchase Agreements:
  - Village at Colleyville: $4,500,000
  - Town Center: $2,582,500

* Payments are only made if the developer builds the specified assets in the agreement; the annual payment is based on the taxes received from the increase in the taxable assessed value of the property from the date of the agreement.

FY 2014 Property Value Incentified Asset Repurchase Agreements

- Town Center
  - 2001 Base Value: $ 2,993,059
  - FY 2014 Value: $51,928,924
  - Incremental Increase: $48,935,865

- Village at Colleyville
  - 1999 Base Value: $ 3,141,139
  - FY 2014 Value: $42,103,483
  - Incremental Increase: $38,962,344

CITY OF COLLEYVILLE TEXAS

Developer Asset Repurchase Agreement Payment Process

1. Developer submits invoices and cancelled check copies by reimbursable category

2. City Engineer reviews for completeness and category eligibility and certifies the improvement

3. Assistant City Manager/Chief Financial Officer determines amount eligible to be paid annually per Tarrant Appraisal District TIF value reports

4. TIF payments are reviewed by the City's external auditors during the annual audit

Town Center Asset Repurchase Agreement

- Total Agreement (March 2003): $2,582,500
- No Termination of Agreement
- Total Value Submitted to Date: $2,271,631
- Total Payments to Date: $2,271,631
- Total Remaining Obligation: $310,869

Village at Colleyville
Asset Repurchase Agreement

- Original Agreement (Dec. 1999): $5,000,000
- Revised Agreement (Jan. 2001): $7,500,000
- Renegotiated Agreement (May 2009): $4,500,000
- Agreement Terminates: May 16, 2014
- Total Value Submitted to Date: $2,280,042
- Total Payments to Date: $2,280,042
- Total Remaining Obligation: $2,219,958
- Project Plan Unallocated Funds: $3,000,000

City of Colleyville TIF District
Original Adopted Project Plan

Colleyville TIF Project Plan	Total	Village at Colleyville Revised Agreement	Unallocated Project Plan balance	Roadway Improvements	SH26 Matching	School Improvements	City Hall	Library	Fire Station	Town Center Agreement
Downtown Improvements	$2,200,000	$1,700,000	$500,000							
Plaza	$1,595,000	$875,000	$200,000				$520,000			
Professional Services	$650,000	$400,000					$250,000			
Public Parking, land, engineering	$4,371,500	$700,000	$500,000				$980,000	$734,000		$1,457,500
Storm Drainage	$200,000	$125,000								$75,000
Library	$240,000							$240,000		
Hall-Johnson Road	$1,900,000			$1,900,000						
Bluebonnet Drive	$670,000			$670,000						
SH 26	$4,850,000				$4,850,000					
Tinker/Sanders Intersection	$220,000				$220,000					
Bogart	$600,000			$600,000						
Church Street	$2,150,000			$1,100,000						$1,050,000
Riverwalk Drive	$250,000			$250,000						
Public Parking Structure	$1,800,000		$1,800,000							
Main Street	$700,000	$700,000								
City Hall	$3,500,000						$3,500,000			
Fire Station	$867,500								$867,500	
John McCain Road	$626,000			$626,000						
School Improvements	$7,938,690					$7,938,690				
Total	**$35,328,690**	$4,500,000	**$3,000,000**	**$5,146,000**	**$5,070,000**	**$7,938,690**	**$5,250,000**	**$974,000**	**$867,500**	**$2,582,500**

Original Project Plan Status Update: Completed Projects

- Bluebonnet Drive
- Bogart Drive
- Church Street
- Hall-Johnson Road
- John McCain Road
- Riverwalk Drive
- City Hall
- Central Fire Station
- Library
- School Improvements
- State Highway 26

Original Project Plan Status Update: In Progress Projects

- Tinker/Sanders Intersection
  - Phase II SH26 project
- Town Center Agreement
- Village at Colleyville Agreement

November 2012 TIF Project Plan Amendment Status

Economic Development Grant Program:	$17,256,185
Whole Foods Grant	-$2,250,000
Remaining balance Economic Development Grant category	$15,006,185
Available cash balance at 9/30/2014	$5,391,619

Infrastructure Improvements	
(Roadway/Trails and Public Amenities / Administrative):	$27,200,000
Portion of SH26 utility relocations:	-$3,562,388
Glade Road Phase I Bransford to Manning:	-$5,708,039
Remaining balance Infrastructure Improvements category *	$17,929,573
Available cash balance 9/30/2014:	$2,127,938

*Balance of Glade Road project could come from this category

Questions and Discussion