



City of Colleyville

Tax Increment Financing District Board Agenda

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

Monday, July 24, 2017
12 Noon

Executive Conference Room
Third Floor, City Hall

1. CALL TO ORDER

2. CONSENT: READING AND PUBLIC HEARING - Resolution R-17-01

2a Approval of the minutes of the Tax Increment Financing District Board of Directors meeting of July 25, 2016

3. PRESENTATION AND DISCUSSION

3a 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 Thursday, July 20, 2017, by 5:00 p.m.

Amy Shelley, TRMC
City Secretary

A quorum of the Colleyville City Council and/or any other Colleyville Board, Commission, or Committee may be in attendance at this meeting.

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-17-01

**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 24, 2017.

**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 25, 2016 are hereby approved.

AND IT IS SO RESOLVED.

APPROVED BY A VOTE OF ____ AYES, ____ NAYS, ____ AND ABSTENTIONS ON THIS THE 24TH DAY OF JULY 2017.

ATTEST:

**COLLEYVILLE TAX INCREMENT
FINANCING DISTRICT BOARD**

Amy Shelley, TRMC
City Secretary

Richard Newton
Chairman



City of Colleyville

Tax Increment Financing District Board MINUTES - DRAFT

City Hall
100 Main Street
Colleyville, Texas 76034
817. 503.1000
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Monday, July 25, 2016
12:30 p.m.

Executive Conference Room
Third Floor, City Hall

The Tax Increment Financing District Board of Directors meeting was called to order by Chairman Richard Newton on July 25, 2016, at 12:30 p.m.

ROLL CALL: Chairman Richard Newton, Vice Chairman Mike Taylor, Directors Bobby Lindamood, Jody Short, Tammy Nakamura, Mark McClendon, Scott Rule, John Eubanks, and Rebecca Barksdale

City Manager Jennifer Fadden, Deputy City Manager Chris Fuller, Assistant City Manager / Director of Public Safety Mike Holder, Public Works Director Jeremy Hutt, Strategic Services Manager Adrienne Lothery, Chief Financial Officer Brian Hogan, Accounting Manager Karen Hines, and City Secretary Amy Shelley

2. CONSENT: READING AND PUBLIC HEARING- Resolution R-16-01

2a Approval of the minutes of the Tax Increment Financing District Board of Directors meeting of July 27, 2015

Chairman Newton read Resolution R-16-01 in its entirety.

Chairman Newton opened the public hearing at 12:34 p.m.

There was no one present wishing to speak and Chairman Newton closed the public hearing at 12:34 p.m.

Vice Chairman Taylor moved to approve Resolution R-16-01. Director Short seconded the motion.

The motion to approve carried by the following vote:

Aye: 9 - Chairman Richard Newton, Vice Chairman Mike Taylor, Directors Bobby Lindamood, Jody Short, Tammy Nakamura, Mark McClendon, Scott Rule, John Eubanks, and Rebecca Barksdale

3. PRESENTATION AND DISCUSSION

3a Presentation of the Annual Tax Increment Financing District Report

Strategic Services Manager Adrienne Lothery presented this item and briefed the Board.

Director Eubanks asked staff, with respect to revenue, how were the revenues arrived at, given the rate of .3559 times the incremental value; however, the GISD did not calculate out. Manager Lothery explained the calculations for the GCISD payments, and the \$1.9 million is the 74 percent received from GCISD, and second payment of \$820,000 is to make up the difference in the tax rate.

Director Eubanks asked staff how the \$1,904,000 was calculated. Manager Lothery explained that the total payment from GCISD is \$2.5 million, and the arrangement is that Colleyville returns about 26 percent of that payment being \$669,000 which means the TIF district nets the \$1,904,000.

Director Eubanks asked Mr. McClendon about the college rate. Mr. McClendon replied the rate used is .19500, which is the 2015-2016 rate.

Director Eubanks stated the packet indicates the 2016 rate. Manager Lothery concurred, and stated the annual report shows what has already occurred for the year ended September 2015. Mr. McClendon added the revenue is set based on the prevailing rate, with the billing taking place in March with payments May 1.

Accounting Manager Karen Hines added the rate used to calculate the \$387,780 was .1495.

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

Strategic Services Manager Adrienne Lothery presented this item and briefed the Board.

Chairman Newton asked staff if the annual report is mailed to everyone. Manager Lothery replied yes.

Chairman Newton stated the board can meet whenever it is useful to the board.

Director Eubanks asked staff if the cash balances are restricted to certain programs with no co-mingling. Manager Lothery replied ultimately yes, these funds will need to have been spent in accordance the original amounts outlined in the original project plan. She stated it is not to say that if one category has more cash than the other, and it could be paid back on an annual basis. She stated the actual category total authorization over the lifetime. City Manager Jennifer stated the TIF grant category funds could be utilized for other projects as deemed appropriate by City Council.

Director Eubanks asked about funding projects from the \$2.6 million on a cash basis. City Manager Jennifer Fadden replied currently the plan, for the expenditure of these funds, is on a cash a basis. She added the board and the

City Council could look at issuing debt, in the future, should they desire to do so, and it would have to be in accordance with the structure of the TIF.

Director Eubanks asked Chairman Newton if Glade Road is currently around \$20 million. Chairman Newton stated it is going to be revisited next month to discuss the Glade Road project, all phases.

Director Eubanks asked staff about the length of time to complete the Glade Road project, from start to finish. Public Works Director Jeremy Hutt replied the project is currently four phases, with an anticipated completion by 2023.

Director Eubanks asked Chairman Newton about the funding for the project. Mayor Newton replied currently it is to be completed on a pure cash basis, no bonds.

Director Lindamood asked Chairman Newton if there are other projects that could be completed with the TIF funds. Chairman Newton replied it has to be used within the TIF geographic boundaries.

Director Lindamood asked Chairman Newton how those numbers could be adjusted for other projects. Chairman Newton replied the board and City Council would take action within the project list.

Director Eubanks asked Chairman Newton about the Village at Colleyville. Chairman Newton replied it is done, with about \$2.9 million being spent, but there may be a remaining balance. City Manager Jennifer Fadden explained the Village was entitled to \$643,000 of the remaining \$2.2 million in the assets that they had submitted.

Director Eubanks asked Chairman Newton about Town Center and if it will likely to be paid out. Chairman Newton replied it depends, as they would have to build something else, and the agreement is still active, but nothing has happened.

Director Eubanks asked staff how much money will be taken in between now and 2030. Manager Lothery replied she did not have that number prepared, but it is certainly enough to cover the category from the original project plan.

4. ADJOURNMENT

There being no further business before the Tax Increment Financing District Board, Chairman Newton adjourned the meeting at 1:10 p.m.

APPROVED BY A VOTE OF ___ AYES, ___ NAYS, AND ___ ABSTENTIONS, ON THIS THE 24TH DAY OF JULY 2017.

Minutes taken and prepared by:

Amy Shelley, TRMC
City Secretary



City of Colleyville Tax Increment Financing District Board Agenda Briefing

City Hall
100 Main Street
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Agenda Number 3a	Agenda Date 07/24/2017	Number
Type Presentation and Discussion		
Department City Manager		

Title

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

Strategic Plan

2.4 Demonstrate stewardship of public resources

Explanation

Adrienne Lothery, City of Colleyville Strategic Services Manager, will provide an update of the Fiscal Year 2017 status of the Colleyville Tax Increment Financing (TIF) District.

Attachments

1. Colleyville TIF Fiscal Year 2017 Update Presentation
2. TIF Annual Report - FY 2016

Colleyville Tax Increment Financing (TIF) District

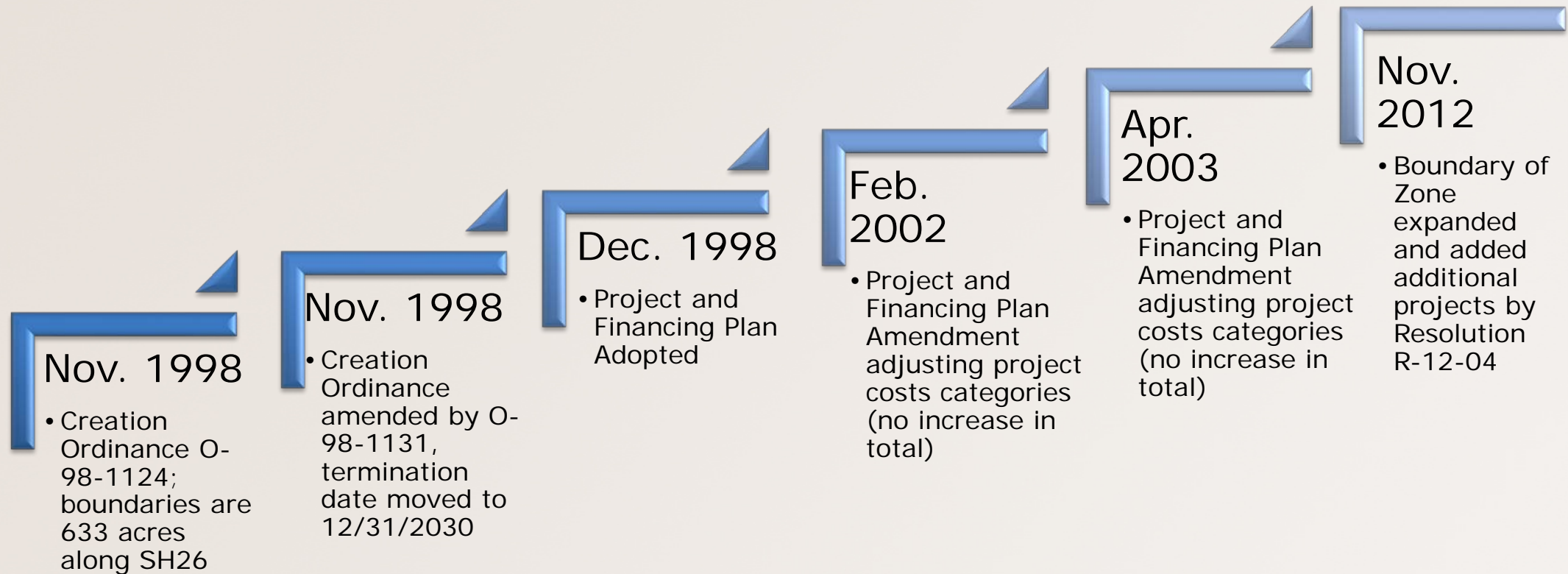
Fiscal Year 2017 Update
July 24, 2017



Background: Purpose of a TIF

- 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
- Entities contribute ad valorem taxes received from the incremental value increase on property within the zone
- Provides for debt issuance for infrastructure improvements within the zone

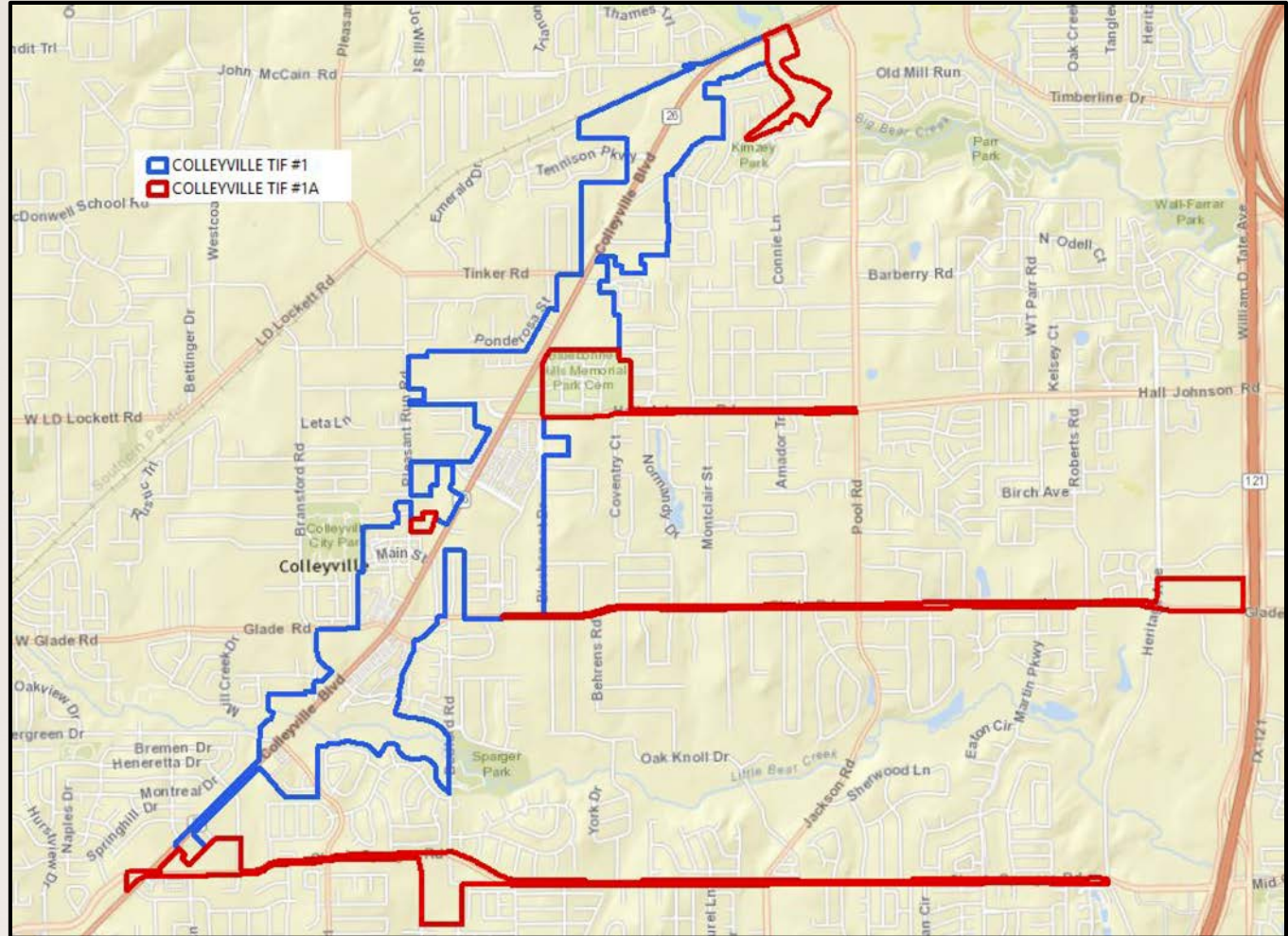
Background: Colleyville TIF History



– Original estimation of incremental taxable value at termination: \$246,667,800

TIF Map

- TIF #1 1998 Base Value: \$75,821,735
- TIF #1A 2012 Base Value: \$30,796,078



Background: FY 2017 Timeline

Dates	Action
Summer 2016	Taxing entities adopt a tax rate
July 25, 2016	TAD certifies AV values
December 2016	City of Colleyville submits annual report for Fiscal Year ended Sept. 30, 2016 (FY 2016) – due 90 days after FYE
March 2017	Final Updates to 2016 AV values received from TAD; City of Colleyville invoices TIF partners
May 1, 2017	TIF payments due
July 2017	Annual TIF Board meeting - in July per bylaws

TIF Participation

Entity	Rate
City of Colleyville	100%
Grapevine Colleyville ISD	100% M&O*
Tarrant County	100%**
Tarrant County College District	100%
Tarrant County Hospital District	100%***
<p>* 74% dedicated to \$27 million in general public improvements and remaining 26% dedicated to GCISD school improvements</p> <p>** Participation capped at \$4.35 million, cap reached in 2012</p> <p>*** Participation capped at \$3.85 million, cap reached in 2012</p>	

FY 2016 TIF Revenue (based on 2015 values)

Tax Incremental Revenues TIF #1	
City of Colleyville	\$942,549
Tarrant County College District	\$397,577
Grapevine Colleyville ISD-Total Payment*	\$2,620,216
Grapevine Colleyville ISD**	(\$681,256)
Grapevine Colleyville ISD***	\$835,692
Tarrant County #	\$0
Tarrant County Hospital District #	\$0
TOTAL	\$4,114,778
Tax Incremental Revenues TIF #1A	
City of Colleyville	\$14,075
Tarrant County College District	\$5,900
TOTAL	\$19,975

*This is calculated based on the compressed M&O tax rate, as stipulated by State Law (H.B. 3646 [81])

** 26% of the payment is returned to GCISD per contract

*** Supplemental payment for difference in current M&O tax rate of \$1.04 and \$1.471 2005 M&O tax rate

Contractual obligation for payment of incremental revenues met in 2012



TIF Taxable Value Update

<u>1998 Taxable Base Value:</u>	<u>\$75,821,735</u>
2015 Taxable Value (3/1/16):	\$340,657,008
2016 Taxable Value (3/15/17):	\$384,869,207
Incremental Value Increase:	\$309,047,472
2016 New Construction (3/15/17):	\$9,041,624
<u>Expanded TIF Area Base Value:</u>	<u>\$30,796,078</u>
2015 Taxable Value (3/1/16):	\$34,750,725
2016 Taxable Value (3/15/17):	\$38,839,096
Incremental Value Increase:	\$8,043,018
2016 New Construction (3/15/17):	\$0

Outstanding Debt

SERIES 2016 TAX INCREMENT REVENUE AND REFUNDING BONDS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	INTEREST RATE
2017	\$600,000	\$55,781	\$655,781	2%
2018	\$610,000	\$44,200	\$654,200	2%
2019	\$625,000	\$28,725	\$653,725	3%
2020	\$645,000	\$9,675	\$654,675	3%
TOTAL	\$2,480,000	\$138,381	\$2,618,381	

Original 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- Current

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	\$998,875	\$1,201,125							
Plaza	\$1,595,000		\$1,075,000				\$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	\$2,923,875	\$4,576,125	\$5,146,000	\$5,070,000	\$7,938,690	\$5,250,000	\$974,000	\$867,500	\$2,582,500

Original Project Plan Projects

To Date:

- 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 Phase I
- Developer Asset Repurchase Agreements - Village at Colleyville and Town Center

Recent/In Progress

- Phase II SH26 project
 - Tinker/Sanders Intersection
- Land purchase (next to City Hall)

Amended Project Plan

Added by Amendment in 2012		
Economic Development TIF Grant Program	\$	17,256,185
Roadway Improvements	\$	20,000,000
Trails & Public Amenities	\$	5,500,000
Administrative Expenses	\$	1,700,000
TOTAL	\$	44,456,185

- November 2012 Amendment expanded TIF boundaries to include mostly additional vacant, underutilized land and some commercial property
- Revenue from ISD participation may not be used on any project category added by the 2012 amendment
- Projects funded include:
 - Whole Foods Grant
 - Glade Road Project

FY 2018 & Forward

Renewed Focus:

- Maximize remaining life of the TIF to achieve greatest community benefit
- Transparency on planned projects

Next Steps:

- Complete an updated accounting of expenditures vs. project categories, forecast of future revenues, and balances available for allocation
- Determine what currently planned City-funded projects might be eligible for TIF funding
- Establish separate multi-year Capital Plan for TIF funded projects
- Plan with TIF Board and City Council for future intended use of TIF funds

Questions and Discussion

TIF ANNUAL REPORT - CITY OF COLLEYVILLE
FISCAL YEAR ENDED SEPTEMBER 30, 2016 (FY 2016)

TAXABLE VALUE:

	<u>GCISD</u>	<u>County & Hospital</u>	<u>County College</u>	<u>City of Colleyville</u>
Colleyville TIF #1				
TAX YEAR 2015 / FY 2016 TAXABLE VALUE	\$337,614,826	\$341,710,227	\$341,717,227	\$340,657,008
1998 BASE VALUE	\$75,593,230	\$75,772,230	\$75,779,230	\$75,821,735
INCREMENTAL VALUE INCREASE	\$262,021,596	\$265,937,997	\$265,937,997	\$264,835,273
Colleyville TIF #1A				
TAX YEAR 2015 / FY 2016 TAXABLE VALUE		\$34,757,825	\$34,757,825	\$34,750,725
2012 BASE VALUE		\$30,811,178	\$30,811,178	\$30,796,078
INCREMENTAL VALUE INCREASE		\$3,946,647	\$3,946,647	\$3,954,647

NOTE: Taxable value can vary slightly for each taxing entity based on differing exemptions

REVENUES:

Tax Increment Revenues TIF #1 -

CITY OF COLLEYVILLE	(0.003559 x TIF#1 incremental value)	\$942,549
TARRANT COUNTY COLLEGE DISTRICT	(0.001495 x TIF#1 incremental value)	\$397,577
GRAPEVINE COLLEYVILLE ISD -TOTAL PAYMENT*	(0.001 x TIF#1 incremental value)	\$2,620,216
GRAPEVINE COLLEYVILLE ISD **	(.26 x total payment)	(\$681,256)
GRAPEVINE COLLEYVILLE ISD ***	(.26 x payment difference from current vs. 2005 M&O tax rate)	\$835,692
TARRANT COUNTY #		\$0
TARRANT COUNTY HOSPITAL DISTRICT #		\$0
TOTAL		\$4,114,778

Tax Increment Revenues TIF #1A -

CITY OF COLLEYVILLE	(0.003559 x TIF#1A incremental value)	\$14,075
TARRANT COUNTY COLLEGE DISTRICT	(0.001495 x TIF#1A incremental value)	\$5,900
TOTAL		\$19,975

*THIS IS CALCULATED BASED ON THE COMPRESSED M&O TAX RATE, AS STIPULATED BY STATE LAW (H.B. 3646 [81])

** 26% OF THE PAYMENT IS RETURNED TO GCISD PER CONTRACT

*** SUPPLEMENTAL PAYMENT FOR DIFFERENCE IN CURRENT M&O TAX RATE OF \$1.04 AND \$1.471 2005 M&O TAX RATE

CONTRACTUAL OBLIGATION FOR PAYMENT OF INCREMENTAL REVENUES HAS BEEN MET

EXPENDITURES:

Original Project Plan-

SERIES 2011 REFUNDING BOND PAYMENT	\$682,425
TEXAS DEPARTMENT OF TRANSPORTATION - SH 26	\$1,318,251
SH 26 PHASE II DESIGN	\$195,881

Amended Project Plan-

GLADE ROAD DESIGN	\$593,295
GLADE ROAD ROW ACQUISITION	\$9,507
CITY HALL/LIBRARY GENERATOR DESIGN	\$13,230

TOTAL	\$2,812,589
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OUTSTANDING DEBT SERVICE SCHEDULE

SERIES 2016 TAX INCREMENT REVENUE AND REFUNDING BONDS

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL	INTEREST RATE
2017	\$600,000	\$55,781	\$655,781	2%
2018	\$610,000	\$44,200	\$654,200	2%
2019	\$625,000	\$28,725	\$653,725	3%
2020	\$645,000	\$9,675	\$654,675	3%
TOTAL	\$2,480,000	\$138,381	\$2,618,381	