AGENDA

FLOWER MOUND TAX INCREMENT REINVESTMENT ZONE #1

REGULAR MEETING

AUGUST 9, 2016

FLOWER MOUND TOWN HALL, 2121 CROSS TIMBERS ROAD
FLOWER MOUND, TEXAS

4:30 P.M.

****

An agenda information packet is available online at www.flower-mound.com/AgendaCenter
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Please silence or turn off all electronic devices in the Council Chambers.

A. CALL TO ORDER

B. BOARD MEMBER ANNOUNCEMENTS

C. REGULAR ITEMS

1. Consider approval of the minutes of the December 7, 2015 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

2. Review and consider approving revisions to the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Project Plan.

3. Consider recommending the use of Tax Increment Reinvestment Zone #1 (TIRZ #1) funds to pay the annual debt service on the issuance of $10,000,000 for the Town of Flower Mound Town Hall project to the Town Council.

E. FUTURE MEETINGS

F. ADJOURNMENT – TIRZ BOARD OF DIRECTORS

Alora Wachholz

Alora Wachholz, TIRZ Secretary

I do hereby certify that the Notice of Meeting was posted on the bulletin board in Town Hall of the Town of Flower Mound, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: August 5, 2016 at 12:45PM, at least 72 hours prior to the scheduled time of said meeting.

The Flower Mound Town Hall and Council Chambers are wheelchair accessible. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting by contacting Alora Wachholz, Economic Development Specialist, at (972) 874-6044.

TAX INCREMENT REINVESTMENT ZONE #1 BOARD MEETING
AGENDA ITEM NO: 1
AUGUST 9, 2016

[ ] CONSENT ITEM **[X] REGULAR ITEM** **[ ] WORK SESSION ITEM**

FROM: Alora Wachholz, Economic Development Specialist

THROUGH: Mark Wood, Director of Economic Development

PRESENTER: Alora Wachholz, Economic Development Specialist

ITEM: **Consider approval of the minutes of the December 7, 2015 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.**

[ ] Ordinance **[ ] Resolution** **[X] Motion** **[ ] Direction**

I. SUMMARY:

This item is to approve the minutes from the December 7, 2015 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

II. BACKGROUND INFORMATION:

N/A

III. FISCAL IMPACT:

N/A

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

1. Draft minutes from 12-7-2015

VI. RECOMMENDED MOTION OR ACTION:

Move to approve the minutes of the December 7, 2015 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

The information contained in this document is unofficial until such time as the minutes are approved by the Tax Increment Reinvestment Zone #1 Board.

THE FLOWER MOUND TAX INCREMENT REINVESTMENT ZONE #1 (TIRZ #1) BOARD MEETING HELD ON THE 7th DAY OF DECEMBER, 2015, IN THE FLOWER MOUND TOWN HALL, LOCATED AT 2121 CROSS TIMBERS ROAD IN THE TOWN OF FLOWER MOUND, COUNTY OF DENTON, TEXAS, AT 4:30 P.M.

The TIRZ #1 Board met in a regular session with the following members present:

Jeff Tasker, Chair
Bill Collins, Board Member
Larry Lipscomb, Board Member
Lori Fickling, Board Member
Bryan Webb, Board Member, Councilmember, Place 2
Jimmy Stathatos, Town Manager (Ex Officio)
Tom Hayden, Mayor (Ex Officio)

Constituting a quorum with the following members of the Town staff participating:

Mark Wood, Director of Economic Development
Alora Wachholz, Economic Development Specialist

A. CALL TO ORDER

Chairman Tasker called the TIRZ #1 Board meeting to order at 4:32 P.M.

B. BOARD MEMBER ANNOUNCEMENTS

Mayor Hayden stated that the TIRZ #1 is approximately 10 years into its dedicated term and he thinks it may be a good idea for the TIRZ Board to get together and re-evaluate the priorities of the TIRZ for the next 10 years. Chairman Tasker agreed that this was a good idea for the Board to consider at a future meeting. Mayor Hayden asked if it would be beneficial to the Board for the Town Council to make a request for this prioritization of items from the TIRZ Board. Chairman Tasker said it was not necessary but would be a welcomed request. Mayor Hayden said he would bring up the item at the next Town Council meeting.

C. REGULAR ITEMS

1. Consider approval of the minutes of the November 17, 2014 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

Board Member Webb moved to approve the minutes of the November 17, 2014 meeting. Board Member Lipscomb seconded the motion. No additional questions or comments were made. The motion carried by a vote of 5 to 0.

2. Consider approval of the 2015 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).

Economic Development Director Mark Wood gave a brief presentation providing an overview of the 2015 Annual Report of the Town of Flower Mound Tax Increment Reinvestment Zone #1.

Mayor Hayden stated that there were original projections that were made at the creation of the TIRZ #1 and that it was his understanding that the actual numbers related to the revenues generated by the zone have tracked closely to those projections. Director Wood concurred that sentiment and offered to provide information regarding those projections and actual numbers at the

next Board meeting. Chairman Tasker asked about the public use of the parking structure to be located at the River Walk development, and partially funded by the TIRZ. Director Wood stated the structure would be open and available at no cost to the public, including visitors of the River Walk, although certain spots may be reserved specifically for hotel guests. Mayor Hayden added that he recently spoke with Spencer Turner at the Texas Health Presbyterian Hospital in Flower Mound and that they are in need of additional parking at the hospital. The hospital is potentially interested in providing funding to assist in the addition of parking spaces to the parking garage structure in order to assist with their parking troubles. Chairman Tasker asked what the anticipated cost of the parking structure in general is to which Town Manager Stathatos responded approximately $3.5 million and clarified that the structure is planned outside of the Public Improvement District boundaries. Board Member Lipscomb asked for verification on the square footage of space leased by the Town of Flower Mound for additional office space and the annual lease amount paid for that space. No additional comments were made.

Board Member Collins made a motion to approve the 2015 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1). Board Member Webb seconded the motion. No additional questions or comments were made. The motion carried by a vote of 5-0.

E. FUTURE MEETINGS

There are no future meetings scheduled at this time. Director of Economic Development Wood stated that he would notify the Board of any future meetings.

E. ADJOURNMENT – TIRZ #1 BOARD OF DIRECTORS

Chairman Tasker announced the meeting was adjourned at 4:48 P.M.

TOWN OF FLOWER MOUND, TEXAS

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Jeff Tasker, Chair

ATTEST:

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Alora Wachholz, TIRZ #1 Secretary

DRAFT

TAX INCREMENT REINVESTMENT ZONE #1 BOARD MEETING
AGENDA ITEM NO: 2
AUGUST 9, 2016

[ ] CONSENT ITEM **[X] REGULAR ITEM** **[ ] WORK SESSION ITEM**

FROM: Mark Wood, Director of Economic Development

THROUGH: Jimmy Stathatos, Town Manager

PRESENTER: Mark Wood, Director of Economic Development
Debra Wallace, Assistant Town Manager/CFO

ITEM: **Review and consider approving revisions to the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Project Plan.**

[ ] Ordinance **[ ] Resolution** **[X] Motion** **[ ] Direction**

I. SUMMARY:

This item is for the TIRZ #1 board to review and consider approving revisions to the TIRZ #1 project plan.

II. BACKGROUND INFORMATION:

At the September 19, 2005, Town Council meeting, an Ordinance was approved that established TIRZ #1, authorized a board of directors, and created a TIRZ fund. The board of directors has discussed the TIRZ #1 project plan each year since the establishment of the TIRZ.

III. FISCAL IMPACT:

N/A

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

1. TIRZ Budget vs. Expenditures as of June 30, 2016

VI. RECOMMENDED MOTION OR ACTION:

Motion to approve updated Project Plan.

Project	Original Budget	Current Budget	Recommended Revised Budget	Expended Costs to Date	Remaining Balance
STREETS					
Dixon Lane (Chinn Chapel to Crestside)	$ 3,500,000	$ 2,685,267	$ 2,685,267	$ 2,685,267	$ -
Chinn Chapel (FM 407 to Dixon)	425,000	1,387,500	1,387,500	1,387,500	-
Chinn Chapel (Dixon to Waketon)	750,000	941,305	941,305	941,305	-
Waketon Road (Rippy to Chinn Chapel)	400,000	400,000	**5,270,000**	-	5,270,000
College Parkway (FM 2499 to Rippy)	800,000	800,000	-	-	-
Rippy Road (FM 2499 to Waketon)	2,115,000	2,115,000	2,115,000	-	2,115,000
Churchill (East end to Yucca)	560,000	560,000	**400,000**	-	400,000
FM 1171 at FM 2499 Westbound Right Turn Lane	-	-	**998,000**		998,000
FM 1171 at FM 2499 Eastbound Right Turn Lane	-	-	**785,000**		785,000
Local Commercial ring road (FM 407 to Dixon)	1,620,000	-	-	-	-
Subtotal	**$ 10,170,000**	**$ 8,889,072**	**$ 14,582,072**	**$ 5,014,072**	**$ 9,568,000**
SIGNALS					
College Parkway at FM 2499	$ 150,000	$ 150,000	$ 150,000	$ -	$ 150,000
Windsor at FM 2499	150,000	-	-	-	-
Local Commercial ring road at FM 407	85,000	-	-	-	-
Subtotal	**$ 385,000**	**$ 150,000**	**$ 150,000**	**$ -**	**$ 150,000**
WATER					
FM 2499 west side from FM 1171 to Dixon	$ 1,175,000	$ 1,175,000	**$ 1,700,000**	$ -	$ 1,700,000
FM 407 from FM 2499 to Country Meadows Addition	465,000	438,039	438,039	438,039	-
FM 2499 east side from Waketon to Valley Creek Church	145,000	145,000	-	-	-
Subtotal	**$ 1,785,000**	**$ 1,758,039**	**$ 2,138,039**	**$ 438,039**	**$ 1,700,000**
WASTEWATER					
FM 2499 east side from Valley Creek Church to Dixon	$ 305,000	$ -	$ -	$ -	$ -
FM 407 from FM 2499 to County Meadows Addition	455,000	-	-	-	-
Subtotal	**$ 760,000**	**$ -**	**$ -**	**$ -**	**$ -**
FACILITIES					
Town Hall	$ 12,000,000	$ 12,000,000	**$ 10,000,000**	$ -	$ 10,000,000
Senior Citizen Activity Center	8,000,000	4,900,000	4,900,000	4,850,720	49,280
Performing Arts Auditorium	10,000,000	10,000,000	-	-	-
Library renovation/expansion	-	-	**10,900,000**		10,900,000
Subtotal	**$ 30,000,000**	**$ 26,900,000**	**$ 25,800,000**	**$ 4,850,720**	**$ 20,949,280**
PARKS					
Timber Trails Park	$ 200,000	$ 200,000	$ -	$ -	$ -
Hike and Bike Trails	400,000	400,000	400,000	-	400,000
Subtotal	**$ 600,000**	**$ 600,000**	**$ 400,000**	**$ -**	**$ 400,000**
Improvements in Forum (Riverwalk) area	**$ 5,000,000**	**$ 4,000,000**	**$ 4,000,000**	$ -	$ 4,000,000
Parking Structure	-	1,000,000	1,000,000		1,000,000
Subtotal	**$ 5,000,000**	**$ 5,000,000**	**$ 5,000,000**	**$ -**	**$ 5,000,000**
Other Projects	**$ -**	**$ 5,172,204**	**$ 399,204**	**$ -**	**$ 399,204**
Town Center Master Plan	-	50,685	50,685	50,685	-
Retail Developments Shared Drive at FM 407 and Chinn Chapel	-	180,000	180,000	180,000	-
	$ -	**$ 5,402,889**	**$ 629,889**	**$ 230,685**	**$ 399,204**
TOTAL	**$ 48,700,000**	**$ 48,700,000**	**$ 48,700,000**	**$ 10,533,516**	**$ 38,166,484**

TAX INCREMENT REINVESTMENT ZONE #1 BOARD MEETING
AGENDA ITEM NO: 3
AUGUST 9, 2016

[ ] CONSENT ITEM **[X] REGULAR ITEM** **[ ] WORK SESSION ITEM**

FROM: Mark Wood, Director of Economic Development

THROUGH: Jimmy Stathatos, Town Manager

PRESENTER: Mark Wood, Director of Economic Development
Debra Wallace, Assistant Town Manager/CFO

ITEM: **Consider recommending the use of Tax Increment Reinvestment Zone #1 (TIRZ #1) funds to pay the annual debt service on the issuance of $10,000,000 for the Town of Flower Mound Town Hall project to the Town Council.**

[ ] Ordinance **[ ] Resolution** **[X] Motion** **[ ] Direction**

I. SUMMARY:

This item is for the TIRZ #1 board to consider recommending paying the annual debt service to the Town Council for the cost of a new Town Hall facility.

II. BACKGROUND INFORMATION:

The Town Hall is currently on the approved TIRZ project list with a total budget of $12,000,000. The Town has the opportunity to use existing Town-owned property, located at the southeast corner of Cross Timbers Road and Morriss Road, to build a new Town Hall. In order to best utilize the available property and maximize Town operations, construction of the new facility could occur adjacent the existing Town Hall without service interruption.

The Town Hall project began with a feasibility study funded by the TIRZ board in 2012. The Town Hall portion of the study was completed in November 2014. Based on the findings of the study, a 42,000 square-foot Town Hall is being designed with enough space to consolidate staff currently operating from the existing town hall facility and rented space at the Atrium. The new facility is anticipated to be a multi-story building with resident services located on the first floor and administration on the second. Approximately 5,000 square-feet of space is included in the plan for future expansion, and the potential for an additional building to be constructed on the property at a later date is being considered in the plan. The facility has been designed with an effort to maximize space and reduce wasted real estate that currently exists between the two main locations of Town operations; Town Hall and the Atrium. A new Town Hall would remove the lease payment obligation to the Town for the 19,000 square-feet of space leased at the Atrium at an amount of $300,000 annually.

A presentation regarding the Town Hall project, including the results of the feasibility study and financing options was initially presented to the TIRZ board in November 2014. The estimated total cost of the project is $15,000,000; $10,000,000 from the TIRZ and $5,000,000 from the Town.

III. FISCAL IMPACT:

Estimated debt service $10,000,000 @ 2%

FY	Principal	Interest	Total
2017	$ 900,000	$ 200,000	$ 1,100,000
2018	$ 950,000	$ 182,000	$ 1,132,000
2019	$ 950,000	$ 163,000	$ 1,113,000
2020	$ 950,000	$ 144,000	$ 1,094,000
2021	$ 1,000,000	$ 125,000	$ 1,125,000
2022	$ 1,000,000	$ 105,000	$ 1,105,000
2023	$ 1,050,000	$ 85,000	$ 1,135,000
2024	$ 1,050,000	$ 64,000	$ 1,114,000
2025	$ 1,050,000	$ 43,000	$ 1,093,000
2026	$ 1,100,000	$ 22,000	$ 1,122,000
	$ 10,000,000	$ 1,133,000	$ 11,133,000

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

N/A

VI. RECOMMENDED MOTION OR ACTION:

Move to approve recommending the use of TIRZ funds to pay the annual debt service on the issuance of $10,000,000 for the Town of Flower Mound Town Hall project to the Town Council.