



Town of Flower Mound, Texas

Tax Increment Reinvestment Zone #1 (TIRZ #1)

ANNUAL REPORT

2021

Town of Flower Mound, Texas
Tax Increment Reinvestment Zone #1
As of September 30, 2021

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YEAR END SUMMARY OF MEETINGS/TOWN COUNCIL/BOARD ACTIONS

During the period from October 1, 2020, through September 30, 2021, the Town of Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ) Board of Directors met once. The meeting was held on December 17, 2020 to approve the minutes from the December 16, 2019 TIRZ board meeting and the 2020 Annual Report.

Town of Flower Mound Economic Development Director, Andrea Roy, provided a brief overview of the 2020 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1), with the primary change being the reallocation of \$400,000 to the Pink Evening Primrose Trail Connection. The completion of the library renovation and expansion was also completed, which was funded by TIRZ funds.

Board members appointed and serving at the time of the December 17, 2020 meeting:

Town - Paul Stone, Bill Collins, and Jim Engel

County - Larry Lipscomb and David Johnson

Ex-Officio - Mayor Steve Dixon and Interim Town Manager/CFO Debra Wallace

During the period from October 1, 2020, through September 30, 2021, the Flower Mound Town Council took the following action:

- At a meeting on January 4, 2021, the Town Council approved the 2020 Annual Report for the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) in accordance with Chapter 311 of the Texas Tax Code.

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PUBLIC INFRASTRUCTURE PROJECTS

2020-21

Street Projects

FM 1171 Westbound Turn Lane at FM 2499 Intersection

The project includes the installation of a FM 1171 westbound turn lane at the FM 1171/FM 2499 intersection, providing for approximately 410 feet of paving, hike/bike trails, utility relocations and traffic signal upgrades. A design contract in the amount of \$55,000.00 was awarded to Kimley-Horn and Associates, Inc. on October 3, 2016. Since that time, initial design and right-of-way acquisition have been completed. After initial design was completed, federal funding for construction was received for the project. To utilize the federal funding, TxDOT will be constructing the project. On November 15, 2021 a design amendment in the amount of \$47,400.00 was approved to modify the construction plans to meet TxDOT requirements and prepare the project for TxDOT bidding.

FM 2499 and Waketon Intersection Improvements

The project initially included the addition of westbound and eastbound right turn lanes, however, during design and with coordination of adjacent property owners, the project will also include the northbound and southbound right turn lanes. A design contract in the amount of \$173,450.00 was awarded to Halff Associates, Inc. on March 4, 2019. Town Council approved a construction award on August 17, 2020 in the amount of \$1,136,463.60. The project is currently under construction with an expected completion date of February 2022.

Rippy Road

Rippy Road will be completed in two phases. Phase 1 (Waketon Road to Pecan Meadows) included improvements of Rippy Road to its thoroughfare plan designated section, a two-lane concrete urban collector. On May 15, 2017, the Town Council approved a development agreement with CalAtlantic Homes, for construction of the improvements, providing reimbursement of the Town's share of the construction costs associated with the infrastructure improvements. Phase I of the project has been completed and the developer has received reimbursement in the amount of \$648,920.22 for the construction costs associated with Phase 1.

Phase 2 (Pecan Meadows to FM 2499) includes improvements to approximately 2,500 linear feet of existing two-lane open section asphalt roadway to its thoroughfare plan designated section, a two-lane concrete urban collector. The project also includes an enclosed storm water collection system to improve storm water

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collection in the area. The design contract was awarded to CP&Y, Inc. at the March 4, 2019, Town Council meeting in the amount of \$298,645.75. On September 21, 2020 a design amendment in the amount \$38,140.00 of was approved by Town Council to provide additional drainage and flood calculations of the project area. Design plans and franchise utility relocations are complete. Right-of-way acquisition is ongoing and is expected to be complete early 2022. Due to the continued delay, staff is reviewing anticipated construction schedule plan to consider timing of project due to other projects in the area to minimize overlapping traffic closures.

Waketon Road

Waketon Road will be completed in two phases. Phase 1 (FM 2499 to the western limits of the proposed Bradford Park Subdivision, approximately 1,450' east of Chinn Chapel Road) included improvements of Waketon Road to its thoroughfare plan designated section, a two-lane concrete urban collector. On May 15, 2017, the Town Council approved a development agreement with CalAtlantic Homes, for construction of the improvements, providing reimbursement of the Town's share of the construction costs associated with the infrastructure improvements. Phase I of the project has been completed and the developer has received reimbursement in the amount of \$2,259,020.90 for the construction costs associated with Waketon Road Phase 1.

Phase 2 (Chinn Chapel Road to the western limits of the Bradford Parks Subdivision) includes improvements to approximately 1,650 linear feet of existing two-lane open section asphalt roadway to its thoroughfare plan designated section, a two-lane concrete urban collector. The project also includes a roundabout at Chinn Chapel. This is a joint project with the Town of Double Oak to improve Waketon Road from Chinn Chapel west. A design contract in the amount of \$243,225 was awarded to Halff Associates, Inc. on November 21, 2016. Design plans, franchise relocations and right-of-way acquisition are complete. On May 20, 2020, Town Council approved an Interlocal Cooperation Agreement with the Town of Double Oak for the project. Town Council approved a construction award on May 12, 2021 in the amount of \$4,335,111.00 with an expected reimbursement from Double Oak in the amount of \$2,300,426.75. The project is currently under construction with an anticipated completion date of September 2022.

East Waketon Rd Drainage Improvements

The project consists of channel excavation from FM 2499 to Waketon Road and culvert replacement under Waketon Road to alleviate the recurring flooding and traffic disruption of Waketon Road, east of FM 2499.

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The project will be constructed in two phases. Phase 1 provides for the channel excavation and Phase 2 provides for culvert replacement.

A design contract was awarded to Halff Associates, Inc. on March 20, 2017 to complete a drainage study providing hydraulic modeling of existing conditions, analysis of alternatives and a final report. The initial drainage study was received. A design contract in the amount of \$212,790.00 was awarded to Halff Associates, Inc. on January 7, 2019 to complete design based on the drainage study. Design plans area currently 60% complete. During design it was determined that a reassessment of the upstream hydrology was needed to better model the existing conditions. On December 7, 2020 a design amendment in the amount of \$55,000.00 was approved to reassess the drainage area and explore the possibility of minimizing the project limits to reduce the project's impacts. Construction is currently scheduled for FY 22-23.

Water Projects

Morriss Road Waterline Project Phase III

The Morriss Road Water Line Phase III project includes installation of approximately 4,400 linear feet of 30-inch water line along Morriss Road from Eaton Street to Waketon Road. The water line will replace an existing 20-inch water line and is needed to provide additional capacity to the Town's distribution system and due to condition concerns with the existing 20-inch water line. The project will also include approximately 600 linear feet of a 48-inch bore/tunnel due to the Timber Creek crossing. A design contract in the amount of \$222,600.00 was awarded to Kimley-Horn and Associates, Inc. on March 1, 2021. Design plans are currently 90%. Construction is scheduled for FY 21-22.

Parks Projects

Pink Evening Primrose Trail Connection (Bridge & Trail)

The project includes an 8-foot-wide 150-foot-long pedestrian bridge to be constructed over Timber Creek, and an additional 400 feet of 8-foot multi-use trail to tie into Gaston Park and College Parkway. This connection will provide connectivity from Gaston Park to the developments and parks to the south including River Walk and Timber Trails Park. A design contract in the amount of \$59,190.00 was awarded to Halff Associates, Inc. on December 16, 2019. Town Council approved a construction award on August 17, 2020 in the amount of \$534,610.15. The project is currently under construction with an expected completion date of February 2022.

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CAPITAL IMPROVEMENT PLAN BUDGET

Project	Estimated Cost
STREETS	
Dixon Lane (Chinn Chapel to Crestside)	\$2,685,267
Chinn Chapel (FM 407 to Dixon)	1,387,500
Chinn Chapel (Dixon to Waketon)	941,305
Waketon Road (Rippy to Chinn Chapel)	5,270,000
Rippy Road (FM 2499 to Waketon)	2,115,000
Churchill (East end to Yucca)	400,000
FM 1171 at FM 2499 Westbound Right Turn Lane	998,000
FM 1171 at FM 2499 Eastbound Right Turn Lane	785,000
FM 2499 at Waketon Intersection	1,000,000
East Waketon Rd Drainage Improvements	470,000
Subtotal	\$16,052,072
SIGNALS	
College Parkway at FM 2499	\$115,000
Subtotal	\$115,000
WATER	
FM 2499 west side from FM 1171 to Dixon	\$1,700,000
FM 407 from FM 2499 to Country Meadows Addition	438,039
Morriss Waterline Project PH III	1,800,000
Subtotal	\$3,938,039
FACILITIES	
Town Hall	\$10,000,000
Senior Citizen Activity Center	4,869,638
Library renovation/expansion	10,900,000
Subtotal	\$25,769,638
PARKS	
Pink Evening Primrose Trail Connection (Bridge & Trail)	\$400,000
Subtotal	\$400,000
Improvements in Forum (Riverwalk) Area	
Parking Structure	\$730,000
Subtotal	\$1,730,000
Other Projects	
Town Center Master Plan	\$464,566
Retail Developments Shared Drive (FM 407 & Chinn Chapel)	50,685
Subtotal	\$180,000
TOTAL	\$48,700,000

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BUDGET VS EXPENDITURES

Project	Current Budget	Expended Costs to Date	Remaining Balance
STREETS			
Dixon Lane (Chinn Chapel to Crestside)	\$2,685,267	\$2,685,267	\$0
Chinn Chapel (FM 407 to Dixon)	1,387,500	1,387,500	0
Chinn Chapel (Dixon to Waketon)	941,305	941,305	0
Waketon Road	5,270,000	2,788,422	2,481,578
Rippy Road (FM 2499 to Waketon)	2,115,000	1,095,802	1,019,198
Churchill (East end to Yucca)	400,000	400,000	0
FM 1171 at FM 2499 Westbound Right Turn Lane	998,000	206,831	791,169
FM 1171 at FM 2499 Eastbound Right Turn Lane	785,000	432,752	352,248
FM 2499 at Waketon Intersection	1,000,000	550,472	449,528
East Waketon Rd Drainage Improvements	470,000	197,018	272,982
Subtotal	\$16,052,072	\$10,685,369	\$5,366,703
SIGNALS			
College Parkway at FM 2499	\$115,000	\$115,000	\$0
Subtotal	\$115,000	\$115,000	\$0
WATER			
FM 2499 west side from FM 1171 to Dixon	\$1,700,000	\$861,529	\$838,471
FM 407 from FM 2499 to Country Meadows Addition	438,039	438,039	0
Morriss Waterline Project PH III	1,800,000	911,450	888,550
Subtotal	\$3,938,039	\$2,211,018	\$1,727,021
FACILITIES			
Town Hall	\$10,000,000	\$4,405,000	\$5,595,000
Senior Citizen Activity Center	4,869,638	4,869,638	0
Library Renovation/Expansion	10,900,000	4,540,000	6,360,000
Subtotal	\$25,769,638	\$13,814,638	\$11,955,000
PARKS			
Pink Evening Primrose Trail Connection (Bridge & Trail)	\$400,000	\$0	\$400,000
Subtotal	\$400,000	\$0	\$400,000
Improvements in Forum (Riverwalk) area			
Parking Structure	\$730,000	\$0	\$730,000
Subtotal	\$1,730,000	\$1,000,000	\$730,000
Other Projects			
Town Center Master Plan	\$464,566	\$0	\$464,566
Retail Developments Shared Drive (FM 407 & Chinn Chapel)	50,685	50,685	0
Subtotal	\$695,251	\$230,685	\$464,566
TOTAL	\$48,700,000	\$28,056,710	\$20,643,290

Highlighted values indicate changes from 2020

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TIRZ FUND

Beginning Balance:	
<i>October 1, 2020</i>	\$14,923,518
Revenues:	
Property Tax	\$7,019,069
Interest	<u>\$17,456</u>
TOTAL REVENUES	\$7,036,525
Expenditures:	
Land Purchases	\$0
Professional Services	\$0
Construction/Improvements	\$1,689,396
Debt Service	<u>\$2,641,875</u>
TOTAL EXPENDITURES	\$4,331,271
Ending Balance:	
<i>September 30, 2021 (unaudited)</i>	\$17,628,772

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ANNUAL REPORT

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIRZ District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$7,036,525 Total Revenue

2. Amount and purpose of expenditures from the fund:

\$4,331,271 Total Expenditures

3. Amount of Principal and Interest due on outstanding indebtedness is as follows:

\$2,641,875 Total Principal and Interest

- I. Contributions /Advances from developers: None
- II. Bonds issued and payment schedule to retire bonds:

2017COTIRZ:	Fiscal Year	Principal	Interest	Total
	2022	1,065,000	175,125	1,240,125
	2023	1,085,000	153,825	1,238,825
	2024	1,110,000	126,700	1,236,700
	2025	1,145,000	93,400	1,238,400
	2026	1,190,000	47,600	1,237,600
		<u>\$ 5,595,000</u>	<u>\$ 596,650</u>	<u>\$ 6,191,650</u>

2018COTIRZ:	Fiscal Year	Principal	Interest	Total
	2022	1,210,000	192,150	1,402,150
	2023	1,230,000	167,950	1,397,950
	2024	1,270,000	131,050	1,401,050
	2025	1,305,000	92,950	1,397,950
	2026	1,345,000	53,800	1,398,800
		<u>\$ 6,360,000</u>	<u>\$ 637,900</u>	<u>\$ 6,997,900</u>

4. Tax Increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Net Taxable Fiscal Year Value 2020 - 2021	Base Year* Value Jan 1, 2005	Captured App. Value Fiscal Year 2020 - 2021
Town of Flower Mound	\$1,344,920,733	\$228,290,889	\$1,116,629,844
Denton County	\$1,351,015,424	\$229,382,705	\$1,121,632,719

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5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.

A. Captured appraised value shared by the municipality and other participating taxing jurisdictions received in Fiscal Year 2020-2021:

Taxing Jurisdiction	Participation Per \$100/Value	Amount of 2020-2021 Increment
Town of Flower Mound (100%)	\$0.436500	\$4,874,089.27
Denton County (85%)	\$0.191237	\$2,144,979.57
Total	\$0.627737	\$7,019,069

B. Amount of tax increment received in 2021 from the municipality and the other taxing jurisdictions based on 2020 valuations: \$7,019,069

C. Other information: None

* Base Year Value as of January 1, 2005 is for Fiscal Year 2005-2006.