



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

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DATE: 04/16/2024

**SUBJECT: APPROVAL OF PARTICIPATION IN THE CITY OF MANSFIELD
TAX INCREMENT FINANCING REINVESTMENT ZONE #4 -
HARVEST POINT**

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve the attached Resolution and Participation Agreement providing for Tarrant County participation in the City of Mansfield Tax Increment Financing Reinvestment Zone (TIRZ) #4 through the payment into the Zone's tax increment fund of certain tax revenues produced by the incremental real property values within the Zone as set forth in the attached Agreement.

BACKGROUND

The City of Mansfield established a 359 acre TIRZ generally bounded by the City limits on the south, Heritage Parkway on the east and Hwy 360 on the west. This TIRZ is divided between Ellis County and Tarrant County, with the Tarrant County portion containing between 120 and 135 acres of land. The TIRZ was established to create a dedicated financing mechanism for development, public infrastructure improvements, and create a catalyst for additional economic development. It is expected that development will raise the taxable value within the Zone from its \$1,631,233 base value to over \$3 billion by the expiration of the Zone. Total project costs for the TIRZ is estimated at \$380,895,042 for street and intersection improvements, utility and street lighting, drainage, water/sewer and other infrastructure and development improvements over the forty (40) year life of the Zone.

The City of Mansfield is contributing seventy-five percent (75%) of its incremental tax revenues from added property values within the zone for the first ten (10) years, fifty percent (50%) for the next ten (10) years and thirty-five percent (35%) for the remaining years of the life of the TIRZ. Total contribution from the City is estimated to be \$249,976,711 over the forty (40) year term. The City is requesting County participation through the contribution of fifty percent (50%) of its incremental real property taxes generated within the TIRZ beginning with Tax Year 2023 and through the first thirty (30) years of the Zone or until a maximum County contribution of \$16,171,222 has been reached. Ellis County is also expected to participate at fifty percent (50%) and their maximum contribution is estimated to be \$58,500,000. Hospital District participation is not requested.

The Criminal District Attorney's Office has reviewed and approved this agreement.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Maegan P. South
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FISCAL IMPACT

The County's contribution to Mansfield TIRZ #4 at a rate of 50% of the increment generated over the life of the TIRZ is projected to be \$16,171,222. The County's contribution of its increment will begin with the 2023 tax year and continue until such time all project costs are paid, the above noted contribution amount is reached, or the TIRZ ends on December 31, 2052, whichever occurs first.