



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 42

DATE: 10/11/2022

SUBJECT: APPROVAL OF AMENDMENT NO. 2 TO THE PARTICIPATION AGREEMENTS FOR THE CITY OF FORT WORTH TAX INCREMENT FINANCING ZONE NUMBER 9 - TRINITY RIVER VISION FOR TARRANT COUNTY AND TARRANT COUNTY HOSPITAL DISTRICT, AND MODIFICATIONS TO THE PROJECT AND FINANCING PLAN

COMMISSIONERS COURT ACTION REQUESTED

It is requested that Commissioners Court approve Amendment No. 2 to the Participation Agreements between the City of Fort Worth and Tarrant County, and Amendment No. 2 to the Participation Agreement between the City of Fort Worth and Tarrant County Hospital District, for City of Fort Worth Tax Increment Financing Zone Number #9 (TRVA TIF), providing approval for the extension of the term to fifty (50) years for the reinvestment zone, and modifying the Project and Financing Plan for the zone.

BACKGROUND

On February 17, 2007, the Commissioners Court, through Court Order #100046, approved County participation in the City of Fort Worth Tax Increment Financing Reinvestment Zone #9 - Trinity River Vision TIF, contributing eighty-percent (80%) of its tax increment from the Zone for a period of twenty (20) years for the purpose of participating in the funding of approximately \$115,900,000 in public improvements within the Zone. Total project costs for the Trinity River Vision-Central City Project were anticipated at \$435 million at that time, with half of the project costs expected to be funded from federal sources, and the remainder of the funding coming from the Tarrant Regional Water District, other local sources and the TIF Zone.

In December 2009, the City of Fort Worth approved an ordinance amending the boundary of TIF Zone #9 to include property to the east and south of the existing TIF boundary and extending the term of the TIF Zone to forty (40) years.

On July 27, 2010, the Commissioners Court, through Court Order #108409, approved Amendment No. 1 to the TRVA TIF, expanding the boundaries of the zone and extending the term of the TIF to forty (40) years. Inclusion of the expanded area in the TIF Zone helped achieve a number of the goals related to the Trinity River Visions project, including enhanced flood protection and valley storage, transportation improvements, ecosystem restoration and neighborhood connectivity.

SUBMITTED BY:	Administrator's Office	PREPARED BY: APPROVED BY:	Maegan P. South
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REFERENCE NUMBER: _____ DATE: 10/11/2022 PAGE 2 OF 42

The current term of the TIF expires on the earlier of December 31, 2044, or the date as of which all TIF projects have been paid in full. The overall project cost is now estimated to be \$1.16 billion. On May 5, 2018, the Tarrant Regional Water District (TRWD) held a special bond election authorizing \$250 million in bonds to be issued in support of the project. It is proposed that debt service associated with the TRWD bonds be reimbursed by the TIF. In order to ensure sufficient funding for all current TIF obligations and the proposed TRWD bond issuance, it is necessary that the term of the TIF be extended. Accordingly, it is recommended that the term of the TIF be extended to expire on the earlier of December 31, 2054, or the date on which all project costs, tax increment bonds and interest on those bonds, and all other obligations have been paid in full as set forth in the Project and Financing Plan.

FISCAL IMPACT

The total cost of the Trinity River Vision Project is now estimated at \$1.16 billion. Total TIF funding toward the project, with the modifications, is currently estimated at \$728,681,732.00 for all entities. Tarrant County's estimated contribution over the lifetime of the TIF is \$127,128,898.00. The balance of the project costs are expected to be funded with Federal funds and various local government commitments. The extension of the term of the Zone to fifty (50) years (to December 31, 2054) will enable the Zone to generate sufficient revenues to cover all current TIF obligations and the proposed TRWD bond issuance.