



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER

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8

DATE: 11/15/2022

SUBJECT: PRESENTATION REGARDING THE EXPANSION OF THE CITY OF BEDFORD TAX INCREMENT FINANCING REINVESTMENT ZONE #1 AND PROPOSED AMENDMENTS TO THE PROJECT PLAN, FINANCING PLAN AND PARTICIPATION AGREEMENT FOR THE ZONE

***** BRIEFING AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court review and consider a request from the City of Bedford to expand the boundaries of the current Bedford Tax Increment Reinvestment Zone #1 and to amend the Project Plan, Finance Plan and the County's participation agreement for the Zone through the approval of the First Amendment to the Participation Agreement.

BACKGROUND:

On May 11, 2021, through Court Order #135420, the Commissioners Court approved participation in the City of Bedford Tax Increment Financing Reinvestment Zone #1. The City of Bedford established a 57.11 acre Tax Increment Reinvestment Zone (TIRZ) consisting of ten (10) non-contiguous areas, called Area Development Zones (ADZ), located wholly within the Bedford city limits. The TIRZ was established to primarily facilitate the development and redevelopment of ADZ #1 for the Bedford Commons multi-use development, to include residential, light commercial/retail and municipal facilities. It is expected that development from all ADZ's will raise the taxable value within the full Zone from its \$9.4 million base value to over \$108 million by the expiration of the Zone. Funding from TIRZ increments contributed by the City, County and College District is projected to provide for over \$24.3 million in street and intersection improvements, utility and street lighting, drainage, water/sewer and other infrastructure and development improvements over the 30-year life of the Zone.

Since 2021, two additional ADZ's have been identified by the City of Bedford that would benefit the overall increment generated from the TIRZ - ADZ #11 and ADZ #12. The City is proposing expansion of the current non-contiguous TIF Zone to encompass the additional two ADZ's.

As proposed, TIF funds generated from the expanded Zone will provide for an additional \$4 million in infrastructure projects. This investment in public improvements is projected to facilitate an added \$15 million in new property value over the remaining life of the TIF Zone.

The City of Bedford is requesting the County to continue participation in the expanded TIF Zone at 50% of its increment for the remaining years of the Zone. The Hospital District is not participating.

SUBMITTED BY: Administrator's Office

PREPARED BY: Maegan P. South
APPROVED BY:



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FISCAL IMPACT:

The County's contribution to the Bedford TIRZ #1 at a rate of 50% of the increment generated over the life of the TIRZ is capped at \$4,684,634.00. This amount is unchanged from the original cap. The County's contribution of its increment started with the 2021 tax year and will continue until such time all project costs are paid, the above noted contribution amount is reached, or the TIRZ ends on December 31, 2050, whichever occurs first.