

ANNUAL MEETING BENBROOK  
REINVESTMENT ZONE NO. 1  
TAX INCREMENT FINANCE BOARD OF  
DIRECTORS  
CENTRAL CONFERENCE ROOM, BENBROOK CITY  
HALL BENBROOK, TEXAS  
MONDAY, NOVEMBER 14, 2016, 4:30  
P.M.  
ALL AGENDA ITEMS ARE SUBJECT TO FINAL  
ACTION

I. CALL TO ORDER

II. APPROVE MINUTES

I. Approve Minutes On Special Meeting On March 22, 2016

Documents:

[TIF MINUTES MARCH 22 2016.PDF](#)

III. DISCUSS STAFF CHANGES AT CITY OF BENBROOK SUPPORTING TIF DISTRICT

IV. REVIEW AND APPROVE ANNUAL REPORT

I. Review And Approve Annual Report For Period Ending September 30, 2016

Documents:

[TIF-2016-02-ANNUAL REPORT.PDF](#)

V. STATUS REPORT ON BENBROOK TOWNE CROSSING (BENBROOK FIELD) PROJECT

I. Status Report On Benbrook Towne Crossing (Benbrook Field) Project

Documents:

[TIF-2016-03-PROGRESS REPORT ON VISTA WAY PROJECT.PDF](#)

VI. DISCUSS POSSIBILITY OF EXTENDING TERM OF TIF DISTRICT BEYOND 2022 FOR  
BENBROOK TOWNE CROSSING (BENBROOK FIELD) PROJECT

I. Discuss Possibility Of Extending Term Of TIF District Beyond 2022 For Benbrook Towne  
Crossing (Benbrook Field) Project

Documents:

[TIF-2016-04-DISCUSS EXTENSION OF TIF.PDF](#)

VII. SCHEDULE NEXT MEETING (IF NECESSARY)

VIII. ADJOURN



**MINUTES OF THE MEETING  
BENBROOK REINVESTMENT ZONE NO. 1  
TAX INCREMENT FINANCE BOARD OF DIRECTORS  
TUESDAY MARCH 22, 2016**

The regular annual meeting of the Benbrook TIF Board of Directors was held on Tuesday, March 22, 2016 at 4:30 p.m. in the Central Conference Room at 911 Winscott Road with the following Board members present:

Larry Marshall  
David Gattis  
Kathy Culbertson  
Tony Rutigliano

Also Present:

Donna Savage, Recording Secretary  
Tim Sralla, TOASE, City Attorney  
Lisa McMillan, Economic Development Coordinator  
Stormy Johnson, City Accountant

**I. CALL TO ORDER**

The meeting of the Benbrook TIF Board of Directors was called to order at 4:32 p.m. by Chair Larry Marshall.

**II. APPROVE MINUTES OF NOVEMBER 30, 2015**

Motion by Mr. Gattis to approve the minutes from November 30, 2015 seconded by Mr. Rutigliano.

Ayes: All

Noes: None

Motion carried unanimously.

**III. OATH OF OFFICE**

Donna Savage Recording Secretary and Notary Public administered the Oath of Office to Dr. Marshall (Place 1) and to Kathy Culbertson (Place 3).

**IV. APPROVE ENGINEERING CONTRACTS WITH DUNAWAY ASSOCIATES, LP FOR BENBROOK TOWNE CROSSING (BENBROOK FIELD) PROJECT**

David Gattis gave the following report: The TIF Board approved the First Amendment to the Developer Participation Agreement for Benbrook Towne Crossing Project on November 30, 2015. The City Council subsequently ratified the Amendment at their February 4<sup>th</sup> meeting.

The next step in the process is to authorize the engineering contracts to begin design of the various components, including Vista Way. The staff negotiated contracts with Dunaway Associates for the work, based on their previous experience on the project.

The project was split into two contracts, one for the general engineering services for which the TIF is responsible, and one for the floodplain study which is split between the TIF and the Developer.

1. The General Engineering contract includes the design, surveying, permitting, right-of-way and easement services, bidding, and construction monitoring for Vista Way and utilities, Benbrook Field Drive and utilities, and the two access driveways. The TIF is responsible for 100% of the cost of this contract, which has a maximum fee of \$441,298.
2. The Floodplain Engineering contract includes analysis of floodplain impacts on Walnut Creek resulting from the Vista Way construction, as well as for future development by the Developer across and upstream on Walnut Creek. The intent is to accurately delineate the areas that may be developed. The TIF and the Developer will split the cost evenly on this contract, which has a maximum fee of \$89,420.

Both contracts are set up as an hourly cost basis with a maximum fee, so that any savings incurred during the project will benefit the TIF. The TIF has sufficient funds available to pay for the engineering costs.

Staff recommends that the TIF Board authorize the approval of the two engineering contracts with Dunaway Associates and authorize the TIF President to sign on behalf of the TIF Board.

Motion by Mr. Gattis, seconded by Ms. Culbertson, that the TIF Board authorize the approval of the two engineering contracts with Dunaway Associates and authorize the TIF President to sign on behalf of the TIF Board.

Ayes: All

Noes: None

Motion carries unanimously

## **V. SCHEDULE NEXT MEETING (IF NECESSARY)**

No Action.

## **VI. ADJOURN**

Meeting adjourned at 4:38 p.m.





# City of Benbrook

## Tax Increment Financing Board

DATE:  
11/14/2016

REFERENCE  
NUMBER: 2016-02

SUBJECT:  
ANNUAL REPORT FOR PERIOD OCTOBER 1, 2016  
THROUGH SEPTEMBER 30, 2016

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This is the annual report of the activities of Benbrook TIF Number 1 for the period from October 1, 2015 through September 30, 2016.

### Status and Forecast of Taxable Increment

#### A. Previous Years (November 2002-September 2015)

The Benbrook TIF Number 1 was created in November 2002, which established the taxable value of \$27,190,150 in January 1, 2002 as the base value for the TIF. The net taxable increment in January 2003 (Year 1) was \$4,816,416, resulting in TIF revenues of \$66,393.10. The largest increase was the completion of the Railroad Controls, Inc. facility in Benbrook Industrial Park (\$3,078,605). The January 2004 (Year 2) net taxable increment decreased to \$1,475,984, with projected TIF revenues of \$20,346. This decrease was primarily the result of the purchase of the Railroad Controls facility by the Benbrook EDC, removing it from the tax rolls, for the purpose of entering a lease-buyback arrangement with Railroad Controls. The tax appraisal for January 2005 (Year 3) indicated a net taxable increment of \$9,566,796. The Benbrook EDC purchased approximately 80 acres in the TIF District for a total price of approximately \$3.863 million, removing this land value from the tax rolls; however, increases in the taxable values of other properties offset the removal of BEDC property from the tax rolls.

The net taxable increment as of January 2006 (Year 4) was \$20,108,225, of which \$9,372,477 was the result of new construction, much of which was associated with the residential development north of Walnut Creek (La Bandera Phase 3.) The net taxable value increment of the TIF as of January 2007 (Year 5) was \$28,873,037, with \$8,324,605 in new construction (again most in La Bandera Phase 3.) The net taxable value increment of the TIF as of January 2008 (Year 6) was \$46,716,035, with \$9,614,170 in new construction, including new buildings for Weatherford International (\$3.8 million), Best Western (\$1.3 million) and additional residential construction in La Bandera and Brookside Additions. The net taxable value increment of the TIF as of January 2009 (Year 7) was \$53,775,584, with \$4,027,969 in new construction, including a new building for Weatherford International (\$2.1 million) and residential construction in La Bandera and Brookside Additions. The net taxable value increment of the TIF as of January 2010 (Year 8) was \$55,271,055, with \$2,796,930 in new construction including the 7-Eleven on the corner of Benbrook Boulevard and I-20 and additional residential construction in Brookside Addition. The net taxable value increment of the TIF as of January 2011 (Year 9) was \$69,975,722, with \$15,071,926 in new construction including the new Walmart on Benbrook Boulevard and continued residential construction in the Brookside Addition.

SUBMITTED BY:

DISPOSITION BY COUNCIL:

APPROVED       OTHER (DESCRIBE)

PROCESSED BY:

CITY SECRETARY

CITY MANAGER

DATE:

The net taxable value increment of the TIF as of January 2012 (Year 10) was \$85,969,048, with \$11,021,310 in new construction including the new Gardner-Denver and Doctor's Home health buildings in the Industrial Park; Panda Express, Chick-fil-A and Chase Bank on Benbrook Boulevard and continued residential construction in the Brookside Addition. The net taxable increment as of January 2013 (Year 11) was \$94,333,614, with \$6,134,484 in new construction consisting of Taco Villa, Chisholm Trail Dental, Golden Chick, and new home construction in Brookside Addition. The net taxable increment as of January 2014 (Year 12) was \$97,439,818, with new construction of NuEnergy, a professional building adjacent to WalMart and new home construction in Brookside Addition. The net taxable increment as of January 2015 (Year 13) was \$104,225,495, with \$1,740,101 in new construction consisting of office development along Mercedes Street and new home construction in Brookside Addition.

B. Current Year (October 2015-September 2016)

The net taxable increment as of January 2016 (Year 14) was \$105,070,553, with \$1,759,381 in new construction consisting of improvements at WalMart, office development along Mercedes, and new home construction in Brookside Addition.

TIF District Revenues and Expenses

The TIF District has had the following revenues and expenses for the year ending September 30, 2016:

Balance forward from September 30, 2015	\$2,937,663.82
Revenues	
Payments from TIF Partners	\$1,303,004.52
Interest	<u>2,234.12</u>
Total Revenues	\$1,305,238.64
Total Available	\$4,242,902.46
Expenses:	
Debt service/issuance	\$492,267.57
Reimbursement to BBT	213,237.00
Vista Way Project expenses	<u>346,947.48</u>
Total Expenses	\$1,052,452.05
Balance as of September 30, 2015	\$3,190,450.41

In late 2003, the TIF Board and City Council authorized the sale of up to \$350,000 in certificates of obligation to cover the costs through September 2004; however, staff determined that it was best to borrow these funds from unappropriated city reserves to be paid back by the TIF rather than to issue debt. This interest-free loan was repaid in full during 2009. In June 2005, the City Council authorized a loan of up to \$3 million to the TIF from City reserves, but determined that they

preferred to issue Certificates of Obligation rather than to continue to decrease their reserves, so \$2.5 million in COs was sold on August 4, 2005. In April 2012, the TIF issued \$1,280,000 in 10-year certificates of obligation at a 1.79% interest rate. Deducting the \$30,000 in issuance costs left \$1,250,000 for reimbursement to BBT Crossing. In June 2014, the TIF issued an additional certificates of obligation for a period of eight years at 1.72% interest. Deducting \$27,963.75 in issuance expenses left \$1,147,036.25 for reimbursement to BBT Crossing.

Outstanding liabilities (as of 10/1/2016):

2005 Certificates of Obligation,		
principal remaining		\$935,000.00
annual debt service	\$193,221	
(includes \$175,000 principal)		
2012 Certificates of Obligation,		
Principal remaining		\$795,000.00
Annual debt service	\$138,112	
(includes \$125,000 principal)		
2014 Certificates of Obligation		
Principal remaining		\$900,000.00
Annual debt service	\$159,233	
(includes \$145,000 principal)		
Loan from City reserves		<u>\$0.00</u>
Total liabilities		\$2,630,000.00

Status of Ongoing Projects

A. Benbrook Field

The Developer Participation Agreement with Benbrook Towne Crossing (now known as Benbrook Field) was executed in September 2005, under which the TIF reimburses certain development costs up to a maximum of \$8.5 million from the increased taxes generated by their project. Work began on the first phase of the project in May 2006 and was completed in March 2007.

BBT Crossing, Ltd. exercised their option to purchase 80 acres in Benbrook Field from the Benbrook Economic Development Corporation (EDC) in August 2009 at cost. This action had two effects on the TIF District: 1) it removed the tax exempt status on the property which aided the generation of a taxable increment and 2) it removed the Benbrook EDC as a partner in the Benbrook Towne Crossing TIF Developer Agreement.

An initial request for reimbursement was received from BBT Crossing, Ltd. on October 27, 2009, in the amount of \$5,043,529.99 (including \$876,181.33 in interest.) After a detailed review by the auditor, the TIF Board determined in March 2011 that the maximum reimbursement to BBT for Phase 1 would be \$3,999,471, plus any eligible interest accrued since October 2009.

Based on the final 2012 tax rolls, the Benbrook Field project was reimbursed \$234,749.27 in June 2013. In June 2014, BBT Crossing was reimbursed \$1,506,691.78, which included their regular TIF revenue plus the net proceeds of an additional certificate of obligation issuance. BBT was reimbursed \$189,952.27 in June 2015. BBT was reimbursed \$213,237.00 in May 2016, which resulted from their total increment of \$576,478.75 less \$66,208.75 for the Walnut Creek sewer line share, \$140,349.00 for the 2012 CO payment, and \$156,684.00 for the 2014 CO payment. The following is a summary of reimbursements to date:

Maximum eligible reimbursement (plus interest accrued since October 2009)	\$3,999,471
Reimbursements to date	
June 2010	\$53,665.77
June 2011	86,392.38
June 2012	1,534,215.87
June 2013	234,749.27
June 2014	1,506,691.78
June 2015	189,952.27
June 2016	<u>213,237.00</u>
Total	\$3,818,904.34
Remaining eligible for reimbursement (plus accrued interest)	\$180,566.66

B. Other Development Activity

Following the opening of Walmart in late 2010, other smaller pad sites have been developed in the vicinity, including Chase Bank, Chick-fil-A, Panda Express, Chisholm Trail Dental Clinic, Taco Villa, and Golden Chick. Two medical office buildings and a new retail center have been built on pads next to Walmart. New home construction continues in the Brookside neighborhood behind WalMart.

Gardner-Denver expanded their facility in the industrial park. Doctors Home Health built a building in the industrial park. Steve Hawkins developed an office park on the north side of I-20 and Nu Energy completed their manufacturing facility in Hawkins Business Center. The Economic Development Corporation built extensions of Benbrook Parkway and Winbrook Drive to stimulate development on the north side of I-20. Reconstruction of Benbrook Boulevard began in September 2014.

Steve Hawkins is building a new commercial building at the corner of I-20 and Benbrook Boulevard (US 377).



# City of Benbrook

## Tax Increment Financing Board

DATE:  
11/14/2016

REFERENCE  
NUMBER: 2016-03

SUBJECT:  
PROGRESS REPORT ON VISTA WAY PROJECT

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The TIF District authorized two engineering projects at their March 22<sup>nd</sup> special meeting to prepare revised floodplain maps and design Vista Way among other items. A copy of the most recent project report from the consultant is attached. Staff will be available to discuss the projects and answer questions regarding its status.

SUBMITTED BY:

DISPOSITION BY COUNCIL:

APPROVED     OTHER (DESCRIBE)

PROCESSED BY:

CITY SECRETARY

CITY MANAGER

DATE:



# City of Benbrook

## Tax Increment Financing Board

DATE:  
11/14/2016

REFERENCE  
NUMBER: 2016-04

SUBJECT:  
DISCUSS POTENTIAL EXTENSION OF TIF DISTRICT  
FOR BENBROOK FIELD

PAGE:  
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The TIF District expires as of January 2022 based on a 20-year life required by State Law at that time. State law has since been revised to allow a TIF District to continue beyond the 20 year limit, though each taxing entity would have to agree separately on whether they wish to participate.

The BBT Towne Crossing project developers have expressed an interest in extending the TIF so that there would be sufficient funding to reimburse certain expenses. The most prominent expense discussed at this time would be the construction of two bridges over Walnut Creek to serve the Brookside Phase 3 residential development.

Representatives of the development should be present at the meeting to present preliminary information on the cost of the bridges, as well as an estimate of time needed to extend the TIF to recoup their costs.

### RECOMMENDATION

This is a discussion item only, but the Board may want to provide their comments to the developers.

SUBMITTED BY:

DISPOSITION BY COUNCIL:

APPROVED       OTHER (DESCRIBE)

PROCESSED BY:

CITY SECRETARY

CITY MANAGER

DATE: