



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** June 27, 2022

SUBJECT: Consider Ordinance No. 3746, terminating North Richland Hills Tax Increment Reinvestment Zone Number 1/1A, authorizing the distribution of tax increment funds of the Zone to taxing entities participating in the Zone, and approving other necessary and related actions.

PRESENTER: Mark C. Mills, Director of Finance

SUMMARY:

All projects associated with North Richland Hills Tax Increment Reinvestment Zone Number 1, and the expansion known as North Richland Hills Tax Increment Reinvestment Zone Number 1A, collectively referenced as "TIF 1/1A" or "the TIF", are complete and all outstanding obligations have been satisfied. As a result, staff is requesting that City Council consider Ordinance No. 3746, terminating TIF 1 1/A.

GENERAL DESCRIPTION:

Created in 1998, TIF 1 was established to revitalize a 95-acre area off Boulevard 26 around the Richland Plaza Shopping Center. Through the TIF, significant public drainage improvements were made, which spurred private reinvestment and redevelopment of the area. TIF 1 was expanded in 2009 to include a total of 392 acres along Boulevard 26, Rufe Snow, and Glenview Drive. Under the expansion plan, a portion of property taxes from the district were designated for intersection and utility improvements within the district.

The City of North Richland Hills, Birdville ISD, Tarrant County, Tarrant County College District, and Tarrant County Hospital District contributed a portion of the property tax revenue from the TIF District for public improvements. The TIF reached its term and has expired. All projects related to this TIF are complete, all associated expenditures have been made, and the Certificates of Obligation issued for the TIF 1/1A projects have been retired.

At its October 11, 2021 meeting, the TIF 1/1A Board of Directors unanimously recommended that the North Richland Hills City Council take action to formally close TIF 1/1A. If approved, Ordinance No. 3746 will:



- terminate the associated Board of Directors;
- authorize the City Manager to pay all final City administrative costs;
- authorize the City Manager to distribute all monies in the Tax Increment Fund to the participating taxing entities based on their property tax percentage contribution as reflected in the respective participation agreements; and
- make any necessary and related financial adjustments to carry out the purpose of the Ordinance.

RECOMMENDATION:

Approve Ordinance No. 3746, terminating North Richland Hills Tax Increment Reinvestment Zone Number 1/1A, authorizing the distribution of tax increment funds of the Zone to taxing entities participating in the Zone, and approving other necessary and related actions.