



AGENDA

FLOWER MOUND TAX INCREMENT REINVESTMENT ZONE #1

REGULAR MEETING

DECEMBER 5, 2011

**FLOWER MOUND TOWN HALL, 2121 CROSS TIMBERS ROAD
FLOWER MOUND, TEXAS**

4:00 P.M.

AN AGENDA INFORMATION PACKET IS AVAILABLE ONLINE AT WWW.FLOWER-MOUND.COM/AGENDA/AGENDA.PHP

All pagers and cell phones must be turned off in the Council Chambers.

A. CALL TO ORDER

B. BOARD MEMBER ANNOUNCEMENTS

C. REGULAR ITEMS

1. Consider approval of the minutes of the December 1, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.
2. Consider approval of the 2011 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).
3. Review and discuss the TIRZ #1 Project Plan.

D. FUTURE MEETINGS

E. ADJOURNMENT - TIRZ BOARD OF DIRECTORS



Krystle Nelinson, TIRZ Secretary

I do hereby certify that the Notice of Meeting was posted on the bulletin board in Town Hall of the Town of Flower Mound, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: November 30, 2011 at 10am, at least 72 hours prior to the scheduled time of said meeting.

The Flower Mound Town Hall and Council Chambers are wheelchair accessible. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting by contacting Krystle Nelinson, Economic Development Specialist, at (972) 874-6044.



**TAX INCREMENT REINVESTMENT
ZONE #1 BOARD MEETING
AGENDA ITEM NO: 1
December 5, 2011**

CONSENT ITEM REGULAR ITEM WORK SESSION ITEM

FROM: Mark Wood, Director of Economic Development *mw*

THROUGH: Chuck Springer, Assistant Town Manager/CFO *CS*

PRESENTER: Mark Wood, Director of Economic Development

ITEM: Consider approval of the minutes of the December 1, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

Ordinance Resolution Motion Direction

I. SUMMARY:

This item seeks approval of the minutes from the December 1, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

II. BACKGROUND INFORMATION:

N/A

III. FISCAL IMPACT:

N/A

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

1. Draft minutes of the December 1, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

VI. RECOMMENDED MOTION OR ACTION:

Move to approve the minutes of the December 1, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

THE FLOWER MOUND TAX INCREMENT REINVESTMENT ZONE (TIRZ) BOARD MEETING HELD ON THE 1st DAY OF DECEMBER, 2010, IN THE FLOWER MOUND TOWN HALL, LOCATED AT 2121 CROSS TIMBERS ROAD IN THE TOWN OF FLOWER MOUND, COUNTY OF DENTON, TEXAS AT 4:30 PM.

The TIRZ Board met in a regular session with the following members present:

Bill Collins, Chairman
Vanessa Van Trease, County Board Member
Larry Lipscomb, County Board Member
Melissa Northern, Mayor (Ex Officio)
Harlan Jefferson (Ex Officio)

with the following members absent:

Jim Robertson, Vice Chairman
Tom Hayden, Deputy Mayor Pro Tem

constituting a quorum with the following members of the Town Staff participating:

Chuck Springer, Assistant Town Manager/CFO
Melissa Glasgow, Director of Economic Development
Krystle Boise, Economic Development Specialist

A. CALL TO ORDER

Chair Collins called the TIRZ Board meeting to order at 4:43 P.M.

B. REGULAR ITEMS

1. Consider approval of the minutes of the August 2, 2010 meeting of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board.

Chair Collins asked the Board to approve the minutes. Member Lipscomb moved to approve, Member Van Trease seconded the motion. The motion carried by a vote of 3 to 0.

2. Consider approval of the 2010 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).

Ms. Glasgow noted that the TIRZ Board must provide an approved annual report detailing expenditures and activities of the Board and Town Council to the State Comptroller's office within 90 days of the end of the fiscal year, which was September 30, 2010. Both the TIRZ Board and Town Council must approve the annual report.

Ms. Glasgow briefly summarized the annual report, noting that the Board met two times in 2010 and three new members joined the Board – Mayor Melissa Northern, Deputy Mayor Pro Tem Tom Hayden and Vanessa Van Trease, Denton County's appointment.

Ms. Glasgow said that construction of Phase 1 of Dixon Lane between Chinn Chapel and FM 2499 was completed in September 2009. Most of the activity during the past year was related to the purchase of right of way and easements. In August, Town Council awarded the

FLOWER MOUND TIRZ BOARD MEETING OF DECEMBER 1, 2010 - PAGE 2

bid to construct Phase 2 of Dixon Lane for \$2.6 million. The estimated completion for Phase 2 is fall 2011.

Ms. Glasgow pointed out that approximately \$1.44 million has been spent on the Dixon Lane project and almost \$18,000 for design of Chinn Chapel. To date, \$1,460,108 of TIRZ money has been spent.

Ms. Glasgow also stated that between property tax revenue and interest, the TIRZ has generated approximately \$1.5 million in FY 2009-2010, and TIRZ projects have expended just under \$580,000 in the same fiscal year. The unaudited ending balance of the TIRZ fund is \$2,840,624.

The Town captured \$962,000 from the Town and \$534,000 from the County in FY 2009-2010. Ms. Glasgow explained that the TIRZ fund will benefit from one more year of 100% funding from Denton County, for a total of five years. Then funding from Denton County will drop to 90% for five years, 85% for five years and 80% for the last five years, for a total of 20 years.

Member Lipscomb asked if the annual report provided any detail on what the TIRZ Board will be working on next year.

Ms. Glasgow replied that the annual report only summarizes what happened during the past year.

Mr. Springer added that the numbers in the annual report do not include encumbrances, but only depicts actual dollars spent. The Town has encumbered approximately \$1.2 million for the Dixon Lane project's design and construction. The plan is to move forward with the design of Chinn Chapel and begin purchasing right of way. The Board will decide at the end of the fiscal year if there are enough TIRZ dollars to begin construction of Chinn Chapel. The TIRZ fund needs to have enough money to encumber the full amount of the contract before construction can begin. Depending on the time of design, how long it takes to acquire the necessary right of way, and how much that right of way costs, the TIRZ Board should be able to bid the construction of the Chinn Chapel project late in this fiscal year or early next fiscal year.

Member Van Trease moved to approve the 2010 TIRZ #1 Annual Report and Member Lipscomb seconded the motion. The motion carried by a vote of 3 to 0.

C. FUTURE MEETINGS

The next meeting is to be determined for a date next year.

D. ADJOURNMENT

The meeting was adjourned at 4:50 p.m.

FLOWER MOUND TIRZ BOARD MEETING OF DECEMBER 1, 2010 - PAGE 3

TOWN OF FLOWER MOUND, TEXAS

Larry Lipscomb, Chair

ATTEST:

Krystle Nelinson (Boise), TIRZ Secretary



**TAX INCREMENT REINVESTMENT
ZONE #1 BOARD MEETING
AGENDA ITEM NO: 2
December 5, 2011**

CONSENT ITEM

REGULAR ITEM

WORK SESSION ITEM

FROM: Mark Wood, Director of Economic Development *WW*

THROUGH: Chuck Springer, Assistant Town Manager /CFO *CS*

PRESENTER: Mark Wood, Director of Economic Development

ITEM: Consider approval of the 2011 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).

Ordinance

Resolution

Motion

Direction

I. SUMMARY:

This item seeks approval of the 2011 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).

II. BACKGROUND INFORMATION:

As required by Chapter 311 of the Texas Tax Code, an Annual Report detailing revenues, expenditures, and board activities must be approved by both the Tax Increment Reinvestment Zone Board and Town Council. Upon approval, the Annual Report must be submitted to each taxing unit that levies property taxes on real property in the Tax Increment Reinvestment Zone, as well as to the Texas Comptroller's office within 90 days of the end of the fiscal year.

III. FISCAL IMPACT:

N/A

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

1. 2011 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).

VI. RECOMMENDED MOTION OR ACTION:

Move to approve the 2011 Annual Report of the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1).



Town of Flower Mound, Texas

**Tax Increment Reinvestment Zone #1
(TIRZ #1)**

ANNUAL REPORT

2011

Town of Flower Mound, Texas
Tax Increment Reinvestment Zone #1

As of September 30, 2011

INDEX

- 1) Year End Summary of Meetings/Town Council/Board Actions**
- 2) Public Infrastructure/Building Projects**
- 3) Capital Improvement Plan Budget**
- 4) Budget vs. Expenditures**
- 5) TIRZ Fund**
- 6) Annual Report**

Town of Flower Mound, Texas

Tax Increment Reinvestment Zone #1

As of September 30, 2011

YEAR END SUMMARY OF MEETINGS/TOWN COUNCIL/BOARD ACTIONS

During the period from October 1, 2010, through September 30, 2011, the Town of Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) Board of Directors met on one occasion – December 1, 2010, to approve the 2010 Annual Report.

Board members have been appointed and are: Town—Bill Collins, Tom Hayden, Jim Robertson and County—Larry Lipscomb and Vanessa Van Trease. Ex-Officio members are Mayor Melissa Northern and Town Manager Harlan Jefferson.

During the period from October 1, 2010, through September 30, 2011, the Flower Mound Town Council took the following action:

- At its meeting on December 6, 2010, the Town Council appointed Larry Lipscomb as chairman to the Board of Directors for the Tax Increment Reinvestment Zone #1 for a one year term ending December 31, 2011.
- At its meeting on December 16, 2010, the Town Council approved the 2010 Annual Report for the Flower Mound Tax Increment Reinvestment Zone #1 (TIRZ #1) in accordance with Chapter 311 of the Texas Tax Code.

Town of Flower Mound, Texas
Tax Increment Reinvestment Zone #1

As of September 30, 2011

PUBLIC INFRASTRUCTURE/BUILDING PROJECTS

2011

The Town of Flower Mound is continuing construction of Dixon Lane between FM 2499 and Crestside Drive to widen from a two-lane asphalt roadway to a four-lane concrete road. Since construction started in January 2011, utility and drainage work and the southern lanes have been completed. Paving is currently underway on the northern lanes. The estimated completion date is June 2012.

The Town Council approved a Professional Services Agreement with Teague, Nall and Perkins on August 16, 2010, to provide engineering design services for Chinn Chapel in the amount of \$299,000. Design work for Chinn Chapel, from FM 407 to Waketon, is currently 90 percent complete. The Town of Flower Mound is currently awaiting right-of-way to be donated by property owners that is needed for the roadway project.

Town of Flower Mound, Texas

Tax Increment Reinvestment Zone #1

As of September 30, 2011

CAPITAL IMPROVEMENT PLAN

BUDGET

Project	Estimated Cost
STREETS	
Dixon Lane (Chinn Chapel to Crestside)	\$3,500,000
Chinn Chapel (FM 407 to Dixon)	425,000
Chinn Chapel (Dixon to Waketon)	750,000
Waketon Road (Rippy to Chinn Chapel)	400,000
College Parkway (FM 2499 to Rippy)	800,000
Rippy Road (FM 2499 to Waketon)	2,115,000
Churchill (East end to Yucca)	560,000
Local Commercial ring road (FM 407 to Dixon)	<u>1,620,000</u>
Subtotal	\$10,170,000
SIGNALS	
College Parkway at FM 2499	\$150,000
Windsor at FM 2499	150,000
Local Commercial ring road at FM 407	<u>85,000</u>
Subtotal	\$385,000
WATER	
FM 2499 west side from FM 1171 to Dixon	\$1,175,000
FM 407 from FM 2499 to Country Meadows Addition	465,000
FM 2499 east side from Waketon to Valley Creek Church	<u>145,000</u>
Subtotal	\$1,785,000
WASTEWATER	
FM 2499 east side from Valley Creek Church to Dixon	\$305,000
FM 407 from FM 2499 to County Meadows Addition	<u>455,000</u>
Subtotal	\$760,000
FACILITIES	
Town Hall	\$12,000,000
Senior Citizen Activity Center	8,000,000
Performing Arts Auditorium	<u>10,000,000</u>
Subtotal	\$30,000,000
PARKS	
Timber Trails Park	\$200,000
Hike and Bike Trails	<u>400,000</u>
Subtotal	\$600,000
Improvements in Forum area	\$5,000,000
TOTAL	<u>\$48,700,000</u>

Town of Flower Mound, Texas

Tax Increment Reinvestment Zone #1

As of September 30, 2011

BUDGET VS EXPENDITURES

Project	Current Budget	Expended Costs To Date	Remaining Balance
STREETS			
Dixon Lane (Chinn Chapel to Crestside)	\$3,500,000	\$2,299,929	\$1,200,071
Chinn Chapel (FM 407 to Dixon)	425,000	244,729	180,271
Chinn Chapel (Dixon to Waketon)	750,000	0	750,000
Waketon Road (Rippy to Chinn Chapel)	400,000	0	400,000
College Parkway (FM 2499 to Rippy)	800,000	0	800,000
Rippy Road (FM 2499 to Waketon)	2,115,000	0	2,115,000
Churchill (East end to Yucca)	560,000	0	560,000
Local Commercial ring road (FM 407 to Dixon)	<u>1,620,000</u>	0	<u>1,620,000</u>
Subtotal	\$10,170,000	2,544,658	\$7,625,342
SIGNALS			
College Parkway at FM 2499	\$150,000	0	\$150,000
Windsor at FM 2499	150,000	0	150,000
Local Commercial ring road at FM 407	<u>85,000</u>	0	<u>85,000</u>
Subtotal	\$385,000	0	\$385,000
WATER			
FM 2499 west side from FM 1171 to Dixon	\$1,175,000	0	\$1,175,000
FM 407 from FM 2499 to Country Meadows Addition	465,000	0	465,000
FM 2499 east side from Waketon to Valley Creek Church	<u>145,000</u>	0	<u>145,000</u>
Subtotal	\$1,785,000	0	\$1,785,000
WASTEWATER			
FM 2499 east side from Valley Creek Church to Dixon	\$305,000	0	\$305,000
FM 407 from FM 2499 to County Meadows Addition	<u>455,000</u>	0	<u>455,000</u>
Subtotal	\$760,000	0	\$760,000
FACILITIES			
Town Hall	\$12,000,000	0	\$12,000,000
Senior Citizen Activity Center	8,000,000	0	8,000,000
Performing Arts Auditorium	<u>10,000,000</u>	0	<u>10,000,000</u>
Subtotal	\$30,000,000	0	\$30,000,000
PARKS			
Timber Trails Park	\$200,000	0	\$200,000
Hike and Bike Trails	<u>400,000</u>	0	<u>400,000</u>
Subtotal	\$600,000	0	\$600,000
Improvements in Forum area	\$ 5,000,000	0	\$5,000,000
TOTAL	\$48,700,000	\$2,544,658	\$46,155,342

Town of Flower Mound, Texas
Tax Increment Reinvestment Zone #1

As of September 30, 2011*

TIRZ FUND

	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
Beginning Balance:			
<i>October 1, 2010</i>	\$2,930,675	\$ 0	\$2,930,675
Revenues:			
Property Tax	\$1,669,102	\$ 0	\$1,669,102
Interest	<u>\$6,720</u>	\$ 0	<u>\$6,720</u>
TOTAL REVENUES	\$1,675,822	\$ 0	\$1,675,822
Expenditures:			
Land Purchases	\$0	\$ 0	\$0
Professional Services	\$226,833	\$ 0	\$226,833
Construction/Improvements	<u>\$857,395</u>	\$ 0	<u>\$857,395</u>
TOTAL EXPENDITURES	\$1,084,228	\$ 0	\$1,084,228
Ending Balance:			
<i>September 30, 2011</i>	\$3,522,269	\$ 0	\$3,522,269

* Unaudited, subject to change.

Town of Flower Mound, Texas

Tax Increment Reinvestment Zone #1

As of September 30, 2011

ANNUAL REPORT

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIRZ District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$1,675,822 Total Revenue

2. Amount and purpose of expenditures from the fund:

\$1,084,228 Total Expenditures

3. Amount of Principal and Interest due on outstanding indebtedness is as follows:

- I. Contributions /Advances from developers—none.
- II. Bonds issued and payment schedule to retire bonds—none.

4. Tax Increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Net Taxable Fiscal Year Value 2010 - 2011	Base Year* Value Jan 1, 2005	Captured App. Value Fiscal Year 2010 - 2011
Town of Flower Mound	\$458,996,931	\$228,290,889	\$230,706,042
Denton County	\$459,984,122	\$229,382,705	\$230,601,417

5. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.

A. Captured appraised value shared by the municipality and other participating taxing jurisdictions received in Fiscal Year 2010-2011:

Taxing Jurisdiction	Participation Per \$100/Value	Amount of 2010-2011 Increment
Town of Flower Mound (100%)	\$ 0.4497	\$1,037,485
Denton County (100%)	\$ 0.2739	\$631,617
Total	\$ 0.7236	\$1,669,102

B. Amount of tax increment received in 2011 from the municipality and the other taxing jurisdictions based on 2010 valuations: \$1,669,102

C. Other information: None

* Base Year Value as of January 1, 2005 is for Fiscal Year 2005-2006.



**TAX INCREMENT REINVESTMENT
ZONE #1 BOARD MEETING
AGENDA ITEM NO: 3
December 5, 2011**

CONSENT ITEM REGULAR ITEM WORK SESSION ITEM

FROM: Mark Wood, Director of Economic Development *MW*

THROUGH: Chuck Springer, Assistant Town Manager/CFO *CS*

PRESENTER: Mark Wood, Director of Economic Development
Chuck Springer, Assistant Town Manager/CFO
Kent Collins, Assistant Town Manager

ITEM: Review and discuss the TIRZ #1 Project Plan.

Ordinance Resolution Motion Direction

I. SUMMARY:

This item is for the TIRZ #1 board of directors to review and discuss the TIRZ #1 project plan including the prioritization of projects.

II. BACKGROUND INFORMATION:

At the September 19, 2005, Town Council meeting, an Ordinance was approved that established TIRZ #1, authorized a board of directors, and created a TIRZ fund. The board of directors has discussed the TIRZ #1 project plan each year since the establishment of the TIRZ.

Expansion of Dixon Lane to four lanes from Chinn Chapel to Crestside Drive was selected as the first TIRZ project and is being completed in two phases. Phase 1 from Chinn Chapel to FM 2499 is complete, and Phase 2 from FM 2499 to Crestside Drive is scheduled to be complete June 2012.

The TIRZ board prioritized improvements to Chinn Chapel, from FM 407 to Waketon Road, followed by improvements to Waketon Road as the next TIRZ projects at the November 19, 2009, meeting. The attached revised budget has transferred funding from completed projects or projects that have been removed from the Town's plan. These funds have been reallocated to the Chinn Chapel Road project, Waketon Road project, and FM 407 water project.

III. FISCAL IMPACT:

N/A

IV. LEGAL REVIEW:

N/A

V. ATTACHMENTS:

1. TIRZ#1 Capital Improvement Plan Revised Budget

VI. RECOMMENDED MOTION OR ACTION:

This item is for discussion purposes only. However, the TIRZ #1 board may consider updates to the Project Plan, as appropriate.

Flower Mound TIRZ #1 Capital Improvement Plan - Revised Budget

Project	Current Budget	Revised Budget	Expended Costs To Date	Remaining Balance
STREETS				
Dixon Lane (Chinn Chapel to Crestside)	\$3,500,000	\$2,798,981	\$2,299,929	\$499,052
Chinn Chapel (FM 407 to Dixon)	425,000	1,800,000	244,729	1,555,271
Chinn Chapel (Dixon to Waketon)	750,000	1,700,000	0	1,700,000
Waketon Road (Rippy to Chinn Chapel)	400,000	1,299,019	0	1,299,019
College Parkway (FM 2499 to Rippy)	800,000	800,000	0	800,000
Rippy Road (FM 2499 to Waketon)	2,115,000	2,115,000	0	2,115,000
Churchill (East end to Yucca)	560,000	560,000	0	560,000
Local Commercial ring road (FM 407 to Dixon)	1,620,000	0	0	0
Subtotal	\$10,170,000	\$11,073,000	2,544,658	\$8,528,342
SIGNALS				
College Parkway at FM 2499	\$150,000	\$150,000	0	\$150,000
Windsor at FM 2499	150,000	0	0	0
Local Commercial ring road at FM 407	85,000	0	0	0
Subtotal	\$385,000	\$150,000	0	\$150,000
WATER				
FM 2499 west side from FM 1171 to Dixon	\$1,175,000	\$1,175,000	0	\$1,175,000
FM 407 from FM 2499 to Country Meadows Addition	465,000	557,000	0	557,000
FM 2499 east side from Waketon to Valley Creek Church	145,000	145,000	0	145,000
Subtotal	\$1,785,000	\$1,877,000	0	\$1,877,000
WASTEWATER				
FM 2499 east side from Valley Creek Church to Dixon	\$305,000	\$0	0	\$0
FM 407 from FM 2499 to County Meadows Addition	455,000	0	0	0
Subtotal	\$760,000	\$0	0	\$0
FACILITIES				
Town Hall	\$12,000,000	\$12,000,000	0	\$12,000,000
Senior Citizen Activity Center	8,000,000	8,000,000	0	8,000,000
Performing Arts Auditorium	10,000,000	10,000,000	0	10,000,000
Subtotal	\$30,000,000	\$30,000,000	0	\$30,000,000
PARKS				
Timber Trails Park	\$200,000	\$200,000	0	\$200,000
Hike and Bike Trails	400,000	400,000	0	400,000
Subtotal	\$600,000	\$600,000	0	\$600,000
Improvements in Forum area	\$5,000,000	\$5,000,000	0	\$5,000,000
TOTAL	\$48,700,000	\$48,700,000	\$2,544,658	\$46,155,342