

**MINUTES OF THE MEETING BENBROOK  
REINVESTMENT ZONE NO. 1  
TAX INCREMENT FINANCE BOARD OF DIRECTORS  
WEDNESDAY, NOVEMBER 18, 2021**

The special called meeting of the Benbrook TIF Board of Directors was held on Wednesday, November 18, 2020 at 4:00 p.m. in the Central Conference Room at 911 Winscott Road with the following Board members present:

Larry Marshall  
Jim Hinderaker  
Jeremiah Smith  
David Eason  
Mark Hallman

Also Present: Beth Fischer, Recording Secretary  
Rick Overgaard, Finance Director

**I. CALL TO ORDER**

The meeting was called to order at 3:58 PM by Chair Larry Marshall.

**II. CITIZEN COMMENTS ON ANY AGENDA ITEM**

None

**III. APPROVE MINUTES OF NOVEMBER 18, 2020**

Motion by Jim Hinderaker, seconded by Mark Hallman to approve the minutes from November 18, 2020.

Ayes: All

Noes: None

Motion carried unanimously.

**IV. OATH OF OFFICE**

Beth Fischer, Recording Secretary administered the Oath of Office to Jeremiah Smith (Place 2), David Eason (Place 4), and Mark Hallman (Place 7).

**V. REVIEW AND APPROVE ANNUAL REPORT FOR PERIOD ENDING SEPTEMBER 30, 2021**

Jim Hinderaker gave the following report: This is the annual report of the activities of

Benbrook TIF Number 1 for the period from October 1, 2020 through September 30, 2021.

### Status and Forecast of Taxable Increment

#### A. Previous Years (November 2002-September 2020)

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.

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. 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. The net taxable increment as of January 2017 (Year 15) was \$134,415,196, with \$97,568 in new construction. The net taxable increment as of January 2018 (Year 16) was \$144,252,563, with \$10,462,678 in new construction. The net taxable increment as of January 2019 (Year 17) was \$169,361,241, with \$12,012,023 in new construction. The net taxable increment as of January 2020 (Year 18) was \$181,644,212, with \$5,986,738 in new development.

Current Year (October 1, 2020 - September 30, 2021)

The net taxable increment as of January 2021 (Year 19) was \$199,113,254, with \$15,363,608 in new development primarily deriving from the new Aura multi-family construction on Vista Way.

#### TIF District Revenues and Expenses

The TIF District has had the following revenues and expenses for the year beginning October 1, 2020 and ending September 30, 2021:

Balance forward from October 1, 2020	\$2,965,422.95
Revenues	
Payments from TIF Partners	\$2,063,941.28
Interest	\$6,386.96
EDC Payment	<u>\$42,210.00*</u>
Total Revenues	\$2,112,538.24
 Total Available Funds	 \$5,077,961.19
Expenses:	
Debt service/issuance	\$501,203.00
Reimbursement to BBT	
• \$580,480*	
• \$15,125	
• \$98,972	\$694,577.46
Vista Way Engineering	\$42,524.00
Evans Plat	\$9,950.00
Ryan Tract	<u>\$6,988.77</u>
Total Expenses	\$1,255,243.23
 Balance as of September 30, 2021	 \$3,822,717.96

*\*Items were included in the 2020 annual report, but have been moved to FY2020-21 budget year, and this annual report, as listed items actually posted after the year end (September 30, 2020) of FY2019-20.*

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 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 10/1/2021):

2005 Certificates of Obligation	
Balance was Paid-In-Full in 2021	\$0.00
2012 Certificates of Obligation	
Principal & Interest remaining	\$141,253.00
Annual (2022) debt service \$141,253	
(includes \$135,000 principal)	
2014 Certificates of Obligation	
Principal & Interest remaining	\$156,333.00
Annual (2022) debt service \$156,333	
(includes \$155,000 principal)	
Loan from City reserves	<u>\$0.00</u>
Total liabilities	\$297,586.00

Motion by David Eason, seconded by Mark Hallman to approve the annual report for period October 1, 2020 through September 30, 2021.

Ayes: All

Noes: None

Motion carried unanimously.

**VI. APPROVE SECOND AMENDMENT TO DEVELOPER PARTICIPATION**

## **AGREEMENT FOR BENBROOK TOWNE CROSSING PROJECT**

Jim Hinderaker gave the following report: On February 5, 2016, the City of Benbrook entered into the First Amendment to the Developer Participation Agreement for Benbrook Towne Crossing Project (Underlying Agreement – attached herein as Exhibit A) with BBT Crossing, LTD., BBT Crossing GP Corporation and Bo Peek Limited, which are all companies wherein Brad H. Bowen is either the manager or president having authorization to sign the Underlying Agreement. The Underlying Agreement outlines a number of Tax Increment Finance District (TIF) construction projects already completed including (1) design and construction of a portion of Vista Way located between Mercedes Street and the I-20 frontage road, (2) Benbrook Field Drive (abutting the south side of McDonalds), (3) an access drive between Benbrook Field Drive and the Albertson's (now CubeSmart's) parking lot, and (4) a traffic signal at Benbrook Field Drive and Benbrook Boulevard. The same agreement also requires a yet to be completed access drive between Mercedes Street and the Walmart parking lot.

Due to changing development plans, the city no longer desires to construct the 24-foot wide access drive between Mercedes Street and the Walmart parking lot as required under Section V (C and D) of the Underlying Agreement. In fact, the required access drive is an impediment to approved planned redevelopment plan for new Russell Feed and Supply store. On May 21, 2020, the Benbrook City Council approved a 380 Economic Development Agreement (attached herein as Exhibit B) wherein BBT Crossing, LTD agreed to waive this requirement in exchange for the city covering the design and construction costs associated with the previous oversizing of an off-site drainage system that benefited Mr. Bowen's future drainage needs to develop a portion of a vacant tract of land located south of CubeSmart, north of Mercedes Street and west of Benbrook Boulevard.

The cost to design and construct the access drive between Mercedes Street and the Walmart parking lot was estimated to be approximately \$70,000. The design and construction cost of the oversizing of the off-site storm drainage system was \$42,210. The EDC has reimbursed the TIF for this already incurred cost.

The purpose of the Second Amendment to the Developer Participation Agreement (attached herein as Exhibit C) is to delete and remove Sections V.C and V.D of the First Amendment.

Motion by David Eason, seconded by Jeremiah Smith to approve Second Amendment to Developer Participation Agreement for Benbrook Towne Crossing Project.

Ayes: All

Noes: None

Motion carried unanimously.

## **VII. REVIEW OF ON-GOING TIF PROJECTS AND OTHER DEVELOPMENT**

## ACTIVITY

Jim Hinderaker provided an overview of the various on-going TIF projects and other development activity within the TIF boundary and balance of the City.

**Chipotle Mexican Grill** (8522 Benbrook Blvd) – The city approved a building permit application for the construction of a new 2,400 SQFT fast-casual restaurant with a mobile order pick-up lane. Construction is ongoing.

**Taco Bueno** (8528 Benbrook Blvd.) - Taco Bueno, a fast-food Mexican restaurant, is planning to open in the vacant Jack-in-the-Box building on Benbrook Boulevard. The City approved the applicant's remodel building permit application in March 2021. Construction is ongoing.

**Dairy Queen** (8636 Benbrook Blvd.) - The city has received and approved both a sign permit application and certificate of occupancy application to reopen the Dairy Queen located on Benbrook Boulevard. While the city is ready to issue both permits, the applicant has not sought any final permit issuance.

**Russell Feed and Supply** (8704 Benbrook Blvd.) - Kenny Russell, the owner of the feed store, has submitted plans to construct a new feed and supply store at the corner of Benbrook Boulevard and Mercedes Street. The City has released a grading only permit and site work is underway.

**Basis Charter School** (8901 Vista Way) – The city has issued a building permit for a new 43,000 SQFT charter elementary school with a proposed occupancy of approximately 720 students (grades K-5 or greater depending on enrollment). Construction is ongoing.

**Brookside Four Addition** – The Planning and Zoning Commission approved this 49-lot residential preliminary plat on February 8, 2018. The property is located on the east side of Walnut Creek between Woodglen Lane and Sterling Drive. Grading work began in June 2019. Once all improvements are complete and accepted by the City, the final plat will be recorded and residential home construction can commence. As approved, 10 of the 49 residential lots are located within the TIF District boundary.

**Walnut Creek Bridge and Mercedes Street Extension** - The Planning and Zoning Commission has approved, with conditions, the final plat providing the necessary right-of-way for the extension of Mercedes Street over Walnut Creek and the platting of a 29-acre multi-family lot, which is the site of the proposed Creekside at Benbrook Apartments. The new bridge and roadway extension projects are TIF defined projects, eligible for reimbursement. Work on the projects has begun.

**Benbrook Creekside Apartments** (Mercedes and Vista Way, north and west of Walnut Creek) – The Trumont development group has received site plan and conditional final plat approval for a 374-unit apartment complex on approximately 29-acres (12.5 dwelling units per acre). The development group is currently working through the LOMR (letter of map revision) process with FEMA (Federal Emergency Management Agency) to remove areas of the property out of the 100-year floodplain.

**Two-Way Conversion/Extension of Vista Way** – On March 26, 2019, the TIF Board amended the Tax Increment Reinvestment Zone Project Plan to include a project plan to extend Vista Way from the I-20 Service Road to Benbrook Boulevard. The project plan includes a two-way conversion of a portion of the I-20 Service Road, extension of necessary utilities, and realignment of Aledo Road/Old Benbrook Road intersection and signalization. On June 20, 2019, City Council approved the new roadway design engineering contract with Parkhill, Smith & Cooper. On November 4, 2021, City Council awarded the construction contract to Rebcon, Inc., the low bidder, for the amount of \$3,099,562.68. The Benbrook Economic Development Corporation is funding all portions of the project (\$681,904) located east of Benbrook Boulevard. The TIF District is funding the balance of the project.

**American Masonry Supply** (500 Winscott Road) - Sam Shipley, owner and operator of American Masonry Supply, a manufacturer of specialty cast stone architectural products, relocated his entire manufacturing plant and retail business from Arlington, Texas to the former Weatherford International building in Benbrook, Texas.

**Audi Dealership** (7300 I-20 Frontage Road) – Construction is underway for a new Audi automobile dealership and inventory lot at the northeast corner of the I-20 frontage road and Hawkins Center Drive.

**Jackson Shaw Development** – The Jackson Shaw development group has submitted a planned development zone change request for approximately 255-acres located on either side of I-20, east of Winscott Road. The proposal includes approximately 69-acres of commerce/warehouse land uses on the north side of I-20 and approximately 108-acres of commerce/warehouse land uses and 78-acres of mixed-use on the south side of I-20.

## VIII. ADJOURN

Meeting adjourned at approximately 4:36 P.M.

Approved

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Dr. Larry Marshall, Chair