

To the Mayor and Members of the City Council**July 19, 2011**

Page 1 of 2

**SUBJECT: Amendment to Tax Increment Reinvestment Zone Number Eight (Lancaster TIF) Project and Financing Plan****Background:**

The Lancaster TIF Project and Financing Plan (the "Plan") was initially approved by the TIF district board of directors on January 22, 2004 and subsequently approved by City Council on January 27, 2004 (M&C G-14242). The Plan limited TIF-funded projects to those associated with the T&P Terminal redevelopment project.

The Plan has been amended by City Council on three (3) previous occasions:

- March 29, 2005 (M&C G-14722) included the addition of public infrastructure improvements to and in the vicinity of Blocks 7 and 8, Tarrant County Convention Center Addition, as approved by the TIF board of directors on February 24, 2005;
- August 15, 2006 (M&C G-15346) included the addition of the T&P Warehouse redevelopment project, Lancaster Avenue streetscape improvements, and administrative fees, as approved by the TIF board of directors on June 29, 2006; and
- January 29, 2008 (M&C G-16032) included the addition of public art associated with the T&P Terminal building, as approved by the TIF board of directors on December 5, 2007.

On June 23, 2011, the TIF board of directors voted to amend the project and financing plan to allow the TIF to support development of mixed-use and residential developments at specific sites requiring streetscape improvements and/or parking structures. Any rental residential development receiving TIF funding would require a minimum 15 percent of units to be set aside for low-to-moderate income tenants.

Before the amended Plan can take effect, state law requires the City Council approve the amended Plan by Ordinance after holding a public hearing at which interested persons may speak for or against the proposed amendment.

Recommendation:

City staff recommends City Council hold a public hearing addressing the proposed changes to the Plan in order to afford an opportunity for interested persons to speak for or against recommended approval of the Plan amendment and the TIF's designation as well as for property owners to protest inclusion of their property in the TIF. At the conclusion of the hearing, City staff recommends the City Council close the public hearing and adopt the Ordinance approving the Plan amendment.

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Page 2 of 2



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Next Steps:

City staff will schedule a public hearing and make a formal recommendation for City Council consideration to amend the Lancaster TIF Project and Financing Plan to City Council on Tuesday, August 2, 2011 at the regularly scheduled City Council meeting. The County will schedule similar action in August or September.

If you have any questions, please contact Jay Chapa, Director of Housing and Economic Development, at 817.392.5804.


Tom Higgins
Interim City Manager