



# TAX INCREMENT REINVESTMENT ZONE BOARD MEETING

February 19, 2025 at 10:30 AM

Wolfforth City Hall - 302 Main Street Wolfforth, TX

## AGENDA

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### CALL MEETING TO ORDER

### ROLL CALL AND ESTABLISH A QUORUM

### CITIZEN ENGAGEMENT

This is an opportunity for the public to address the Tax Increment Reinvestment Zone board regarding an item on the agenda, except public hearings that are included on the agenda. Comments related to public hearings will be heard when the specific hearing begins. Citizen comments are limited to three (3) minutes per speaker, unless the speaker requires the assistance of a translator, in which case the speaker is limited to six (6) minutes, in accordance with applicable law. Each speaker shall approach the designated speaker location, complete the citizen engagement sign in sheet and state his/her name and city of residence before speaking. Speakers shall address the Board with civility that is conducive to appropriate public discussion. Speakers can address only the Board and not individual city officials or employees. The public cannot speak from the gallery but only from the designated speaker location.

### ITEMS FOR INDIVIDUAL CONSIDERATION

1. Consider and take appropriate action on April 17, 2023, minutes.
2. Consider and take appropriate action on board chair nomination.
3. Consider and take appropriate action on amendment of TIRZ boundaries.

### EXECUTIVE SESSION

In accordance with Texas Government Code, section 551-001, et seq., the Board will recess into executive session (closed meeting) to discuss the following:

- a. 551.087 Deliberations Regarding Economic Development Negotiations: to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the

governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

**RECONVENE INTO OPEN SESSION**

In accordance with Texas Government Code, chapter 551, the Board will reconvene into regular session to consider action, if any, on matters discussed in executive session.

**ADJOURN**

In accordance with the Americans with Disability Act any person with a disability requiring reasonable accommodation to participate in this meeting should call the City Secretary at 806-855-4120 or send written request to P.O. Box 36 Wolfforth Texas 79382 at least 48 hours in advance of the meeting date.

**Certification**

I, the undersigned authority do hereby certify that the Notice of Meeting was posted at City Hall of the City of Wolfforth, Texas was posted on February 14, 2025, at 5:00 p.m.

Danielle Sweat, Economic Development Director

**MINUTES OF A REGULAR MEETING  
TAX INCREMENT REINVESTMENT ZONE BOARD OF WOLFFORTH,  
TEXAS**

**302 Main Street, WOLFFORTH, TX  
Monday, April 17, 2023, 1:00 p.m.**

**MEMBERS PRESENT:** Corey Layman, David Cooper, Aubrey Brockman, Brandon Tyler,  
Julie Levy

**MEMBERS ABSENT:**

**OTHERS PRESENT:** ECD Director Danielle Sweat, City Manager Randy Criswell

Chairman Corey Layman opened the meeting at 1:05 pm

1. No comments were given during Public Comment
2. The board agreed to adjusting the boundaries of the TIRZ. Aubrey will work on some maps for us to look at.
3. The board was informed by EDC Director Danielle Sweat about the strategic planning session that will take place on May 18<sup>th</sup> and 19<sup>th</sup> of 2023. We would love their participation if they can make it.
4. The Wolfforth TIRZ Board convened into Executive Session at 1:35pm on April 17, 2023, to discuss matters pertaining to
  - a. 551.087 Deliberations Regarding Economic Development Negotiations: to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect
5. The Wolfforth TIRZ Board reconvened into Regular Session at 1:47 pm on April 17, 2023..
6. With no other business to come before the Board, the meeting was adjourned at 1:48 pm.

**PASSED AND APPROVED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_**

\_\_\_\_\_  
**Chairman**

**ATTEST:**

\_\_\_\_\_  
**Danielle Sweat, EDC Director**



## AGENDA ITEM COMMENTARY

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**MEETING NAME:** Tax Increment Reinvestment Zone Board  
**MEETING DATE:** 02/19/2025  
**ITEM TITLE:** Consider and take appropriate action on board chair nomination.  
**STAFF INITIATOR:** Danielle Sweat-EDC Director

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**BACKGROUND:**

With the absence of former chair, Corey Layman, the board will need to elect a new chair.

**EXHIBITS:**

**COUNCIL ACTION/STAFF RECOMMENDATION:**



## AGENDA ITEM COMMENTARY

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<b>MEETING NAME:</b>	Tax Increment Reinvestment Board
<b>MEETING DATE:</b>	2/19/2025
<b>ITEM TITLE:</b>	Consider and take appropriate action on amendment of TIRZ boundaries.
<b>STAFF INITIATOR:</b>	Danielle Sweat-EDC Director

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### BACKGROUND:

In April 2023, this board agreed that it was necessary to amend the TIRZ boundaries to exclude residential areas and include properties with potential for commercial development. Currently, the TIRZ encompasses certain residential areas (see attached), while notably excluding key sections such as Main Street and portions of the US 62/82 frontage—both of which have significant potential for revitalization and economic growth.

Since the purpose of a TIRZ is to encourage development and redevelopment that would otherwise be unlikely to occur, these boundary modifications seem both appropriate and beneficial.

Recently, we approached the city council to ensure they supported this direction. They agreed and gave us approval to move forward. This next step will require an amendment to the creation ordinance to expand the boundaries, as well as an update to the project and financing plan.

The steps in the process are outlined below:

#### City Council Approval of Boundary Expansion:

City Council must approve an ordinance amending the creation ordinance to expand the TIRZ boundaries.

This requires a public hearing, with notice published at least seven days in advance.

#### TIRZ Board Approval of the Amended Project and Financing Plan:

The TIRZ Board must review and recommend approval of the amended project and financing plan.

#### City Council Approval of the Amended Project and Financing Plan

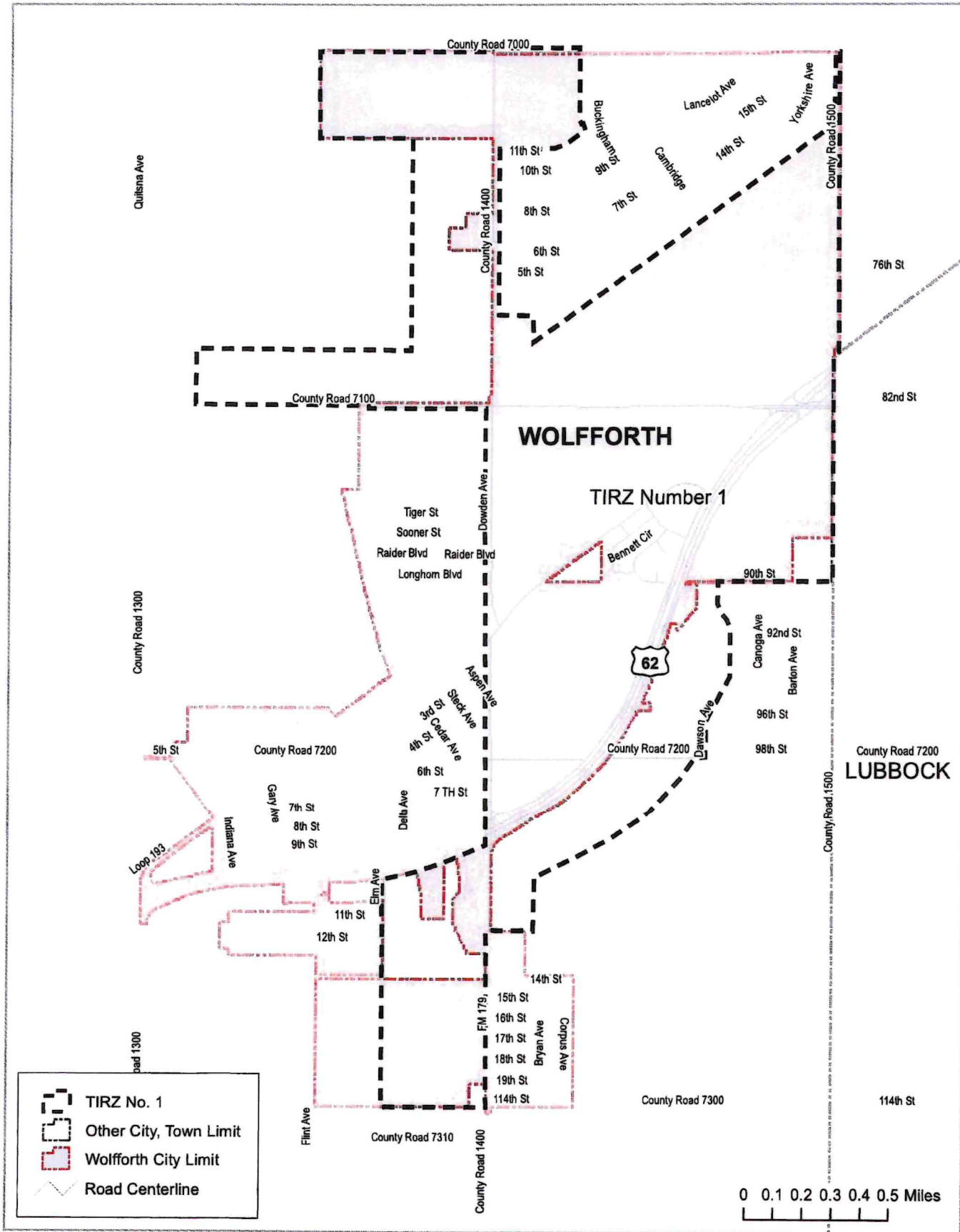
City Council must adopt an ordinance approving the amended project and financing plan.

We consulted with a third-party expert to explore handling this process, and I've attached their proposal for your reference. However, Randy and I feel the proposed cost is too high. That said, we still wanted to provide it for your consideration, as it outlines the process clearly.

**EXHIBITS:**

Proposal, Map

**COUNCIL ACTION/STAFF RECOMMENDATION:**







January 9, 2025

Randy Criswell  
City Manager  
City of Wolfforth, Texas  
302 Main St #2940  
Wolfforth, TX 79382

**RE: Professional Services Proposal**

Dear Mr. Criswell:

Pettit & Ayala Consulting (“PAC”) is pleased to provide this proposal for economic development professional services relating to relating to the implementation of Tax Increment Reinvestment Zone #1 (“TIRZ”) in the City of Wolfforth, Texas (“TIRZ Implementation”) and the potential amendment of the TIRZ (“TIRZ Amendment”).

### **The Scope**

It is our understanding that the City of Wolfforth is interested in professional services related to amending the TIRZ, amending the associated Project and Financing Plan, and assisting in the implementation of the TIRZ. PAC has had significant experience in establishing and amending TIRZ districts, negotiating reimbursement agreements, and administering the daily operations of a TIRZ including requirements per state statute.

### **The Team**

We propose working in a team organized as follows:

- You will be our point of contact and will provide overall direction to our team. You may also include other members of City staff with which we will meet regularly to review our progress and to get input and direction on our work.
- At this time, we do not anticipate the need for any additional consultants, however we have consultants available to assist with any PID related items if so needed.

### **TIRZ Statutory Requirements**

Chapter 311 of the Texas Tax Code outlines the various procedures for creating or amending a TIRZ. The amendment to the TIRZ ordinance is approved by the governing body of the municipality and establishes five key elements, including:

- Boundary;
- Term;
- TIRZ Board;
- City Participation; and
- Preliminary Amended Project and Financing Plan.

Before adopting an ordinance designating the amended reinvestment zone, the governing body of the municipality must hold a public hearing on the amendment of the zone and publish notice of the hearing not later than the seventh day before the public hearing. A final Amended Project and Financing Plan is subsequently approved by the TIRZ Board and then by the governing body of the municipality.

### **TIRZ Implementation Scope of Services**

PAC would assist in evaluating individual TIRZ reimbursement requests and negotiating and structuring potential TIRZ Development Agreements, which would include but not be limited to market data collections, cash flow

proforma and gap analysis, and best practice approaches used in the economic development marketplace. The end goal is to provide City staff and leadership with guidance and data that would assist with the execution and implementation of the Project and Financing Plan.

### **TIRZ Amendment Scope of Services**

Based on our conversations and our experience on previous projects, we propose the following scope of services for a proposed amendment of the TIRZ. Our proposed scope of services is divided into separate tasks, each providing a description of the work to be performed and the key products resulting from the task.

#### **Task 1**

##### **District Review**

Our first step would be to collect and analyze available information within the existing and any potential expanded TIRZ boundaries. This includes reviewing available development data; existing planning documents such as the comprehensive plan, land use plan, thoroughfare plan; physical information such as existing zoning and land use, existing and planned infrastructure, and topography; and property data such as ownership and tax values.

#### **Task 2**

##### **Data Collection and Analysis**

Based upon the TIRZ boundaries proposed by the City, PAC would utilize a geographic information system (GIS) database to establish the existing values for land and improvements, ownership data, and current land use information. This will provide the baseline data for the analysis. Key products of this task would include TIRZ parcel data and accompanying maps in digital formats.

#### **Task 3**

##### **Taxable Value Analysis**

A taxable value review of similar developments would be conducted to establish conservative assumptions of future taxable value for development in the zone. PAC would work with City staff to develop projections for future land uses, and timing of proposed developments. This task will be the basis for developing a spreadsheet model of potential TIRZ increments, given a reasonable range of development assumptions and taxable values. Key products of this task would include a spreadsheet model with projections based upon the historical taxable value review, development projections and reasonable timing expectations.

#### **Task 4**

##### **Develop Amended TIRZ Cash Flow Model**

Based on the anticipated land uses and projections, PAC would develop a draft financing cash flow model (and supporting spreadsheets) for a various time periods. This model will allow the City, consultants and others to underwrite the proposed developments and test various scenarios for the eventual financing plan. Key products of this task would include excel spreadsheets of the Amended TIRZ Cash Flow Models with growth and development assumptions.

#### **Task 5**

##### **Prepare an Amended Project and Financing Plan**

PAC will develop the Finance Plan, Project Plan, and Detailed Description of the TIRZ, and other exhibits required for local government review and approval per the state legislative requirements. This work includes the written, graphic, and PowerPoint materials and exhibits, as well as support of the process. Backup materials such as spreadsheets and databases will also be products that support the plans. Key products would include an Amended TIRZ Project and Financing Plan comprised of a legal description of the zone, proposed TIRZ projects, estimated project costs, term of the zone and a tax increment analysis.

**Task 6****TIRZ Documentation Support**

PAC will provide assistance with drafting necessary documents for amending the TIRZ plan including: 1) public hearing notices; 2) resolutions; 3) amendment ordinances; and 4) amended participation agreements. This can be a time-consuming process for City staff, however PAC's extensive experience in drafting these documents should help streamline the preparation of materials necessary for City Council consideration.

**Fee for Services****TIRZ Implementation Services**

Our fee for TIRZ Implementation services would be charged on an hourly basis, per the rates in the proposal, and would be charged monthly.

**TIRZ Amendment Services**

Our fee for TIRZ Amendment services would be a lump sum fee of \$40,000. The TIRZ amendment assignment would be initiated through separate written authorization by City. Fees would be charged monthly, subject to ongoing progress on the work effort.

Reimbursable expenses not to exceed \$1,500 would be charged to include out-of-pocket expenses incurred in the interest of the projects at actual costs.

**Term of Agreement**

It is anticipated that the services covered in the proposal will be completed within twelve (12) months of the date services begin. This Agreement will terminate upon the earlier of completion of services or twelve (12) months from the date of this Agreement. Additionally, Client may terminate this Agreement for any reason upon thirty (30) days written notice to PAC and PAC will cease any and all work upon receipt of such notice, unless otherwise directed in the notice. In the event of a termination as described above, Client shall be responsible for the payment of the fees and expenses incurred by PAC pursuant to this agreement through the date of such termination.

**Changes of Scope and Additional Services**

Minor additions to our scope will be treated as Additional Services. Work on Additional Services will not begin until authorized in writing by the Client.

**Additional Services and Rates for Hourly Services**

Additional Services shall be billed on an hourly not to exceed basis unless a fixed fee or other method of compensation is mutually agreed upon. Our current hourly rates are:

<u>Classification</u>	<u>Hourly Billing Rate</u>
David Pettit	\$375.00
Natalie Moore	\$300.00
Project Specialist	\$120.00
Planning Intern	\$100.00
Administrative	\$80.00

These rates apply for the current calendar year and are subject to revision on January 1, when they may be revised to reflect changes in staff salaries over the preceding year.

**Reimbursables**

We propose to be reimbursed for out-of-pocket expenses incurred in the interest of the project at our actual cost. Reimbursable expenses include: our direct consultants and their expenses (to be reimbursed, all consultants and their bids must be approved in writing, in advance by the client); reproduction; long distance communication;

document printing and delivery; document graphics and binding; delivery, postage and handling; travel time; special materials; photography; etc. (Reasonable backup will be available upon request.)

### **Invoices and Payments**

Payment for services rendered is due within thirty (30) days of Client's next monthly billing cycle following receipt of invoice. In the event any invoices remain unpaid 45 days after the invoice date, we suspend work until we have been paid in full all amounts due for services and expenses. Amounts unpaid for more than 30 days after the due date may accrue interest at 10% per annum.

### **Suspension and Termination**

If the project is suspended or abandoned, PAC will be compensated for all services billed prior to receipt of written notice by the Client. Services that are not billed or completed between billing periods and receipt of written notice will be reimbursed at PAC's standard hourly rates.

If the scope or schedule of the project should change beyond that to be reasonably expected due to the program changes, schedule or other reason, at their option, PAC may re-negotiate the aforementioned fees and scope of work. Any renegotiation of scope or fee will be in writing and subject to the signing of both parties.

### **Certifications**

Guarantees and Warranties: We will not be required to execute any document that would result in our certifying, guaranteeing or warranting the existence of conditions whose existence we cannot ascertain.

### **Authorization to Proceed**

Thank you again for this opportunity to work with you. Your signature below and the return of one copy to us for our file will confirm your approval and authorize us to proceed.

### **Insurance**

PAC will provide proof of professional liability insurance (including errors and omissions) with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate and excess/umbrella liability of \$1,000,000 per occurrence and \$2,000,000 in the aggregate to client. Additionally, PAC shall carry the following insurance coverages:

- (a) Worker's compensation insurance at the statutory limits and employer's liability insurance, with minimum limits of \$1,000,000.00/\$1,000,000.00/\$1,000,000.00; and
- (b) Comprehensive general liability insurance, with minimum limits of \$1,000,000.00 each occurrence and \$4,000,000.00 in aggregate; and
- (c) Comprehensive automobile liability insurance, with minimum limits of \$1,000,000.00 combined single limit each occurrence; and

PAC has previously provided, or concurrently with the execution of this agreement is providing, to Client a certificate of insurance issued to Client evidencing the foregoing insurance coverages and evidencing that Client and Client's lender, if any, are additional insured parties with respect to the insurance policies referred to in the foregoing subparagraphs (b) and (c).

### **Notices**

Any notice required or permitted to be given to either party shall be deemed to be received by such party (a) three (3) days after deposit in the United States Registered or Certified Mail, Return Receipt Requested, or (b) one (1) business day after deposit with a nationally recognized overnight delivery service for next day delivery, or (c) upon personal delivery to the party to whom addressed provided that a receipt of such delivery is obtained, or (d) on the next business day after transmission by telecopy provided that a confirmation copy is concurrently deposited

in United States Certified or Registered Mail, Return Receipt Requested, in any case addressed to the parties at the following addresses:

If to Client:

City of Wolfforth  
302 Main St #2940  
Wolfforth, TX 79382  
Attention: Randy Criswell, City Manager  
Email: [rcriswell@wolfforthtx.us](mailto:rcriswell@wolfforthtx.us)

If to PAC:

Pettit & Ayala Consulting  
306 West Seventh Street, Suite 602  
Ft. Worth, TX 76102  
Attention: David Pettit  
Email: [dpettit@dpedllc.com](mailto:dpettit@dpedllc.com)

or to the parties at such other addresses or telecopy numbers as they may designate by notice to the other party as herein provided.

**SUMMARY**

I hope this accurately outlines the professional services you anticipated. If you have any questions or concerns please do not hesitate to contact me at 817.439.9421.

Thank you for considering David Pettit Economic Development, LLC.

Sincerely,



David Pettit  
Partner

If this agreement meets with your approval, please sign and return one executed copy to our office as notice to proceed.

**AGREED TO AND ACCEPTED BY:**

City of Wolfforth, Texas

By: \_\_\_\_\_

Date: \_\_\_\_\_