

City of Richland Hills Economic Development



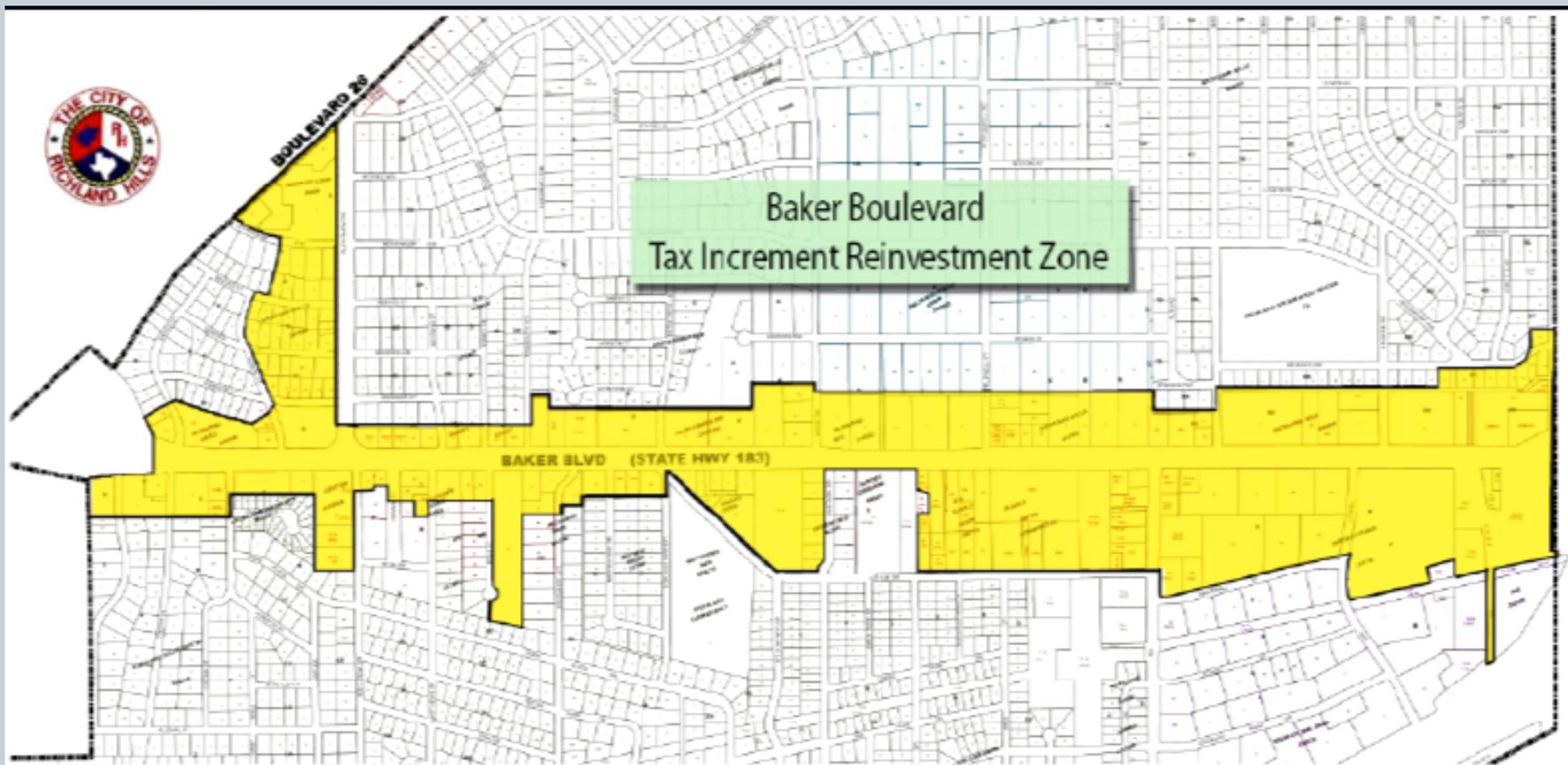
**BAKER BOULEVARD
TAX INCREMENT REINVESTMENT ZONE**

What is a Tax Increment Reinvestment Zone?



- Tax Increment Financing is an economic development tool which dedicates a portion of future taxes from inside the zone to public improvements within the zone.

Where is the Zone?



Where is the Zone?



- The zone runs the length of Baker Boulevard from Loop 820 to Boulevard 26
- The zone also extends along the western portion of Rufe Snow Drive to Boulevard 26

How It Works



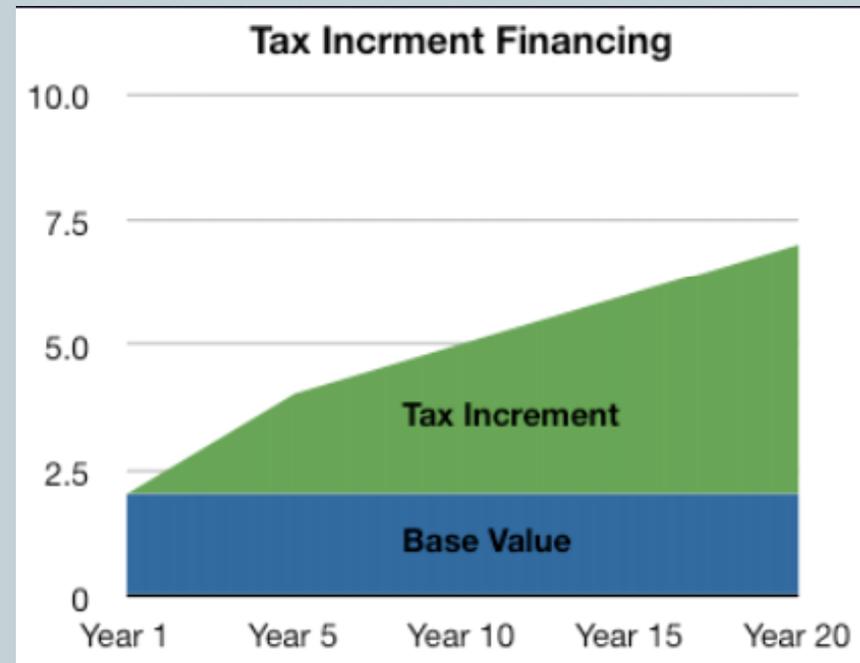
- A reinvestment zone (TIF District) is created to encourage development inside the zone
- The city establishes a base year for taxable values
- The city pledges to spend future taxes created within the zone on public improvements in the zone

The Base

- Tax Increment Financing requires a base year to be established the taxable value of the zone
- 2008 will be the base year for the Baker Boulevard TIRZ
- 2008 Taxable Property Value = \$48,619,230
- 2008 Taxable Sales = \$8,800,220

The Increment

- The City's general fund will always collect taxes based on the **base value** of the zone
- The TIRZ fund will collect taxes based on the **tax increment** that exceeds the base value



Public Improvements

- Infrastructure improvements
- Sidewalks
- Curbs and gutter
- Drainage
- Utility improvements
- Lighting and signage
- Landscaping



Our Partners



Committed

- **City of Richland Hills**
100% of property tax
.125% of sales tax (1/8)
- **Tarrant County**
75% of property tax

Under Consideration

- **Tarrant County Hospital**
75% of property tax
- **Tarrant County College**
25% of property tax

Time Frame



- The zone exist for twenty-one years
(Base year + 20 Years)
- 2008 until 2029
- The zone can be retired early if all debt has been paid off
- The first increment, the 2009 increment, will be collected in 2010

Popular Questions



Terminology



- TIF = Tax Increment Financing
- TIRZ = Tax Increment Reinvestment Zone

- TIF District
- Tax Increment Reinvestment Zone #1
- Baker Boulevard TIF

Will This Raise My Taxes?



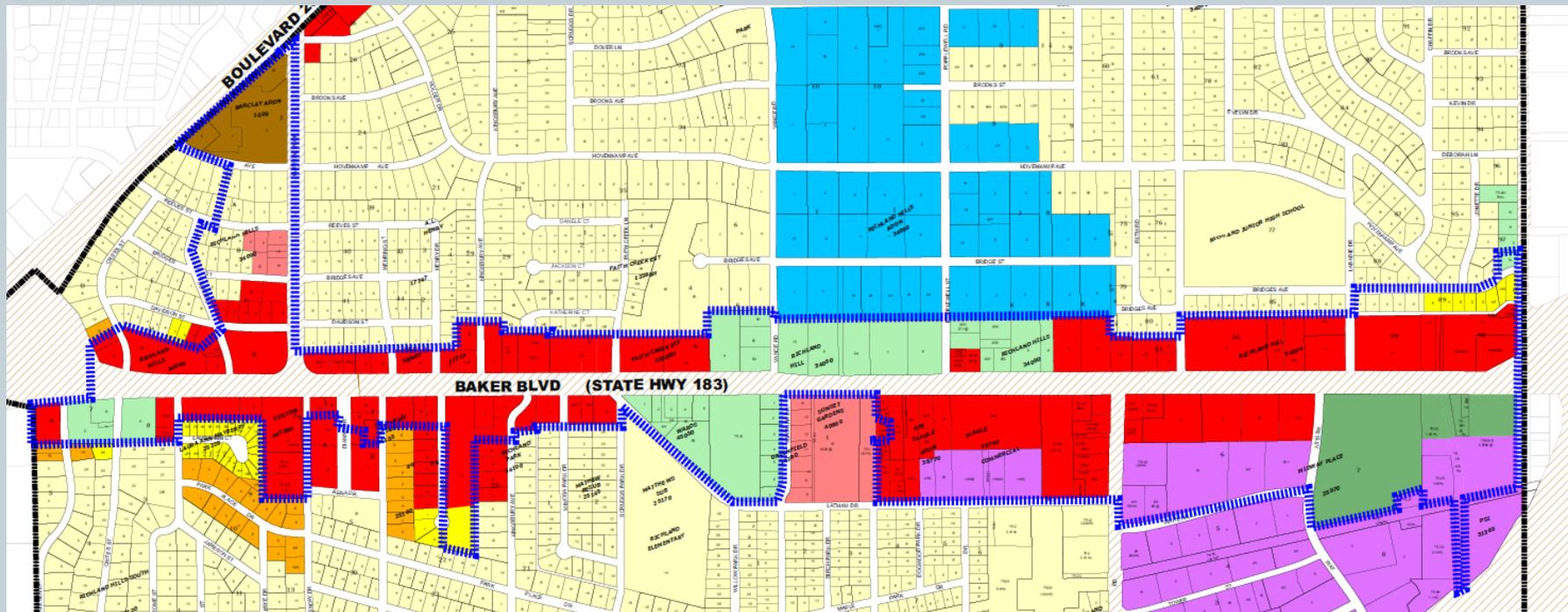
- Being located in the Baker Boulevard Tax Reinvestment Zone does not create any new or special taxes for the properties located in the zone
- Properties located in the zone are subject to the same property taxes and sales tax as the rest of the city

Does this change my zoning?



- Being located in the Baker Boulevard Tax Increment Reinvestment Zone does not change any city zoning requirements.
- All property in the zone are subject to the same zoning and building code requirements as the rest of the city.

Does this change my zoning?



Why are residential properties including in the zone?



- State law requires that the zone be one contiguous area
- In order to give the zone some depth some residential parcels were included
- Including residential parcels allows for some of the public improvements such as drainage and utility improvements to take place in those areas

What if it doesn't work?



- If property values or sales tax levels fall below the 2008 base value then there will not be any increment that year for the TIF fund to collect
- The citizens of Richland Hills are protected by the fact that the zone's financing plan does not call for the issuing of any debt until at least 2018.

Why are we doing this?



Why are we doing this?



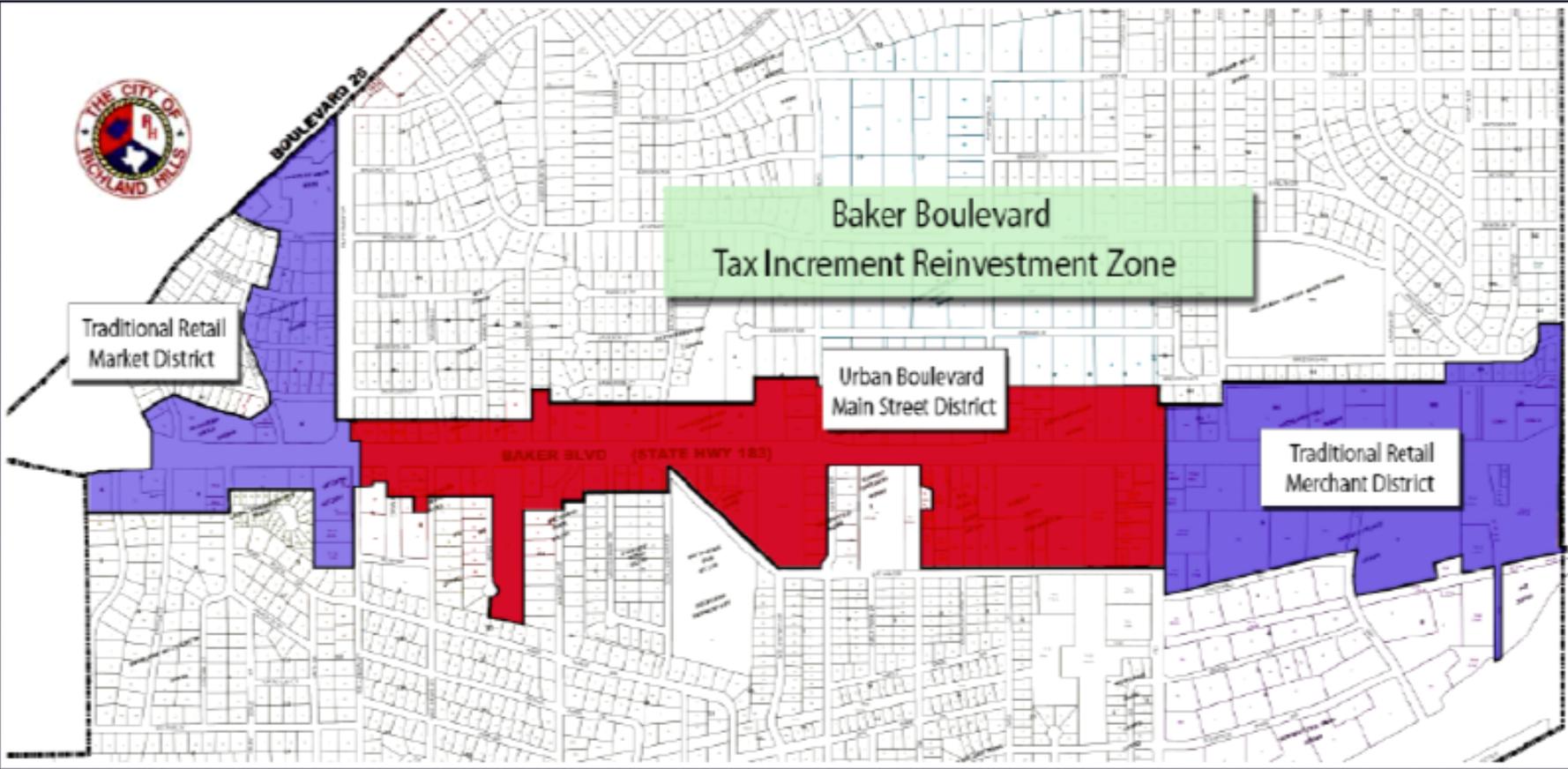
- The redevelopment of Baker Boulevard has been a long stated goal of the City
- Tax increment financing is a way to implement Economic Redevelopment Plan (2006)
- The current state of Baker Boulevard and the economy has not brought Richland Hills the full type of development it desires

Why are we doing this?



- Tax increment financing is a way to pay for the infrastructure improvements along Baker Boulevard to attract new development
- The Baker Boulevard reinvestment zone can create a new concept plan to help encourage new development

Concept Plan



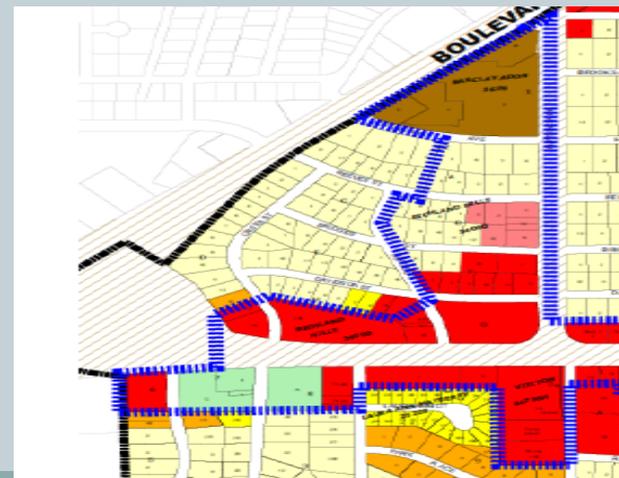
Merchant District

- Traditional Big Box Development
- Restaurants
- Shopping Centers



Market District

- Smaller retailers
- Mixed Use
- Extension of Boulevard 26 Redevelopment



Summary



- The Baker Boulevard tax increment reinvestment zone is a tool to finance and encourage economic development along Baker Boulevard for the next twenty years

City of Richland Hills
Economic Development



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