

**AZLE MUNICIPAL DEVELOPMENT DISTRICT
REGULAR MEETING**

**CITY COUNCIL CHAMBERS
613 S.E. PARKWAY
AZLE, TEXAS 76020**

**TUESDAY
March 10, 2015**

AGENDA

**President Ray Ivey
Vice President Kevin Ingle
Secretary Joe McCormick**

**Director Jack Stevens
Director Justin Berg
Council Member Paul Crabtree
Council Member David McClure**

**REGULAR SESSION
CALL TO ORDER**

6:30 p.m.

PRESENTATION

1. Monthly Report from Economic Development Director Caitlin Glenn
Economic Development Director Caitlin Glenn

ACTION ITEM

2. Consider approving the Minutes of the February 10, 2015 Azle MDD regular meeting
Secretary Joe McCormick

DISCUSSION ITEMS

3. Discussion regarding Main Street revitalization
President Ray Ivey
4. Discussion regarding RFP / project fit
Economic Development Director Caitlin Glenn
5. Discussion regarding economic development incentives
Economic Development Director Caitlin Glenn
6. Discussion regarding Azle Municipal Development District plans/procedures/policies
President Ray Ivey

ADJOURNMENT

I, the undersigned authority, do hereby certify the above Agenda was posted at City Hall on March 6, 2015 at the City's official bulletin board and is readily accessible to the public at all times in accordance with V.T.C.A. Chapter 551, Texas Government Code.



Susie Hiles, Assistant to the City Manager

Date Agenda Removed from Posting

This facility is wheelchair accessible and handicapped parking spaces are available. Auxiliary aids and services are available to a person when necessary to afford an equal opportunity to participate in city functions and activities. Auxiliary aids and services or accommodations should be requested forty-eight hours prior to the scheduled starting time by calling the City Secretary's Office at 817-444-7101.

Complete MDD Agenda packet and background information are available for review at the City Secretary's Office and on our website www.cityofazle.org.

Municipal Development District Communication

Item # 1

Submitted By: Caitlin Glenn – Economic Development Director	Date: March 6, 2015
Subject: EDD Monthly Report	

Action Requested: Present EDD Monthly Report

Purpose (Outline – Who, What, Where, Why & How).

Checklist of Attachments			
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
<input type="checkbox"/> Letter/ Memo From	<input type="checkbox"/> P&Z Minutes	<input type="checkbox"/> Board Minutes	<input type="checkbox"/> Other Minutes
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<input type="checkbox"/> Staff	<input type="checkbox"/> State Law	<input type="checkbox"/> Bid Tabulations	<input type="checkbox"/> Maps
<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

Municipal Development District Communication

Item # 2

Submitted By: Susie Hiles, Assistant to the City Manager	Date: March 4, 2015
Subject: Azle MDD Board Minutes.	

Action Requested: Consider approving the Minutes of the February 10, 2015 Azle MDD regular meeting

Purpose (Outline – Who, What, Where, Why & How). Procedural.
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Checklist of Attachments				
<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order	
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<input type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter	

**MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
FEBRUARY 10, 2015**

DRAFT

STATE OF TEXAS §
COUNTY OF TARRANT §
CITY OF AZLE §

The Azle Municipal Development District of the City of Azle, Texas convened in Regular Session at 6:30 p.m. in the Council Chambers of City Hall, 613 Southeast Parkway, Azle, Texas, on the 10th day of February 2015 with the following members present:

Kevin Ingle	Vice President – Place 6
Joe McCormick	Secretary - Place 3
Councilman Paul Crabtree	Director – Place 1
Councilman David McClure	Director - Place 2
Jack Stevens	Director - Place 5
Justin Berg	Director – Place 7
Craig Lemin	Executive Director/City Manager

Constituting a quorum. President Ray Ivey was excused from tonight’s meeting. Staff present was:

Caitlin Glenn	Economic Development Director
Susie Hiles	Assistant to City Manager- Scribe

The following items were considered in accordance with the official agenda posted on the 6th day of February 2015.

REGULAR SESSION: 6:30 p.m.
CALL TO ORDER

Vice President Kevin Ingle called the session to order at 6:30 p.m.

PRESENTATION

1. Presentation of the MDD’s Quarterly Investment Report for Quarter ended December 31, 2014

Executive Director Lemin presented the Quarterly Investment Report to the Board noting the value of this Quarter’s investment at \$419,833 with an average quarterly yield of 0.04% and quarterly interest earnings of \$30. Mr Lemin made the suggestion that in the future, once funds have built up, the MDD can purchase 90 - 180 day certificates of deposits and get 35 - 45 basis points which is better than the interest earned from the investment pools. He stated this is a practice already used with other city funds.

2. Monthly Report from Economic Development Director Caitlin Glenn

EDD Glenn reported:

- on the TIRZ (Tax Increment Reinvestment Zone) for Central Business District, noting that area is too small to support the TIRZ as much of the property is owned by the City, churches, and school district limiting the amount of dollars that can be collected. City is looking to enlarge the boundary to include FM730 north to support the TIRZ.
- will begin having coordinated development meetings with Planning & Zoning
- in the process of evaluating traffic counts, demographic data, online marketing strategy, obtaining retail directory from Plain Vanilla Shell
- as part of business retention/expansion, met with local business owners of Rockwell American (formerly Quality Trailer) and Innovative Electronic Recycling. Other introductory meetings planned for Clark’s Precision Machine & Tool, Texas Turbine, SC Electronics, TJ Machine & Tool, Uretek Method, and North Texas Ingredients. Several MDD Directors to help facilitate these introductions.
- will attend several training events in February & March

ACTION ITEMS

3. Consider approving the Minutes of the January 13, 2015 Azle MDD regular meeting.

Director Stevens moved to approve the Minutes as presented and discussed. Director Justin Berg seconded the motion. The motion was unanimously approved.

**MINUTES
REGULAR MEETING
AZLE MUNICIPAL DEVELOPMENT DISTRICT
FEBRUARY 10, 2015**

DRAFT

DISCUSSION ITEMS

4. Discussion regarding Azle Municipal Development District plans/procedures/policies

- a) Discuss, review state statute and MDD Bylaws

Executive Director Lemin provided information comparing the Municipal Development District state statute with the Azle MDD Bylaws showing there are no powers given an MDD by state statute that the Bylaws remove, with the only caveat being the Board has to have Azle City Council approval. Discussion was held clarifying projects an MDD is authorized to fund.

5. Presentation and discussion regarding economic development incentives

EDD Glenn presented draft guidelines for an incentive application process and explained some common incentives. At the March meeting, MDD Board to provide suggested thresholds for each incentive offered.

ADJOURNMENT

Vice President Ingle adjourned the meeting at 8:11 p.m.

PRESENTED AND APPROVED this the 10th day of March, 2015.

APPROVED:

Ray Ivey, President

ATTEST:

Joe McCormick, Secretary

Municipal Development District Communication

Item # 3

Submitted By: Ray Ivey, President	Date: March 4, 2015
Subject: Main Street Revitalization	

Action Requested: Discussion regarding Main Street revitalization
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Purpose (Outline – Who, What, Where, Why & How). President Ray Ivey wishes to discuss S. Main Street revitalization article

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<input checked="" type="checkbox"/> Other	<input type="checkbox"/> Attachments	<input type="checkbox"/> Notices	<input type="checkbox"/> Charter

Fort Worth

SUBSCRIBE

Star-Telegram

Fort Worth's South Main getting \$8.6 million makeover

BY CATY HIRST - CHIRST@STAR-TELEGRAM.COM

03/02/2015 3:33 PM | Updated: 03/03/2015 3:23 PM



Main Street looking south towards John Peter Smith Hospital as groundbreaking ceremonies were held Monday, March 2, 2015, in Fort Worth to kick off an \$8.6 million project that will improve South Main Street from Vickery Boulevard to Magnolia Avenue. PAUL MOSELEY / STAR-TELEGRAM

FORT WORTH — South Main Street is getting an \$8.6 million makeover with the hopes of turning the economically distressed Near Southside neighborhood into a hot spot — much like West 7th or Magnolia Avenue.

“Main Street is going to live up to its name again. It will be a main street for the city of Fort Worth and the Near Southside,” Paul Paine, president of Fort Worth South, Inc., told a crowd of business owners and city officials at the groundbreaking Monday morning.

The revitalization effort, which will extend from Vickery Boulevard to Magnolia Avenue, will include:

- A new concrete roadway and wider sidewalks lined with trees and historic lamp posts;
- Upgraded water, sewer and stormwater utilities;
- Protected parallel parking for adjacent businesses;
- Dedicated lanes for bicyclists;
- And a public art component by renowned artist Benito Huerta.

The project is funded by Fort Worth, Tarrant County, North Central Texas Council of Governments, and a tax increment finance zone, which is managed by Fort Worth South.

"Streets are not just for speeding cars and trucks," assistant city manager Fernando Costa said during Monday's ceremony, pointing to a truck zooming by and getting laughs from the crowd. "Streets are for people. They are for pedestrians, they are for cyclists, they are for people who use public transit. Streets are public places where people can interact."

The commitment to improving the area's infrastructure has already brought significant private investment to the area, said Paine.

Victory Medical Center (<http://victory-healthcare.com/fortworth/contact/>), a \$72 million project at South Main and West Hattie Streets, and High Point Apartments, a \$34 million project, both committed to the area because of the street improvements, Paine said.

"It would be one thing to say, 'Well build it and they will come.' But they are already coming. That is the exciting thing about it," Paine said.

The eventual goal, Paine said, is to better connect South Main Street to downtown.

"That is our goal, that the two feed off each other and add more vibrancy for both downtown and the southside," Paine said.

Municipal Development District Communication

Item # 4

Submitted By: Caitlin Glenn, Economic Development Director	Date: March 5, 2015
Subject: New business	

Action Requested: Discussion regarding RFP / PROJECT FIT

Purpose (Outline – Who, What, Where, Why & How). A business has issued an RFP to a select number of cities across the United States to determine the best locations for their planned expansion. The City of Azle was one of the cities chosen to participate in the RFP. Discussion regarding PROJECT FIT parameters, timeline and actions items.
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Project Assumptions To Be Used To Estimate Business Incentives

General Assumptions

Assume destination is constructed on vacant land.
 Site acquired in 2015; construction completed in 2016.
 Wages increase 2% per year. Wages shown do not include the cost of benefits.
 Assume two part-time jobs equal one full-time position.
 Respondents should estimate acquisition costs below.

NOTE: If you must make any assumptions for your estimates, please state them here.

Detailed Project Assumptions

JOB CREATION					
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Full-time Jobs	74	74	74	74	74
Estimated Annual Payroll Full-time Jobs	\$ 3,262,000	\$ 3,262,000	\$ 3,327,240	\$ 3,393,785	\$ 3,393,785
Part-Time Jobs	150	150	150	150	150
Estimated Annual Payroll Part-time Jobs	\$ 2,116,431	\$ 2,158,760	\$ 2,201,935	\$ 2,245,974	\$ 2,245,974
Estimated Annual Payroll	\$ 5,378,431	\$ 5,420,760	\$ 5,529,175	\$ 5,639,758	\$ 5,639,758

TRAINING BUDGET

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Training Hours		8,375	5,000	5,000	5,000
Estimated Annual Training Budget		\$ 150,000	\$ 70,000	\$ 70,000	\$ 70,000

INVESTMENT

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Site Acquisition	TBD				
Construction	\$ 28,000,000				
Infrastructure	\$ 250,000				
Site Development	\$ 3,500,000				
Environmental Cleanup	TBD				
Equipment	\$ 2,700,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Furniture & Fixtures	\$ 1,000,000				
Estimated Annual Investment	\$ 35,450,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Estimated Total Project Investment	\$ 36,650,000				

TYPICAL ANNUAL UTILITY USE

Electricity (2,750,000 kWh/year)
Natural Gas (100,000 therms / year)
Water (10 million gallons/year)

Municipal Development District Communication

Item # 5

Submitted By: Caitlin Glenn – Economic Development Director	Date: March 6, 2015
Subject: Economic Development Incentives	

Action Requested: Presentation and discussion regarding economic development incentives

Purpose (Outline – Who, What, Where, Why & How).
Continue discussion from February meeting regarding economic development incentives

Checklist of Attachments

<input type="checkbox"/> Contract	<input type="checkbox"/> Agreement	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution
<input type="checkbox"/> Policy	<input type="checkbox"/> Applications	<input type="checkbox"/> Legal Opinion	<input type="checkbox"/> Minute Order
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FACADE OVERVIEW

Purpose & Intent

Promote Economic Development
Revitalize existing commercial areas
Increase values of property
Assist existing or new businesses
Fix code violations
ADA compliance

Eligible Façade Improvement

Façade
Windows
Paint
Awnings/canopies
Brick/Stone
Doors
Tenant Improvements

Landscaping
Removal of old plants
New plants/trees
Irrigation
Accent Lighting
Drainage

Signage
Removal of old pole signs
New signage
Change lighting
Relocation

Ineligible Façade Improvement

Playground or recreational equipment
Outdoor dining/seating
Structural changes
Additions over 20%
New commercial construction
Burglar bars
Interior remodel
"Sweat equity"

Applicant

Eligible
Sole proprietors
For-profit
Non-profit
Not delinquent on City taxes
In business 3 years or more
Zoned for commercial use
Multi-tenant properties

Ineligible
Government
Residences
Home Business
Check cashing
Bars
Taverns
Liquor stores
Gun shops
Tattoo parlors
Pawnshops

FACADE OVERVIEW

Parking & Drives

Remove or relocate existing drives
New parking paving
Resurfacing/stripping

Pedestrian Amenities

Benches/porch swings
Umbrellas
Front Porch
Window boxes
Gazebos
Trellises
Sidewalks
Curbing

Infrastructure

Roof repair
Equipment
Security/alarm system
Gutters
Downspouts

FACADE OVERVIEW

SOB Businesses

Targeted Area/Businesses

Downtown revitalization
Main commercial corridors
Entry portals to community
Retail, restaurants, grocery

City Facade Match

	<u>Exterior Improvements</u>	<u>Updated Signage</u>	<u>Eligibility Criteria</u>
<u>North Richland Hills</u>	25% match up to \$20,000	50% match up to \$5,000	<p>Commercial property only, within target area, approved City plans, conformance to code, current on taxes. Must use licensed and/or bonded contractors, references/ratings must be provided.</p> <p>Can be used for exterior improvements, utility upgrades, impact fees</p> <p>Complete façade rehabilitation, replacement of broken windowpanes, and exterior treatments such as brick, tile, stucco, stone, wood or siding</p> <p>Meet Secretary of Interior's Standards for Rehabilitation and the City Municipal Codes and Ordinances. Must complete work within 1 year. Current on taxes.</p>
<u>TEDC</u>	50/50 reimbursement, up to \$25,000		
<u>Balch Springs</u>	50% match up to \$5,000		
<u>Denton</u>	50/50 reimbursement		
<u>Haltom City</u>	50% match up to \$10,000	50% match up to \$10,000	<p>Restoration of architectural details, landscaping and well proportioned signage and lighting. Must be owner or tenant in a commercial zoned property. Nonconforming signage on property must be permanently removed. Current on taxes and no outstanding code violations. If tenant, permission must be obtained from owner. Cannot change the improved facade for 3 years.</p>
<u>Colleyville</u>	50% match up to \$15,000, minimum business investment of \$5,000	50% match up to \$15,000, minimum business investment of \$5,000	<p>Must meet minimum city criteria for commercial building design.</p>
<u>Aledo</u>	100% match up to \$2,500	100% match up to \$1,500 for monument or permanent freestanding signs. 100% match up to \$1,000 for wall signs.	<p>Must be located in targeted zone for 100% match. If outside of targeted zone, eligible for 50% match. Must be an existing commercial property. Must comply with city's standards.</p>
<u>Keller</u>	50% match up to \$5,000		

Committee approval

Required to ensure each application/project meets and/or exceeds program intent

Focus is on the building, not the business

Easy and Quick approval process, must meet code

Must meet with staff for initial project discussions. Submit application. Cannot begin project until approved by ED Committee and "Notice to Proceed" is received from the city staff. Receipts for labor and materials should be submitted for review. Reimbursement check will be issued after the project is complete.

Business submits a written business plan for review. Grants given upon successful completion and inspection. Agreement is only between MDD and the owner of the facility.

Property owner/developer applies to the committee. A tenant with a fully executed lease of not less than 3 years may apply. Grants are given on an invoice-reimbursement basis only and paid upon successful completion of all improvements.

City Incentive Programs

Site Development/Demolition/
Redevelopment Assistance

Public Infrastructure

Eligible Projects

Colleyville Tax Rebate x

x

case-by-case basis

Real property improvements including buildings, structures, fixed equipment, site improvements & office space that will be OWNED by the business. Must increase taxable value by \$5 million in real & business personal property excluding inventory & supplies OR is determined to bring extraordinary benefit. Must create 10 permanent jobs and city revenue must exceed a minimum amount.

Northlake x

Must increase property assessed value by 50%

New construction or expansion or modification of property

Aledo 50% of new sales tax for 5 years

Keller Tiered rebate based on amount of sales.

Grant for all or portion of building permit fees, development fees, connection fees and impact fees.

Cost of extension, construction or reconstruction of public infrastructure.

case-by-case basis

Azle Incentives

	<u>Sales Tax Rebate</u>	<u>Site Development, Demolition, Redevelopment Assistance</u>	<u>Public Infrastructure</u>	<u>Cash Grants</u>
Industry				
Ineligible Industries				
Zone				
Job Criteria				
Full Time Permanent				
Full Time Equivalent				
Wage Requirement				
Capital Investment				
Direct Tax Benefit (ROI 2.5)				
Property Assessed Value				
Sales Tax Revenue				
Property Ownership				
Lease Period				
Years in Businesses				
Financials				
Expansion vs. Retention				
Financial Commitment (Secured Funding)				