



GARLAND

NOTICE OF MEETING CITY OF GARLAND, TEXAS

TAX INCREMENT FINANCE BOARD #3

**Work Session Room of City Hall
William E. Dollar Municipal Building
200 N. Fifth Street
Garland, Texas
May 21, 2025 at 6:00 p.m.**

A meeting of the Tax Increment Finance Board #3 of the City of Garland, Texas will be held at the aforementioned location, date, and time to discuss and consider the following agenda items.

AGENDA:

1. APPROVAL OF MINUTES

- a. Approval of the minutes of the January 28, 2025 Meeting.

2. PUBLIC COMMENTS

Persons who desire to address the Committee on any item on the agenda are allowed three minutes to speak. Testimony may be held until the item is considered or given at the beginning of any committee meeting. Invited testimony may also occur at any time, subject to a request of the Member of the Committee and with the approval of the Committee Chairperson.

3. ITEMS FOR INDIVIDUAL CONSIDERATION

- a. **Update on Preliminary 2025 Tax Base and TIF #3 Revenues**

Staff will provide an update on Preliminary 2025 Tax Base and TIF #3 Revenues.

- b. **Update on USL Professional Soccer Team**

Staff will provide an update on the USL Professional Soccer Team.

- c. **Update on Medical District Projects**

Staff will provide an update on Medical District Projects.

- d. **Discuss Updating the TIF #3 Project and Financing Plan to Include Reimbursement Cost Associated with the Design and Construction of a Multipurpose Soccer Training Facility Generally Located at the Southeast Corner of Holford Road and President George Bush Tollway (Hwy190).**

Board members will discuss updating the TIF #3 Project and Financing Plan to include reimbursement cost associated with the Design and Construction of a Multipurpose Soccer Training Facility generally located at the southeast corner of Holford Road and President George Bush Tollway (Hwy190).

4. ADJOURN

NOTE: A quorum of the City Council may be in attendance and may or may not participate in the discussions of the Committee or board.



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Tax Increment Financing Boards - #3

1. a.

Meeting Date: 05/21/2025

Item Title: Approval of Minutes

Summary:

Approval of the minutes of the January 28, 2025 Meeting.

Attachments

01.28.2025 Draft Minutes

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MINUTES

The Tax Increment Finance #3 Board of the City of Garland convened in regular session at 6:00 p.m. on Tuesday, January 28, 2025, in the Work Session Room, 200 North Fifth Street, Garland, Texas, with the following members:

Present: Patrick Abell, Chair
Bob Duckworth, Co Chair
Beena Varnan, Board Member
David Perry, Board Member
Lori Barnett Dodson, Board Member
Mehwish Khanum, Board Member
Tony Torres, Board Member

Absent: Arleen Macias, Board Member

Staff Present: Andy Hesser, Assistant City Manager
Matt Watson, Chief Financial Officer
Allyson Bell Streadman, Budget Director
Ayako Schuster, Economic Development Director
Kimberly Garduno, Business Development Manager, Economic Development
Courtney Vanover, Recording Secretary

1. APPROVAL OF MINUTES

a. Approval of Minutes of the August 28, 2024, Meeting

Motion was made by Lori Barnett Dodson to approve the minutes of the August 28, 2024 meeting and was seconded by Tony Torres. Motion carried unanimously.

2. PUBLIC COMMENTS

Persons who desire to address the Committee on any item on the agenda are allowed three minutes to speak. Testimony may be held until the item is considered or given at the beginning of any committee meeting. Invited testimony may also occur at any time, subject to a request of the Member of the Committee and with the approval of the Committee Chairperson.

There were no speakers on this item.

3. ITEMS FOR INDIVIDUAL CONSIDERATION

a. Update on the 2025 Bond Program and Medical District

Mr. Hesser and Mr. Watson provided a presentation to the committee outlining funding priorities for various city projects. The following key areas and allocations were discussed regarding the Medical District:

Creation and Purpose: TIF #3 was established in 2018 to encourage redevelopment within the Medical District following the closure of Baylor Scott & White.

Boundary Expansion: In 2024, the boundaries of TIF #3 were expanded north and south along Shiloh Road to include vacant land in North Garland and primarily city-owned vacant land in South Garland.

Expiration Date: The TIF is set to expire on December 31, 2048.

Project Plan & Budget: The current TIF Project Plan allocates funding as follows:

- \$50.8 million for redevelopment within the Medical District.
- \$157.2 million for projects in the North and South Expansion along Shiloh Road.

Future Development: The project plan was intentionally drafted with broad language to allow for flexibility in bringing forth new projects as specific budgets and concepts are identified.

Mr. Hesser and Mr. Watson provided a presentation to the committee outlining funding priorities for various city projects. The following key areas and allocations were discussed regarding the 2025 Bond Program:

Streets

Prioritized Amount: \$230,000,000 (64% of total funding)

Scope: Street and alley improvements citywide and Gateway and corridor beautification projects

Economic Development

Prioritized Amount: \$75,000,000 (21% of total funding)

Scope: Land assembly and development incentives for key areas, including the Medical District, Harbor Point, and South Garland. Trails and other parks and recreational amenities, with a focus on Harbor Point

Cultural Arts Facilities

Prioritized Amount: \$25,000,000 (7% of total funding)

Scope: Renovation of the Granville Arts Center in Downtown

Parks and Recreation Improvements

Prioritized Amount: \$30,000,000 (8% of total funding)

Scope: Public waterfront access and Trails and other parks and recreational amenities, with a focus on Harbor Point

There was discussion between the board members and staff. The committee received the presentation for informational purposes. No formal action was taken.

b. Update on South Garland Portion of the TIF

Mr. Hesser and Mr. Watson provided a presentation to the committee outlining funding priorities and progress for the South Garland Avenue Catalyst Area improvements. The key points discussed included:

Land Acquisition & Parcel Assemblage

The redevelopment efforts include the acquisition of several properties:

Hypermart (24.3 acres) -- Purchased for \$5.4 million

Cinemark (3.0 acres) -- Purchased for \$4.207 million

Otter Storage (3.9 acres) -- Purchased for \$5.875 million

Landscape (2.5 acres) -- Purchased for \$2.007 million

Truck Parking (1.4 acres) -- Purchased for \$1.25 million

DART (6.0 acres) -- Purchase price to be determined by DART

The total acreage acquired to date is 41.1 acres, with a total purchase cost of \$18.74 million. An additional 10 acres are currently under negotiation, bringing the projected total land assembly to 51.12 acres.

Next Steps

The following action items were identified for the next phase of the project:

- Completion of parcel assemblage
- Millay Road realignment
- Relocation of the DART South Garland Bus Transit Center
- Finalization of the Interlocal Agreement (ILA) with DART
- Completion of the 6-acre acquisition
- Design of a new bus transit center by DART
- Issuance of a Request for Proposals (RFP) for a master developer

The committee received the presentation for informational purposes. There was discussion between the board members and staff. No formal action was taken.

- c. Consider Updating the TIF #3 Project and Financing Plan to include project costs associated with the Design and Construction of a Professional and Youth Athletic Complex located generally at Holford Road and President George Bush Turnpike and updating all required schedules, maps, and estimates on revenue, expenditures, and bonded indebtedness required under chapter 311.011 of the Texas Tax Code for this project.

Mr. Hesser and Mr. Watson provided a presentation regarding the inclusion of project costs associated with the design and construction of a professional and youth athletic complex at Holford Road and President George Bush Turnpike.

Key discussion points included:

TIF Revenue Projections: The North-South expansion is projected to collect approximately \$5 million by the end of 2025 and generate \$141 million by 2048 under conservative estimates. If the TIF is extended, revenue could increase to \$197 million.

Bond Issuance Strategy: The proposal includes issuing \$43 million in TIF revenue bonds with a 6% interest rate. These bonds will be backed solely by TIF revenues and not by the city's taxing authority. A 1.25x debt coverage ratio will be maintained to ensure financial stability.

Conservative Financial Approach: The financial model assumes minimal growth rates (1.5% for base values, 35% of estimated data center values, and \$100 million in South Garland redevelopment projections).

Impact on Medical District Funding: Concerns were raised regarding potential limitations on Medical District funding due to the bond issuance. The proposal includes a Medical District Reserve fund to ensure adequate resources for hospital recruitment and infrastructure improvements.

Contingency Planning: If the 2025 Bond Package fails, alternative funding sources, including partnerships with Parkland Hospital and other private developers, may be pursued.

Motion was made by Lori Barnett Dodson to approve updating the TIF #3 Project and Financing Plan with conservative revenue and expenditure projections, bond funding for the athletic complex, and legal protection ensuring that bond issuance is contingent on finalized agreements, and was seconded by Bob Duckworth. Motion carried unanimously.

- d. Consider Extending the termination date of TIF #3 to December 31, 2055

The Board considered extending the termination date of TIF #3 to align with the financing needs of the proposed athletic complex and future development projects. Key considerations included:

- Ensuring sufficient time for bond repayment and revenue generation.
- Allowing for long-term economic development planning within the TIF district.
- Maintaining financial flexibility in case of unforeseen economic conditions or project delays.

Motion was made by Lori Barnett Dodson to approve a seven-year extension of the TIF 3, setting the new termination date of December 31, 2055, and was seconded by Bob Duckworth. Motion carried unanimously.

4. Future Agenda Items and Meeting Dates

Future Agenda Items:

- The Board discussed the need to appoint a Co-Chair to serve in the absence of the Chair during meetings. This item will be placed on a future agenda for consideration and potential action.

Future Meeting Dates:

The Board discussed the need to hold meetings more frequently due to ongoing developments and project updates. Staff proposed waiting until after the February 4, 2025, City Council meeting to determine the best schedule moving forward. It was noted that the Board typically meets quarterly, with meetings scheduled for the fourth Wednesday of the quarter. Due to scheduling conflicts and project timelines, an additional meeting may be held in late February or March to provide updates on agreements and the inclusion of bond-related provisions.

5. ADJOURN

There being no further business to come before the Tax Increment Finance #3 Board, the meeting was adjourned at 7:54 p.m.



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Tax Increment Financing Boards - #3

3. a.

Meeting Date: 05/21/2025

Item Title: Update on Preliminary 2025 Tax Base and TIF #3 Revenues

Summary:

Update on Preliminary 2025 Tax Base and TIF #3 Revenues

Staff will provide an update on Preliminary 2025 Tax Base and TIF #3 Revenues.



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Tax Increment Financing Boards - #3

3. b.

Meeting Date: 05/21/2025

Item Title: Update on USL Professional Soccer Team

Summary:

Update on USL Professional Soccer Team

Staff will provide an update on the USL Professional Soccer Team.



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Tax Increment Financing Boards - #3

3. c.

Meeting Date: 05/21/2025

Item Title: Update on Medical District Projects

Summary:

Update on Medical District Projects

Staff will provide an update on Medical District Projects.



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Tax Increment Financing Boards - #3

3. d.

Meeting Date: 05/21/2025

Item Title: Discuss Updating the TIF #3 Project and Financing Plan to Include Reimbursement Cost Associated with the Design and Construction of a Multipurpose Soccer Training Facility Generally Located at the Southeast Corner of Holford Road and President George Bush Tollway (Hwy190).

Summary:

Discuss Updating the TIF #3 Project and Financing Plan to Include Reimbursement Cost Associated with the Design and Construction of a Multipurpose Soccer Training Facility Generally Located at the Southeast Corner of Holford Road and President George Bush Tollway (Hwy190).

Board members will discuss updating the TIF #3 Project and Financing Plan to include reimbursement cost associated with the Design and Construction of a Multipurpose Soccer Training Facility generally located at the southeast corner of Holford Road and President George Bush Tollway (Hwy190).
