

Town of Fairview Tax Increment Financing District

Presented to the Collin County Commissioners Court

December 12, 2016



Fairview TIRZ (TIF)

Background:

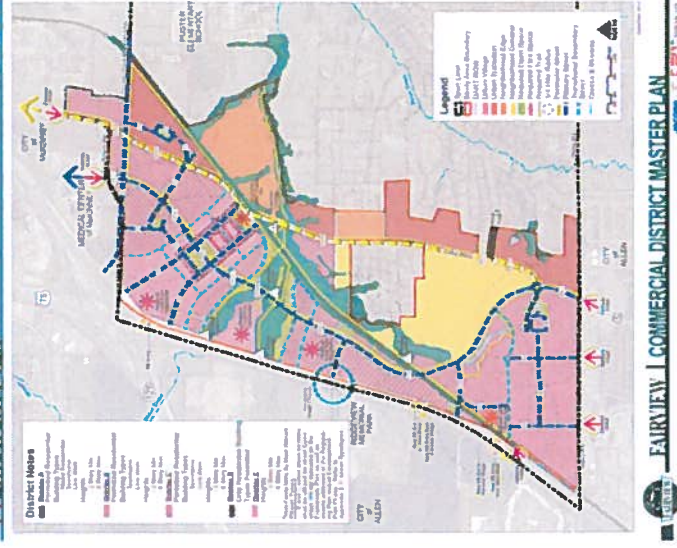
- Acreage – approximately 800 acres in total, approximately 400 acres under or fully undeveloped
- Northern Border – generally Frisco Road
- Eastern Border – generally either side of State Highway 5
- Southern Border – generally along Stacy Road
- Western Border – along US 75



Zoning Map for Development within the Fairview Commercial District

- Approved Zoning - The area included in the TIF is zoned for urban development including office, entertainment, commercial, retail and urban residential housing types including multifamily and higher density single family uses such as townhomes and condominiums
- Primary thoroughfares include – US 75, Highway 5, Stacy Road, Fairview Parkway and Frisco Road
- Existing land uses include – large tract vacant land generally in the north of the area, underdeveloped smaller tracts along Highway 5, The Village at Fairview shopping center, Town owned facilities
- Construction underway - 2 hotels, senior restricted luxury apartments, town homes and manor homes

Framework Plan



Fairview TIF Base Features

- Base year for Town – 2015
- Proposed Base year for County – 2016
- Life of TIF – 40 years, County would be 39 years
- Funds are derived from a portion of the M&O tax - 75% of M&O Tax Rate for the Town, 50% of the M&O Tax Rate for the County
- No Business /Personal Property or Sales Taxes are included in the TIF, those revenues go directly into the Town and County General Funds

TIF Project Highlights

Project Plan developed by Larry Cline and Associates

Key TIF Highlights

- Base Year Taxable Value for County - \$196,447,640 in 2016 (includes existing value for Village at Fairview Shopping Center)
- Over 300 acres in the TIF currently receiving Agricultural Exemption
- Estimated increased value due to development over the life of the TIF - \$791,000,000
- Development anticipated to be added over the life of the TIF:
 - *Over 440,000 square feet of retail development*
 - *Over 4,200,000 square feet of office*
 - *Over 2,300 higher density housing units*
 - *Over 12,000 employment positions*

TIF Revenue Generated and Town/County Revenue Retained Using 2016 Tax Rates*

Estimated TIF Tax Revenue over the life of the TIF –	Town(75%M&O)	County(50% M&O)
Total Estimated Revenue from TIF	\$66.6 million	\$38.6 million
Total Contributed to TIF Fund	31.6 million	14.2 million
Total Retained for Town and County (based on total tax rate staying constant)	35.0 million	24.4 million
Does not include Business/Personal Property or Sales Taxes		
Town Participation from All Revenues		33.8%
Proposed County Participation from All Revenues		30.8%

*TIF projection assumes a constant tax rate

Initial TIF Development

Within the next two years, it is expected that the following developments within the TIF located in areas that do have existing infrastructure will be completed:

◦ Multi family on Highway 5	\$29.6 Million
◦ Marriott Residence Inn	\$12.0 Million
◦ Home 2 by Hilton	\$12.0 Million
◦ Townhome Development, east of Highway 5	\$18. Million
◦ Sloan Creek Courts Town home development	\$9.8 Million
◦ Overture Fairview Luxury Senior Housing	\$35.0 Million

Proposed Projects to be Funded and Estimated Costs

Town and County Participation -

Road Network to include Fairview Parkway,

Frisco Road, the primary roads in the

North CPDD, and Ridgeview Overpass* \$28,200,000

Town Participation Only -

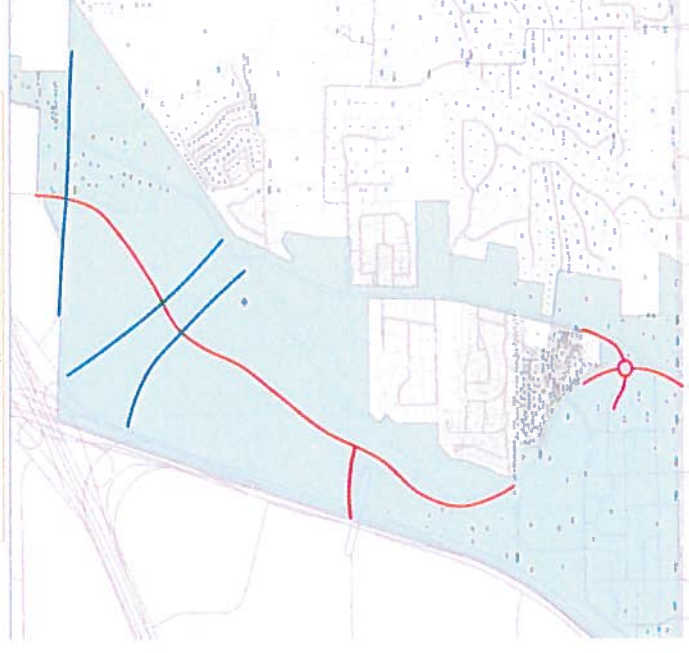
16"/12" Water Main Loops 5,300,000

16" Force Main and other Sewer Lines 6,100,000

Administration Costs 200,000

* Estimated Town Participation in Ridgeview TxDOT project

FAIRVIEW TAX INCREMENT FINANCING DISTRICT
ROADS INCLUDED



Interlocal Agreement: Key Details

Agreement is between Collin County and Town of Fairview

- Compliant with County TIRZ Policy
- County would begin participation with 2016 tax year
- County would participate for 39 years
- County increment of 50% of M&O tax rate would flow to the TIF Fund and 50% to County General Fund
- The Maximum Reimbursement Amount for the County is capped at \$15,709,556

Summary

- Town appreciates cooperative support from Collin County
- Clear County TIRZ Policy provides for a structured participation relationship with the Town
- County/Town Partnership supports orderly infrastructure development
- County/Town Partnership provides aligned support for Countywide employment and economic impact