Weatherford City Council

AGENDA REPORT

Meeting Date:	January 13, 2026	**Staff Contact:**	Ashley Seiler, Economic Development Director
Item Number:	2025-627-AR	**Phone:**	817-598-4279

SUBJECT: Consider adoption of Resolution R2026-02, authorizing the creation of the Weatherford Local Government Corporation Number 1.

BACKGROUND/DISCUSSION

Staff recommends the creation of the Weatherford Local Government Corporation Number 1 ("LGC"), a non-profit corporation formed under Subchapter D of Chapter 431, Texas Transportation Code, and Chapter 394, Texas Local Government Code. The LGC will serve as a financing and development vehicle to support the City's economic development objectives within Tax Increment Reinvestment Zone Number One (TIRZ 1).

Purpose of the LGC

The LGC is being created to:

- Issue debt on behalf of the City to finance public infrastructure and improvements within TIRZ 1
- Acquire, develop, and convey real property in support of mixed-use development projects
- Enter into development agreements and other contracts necessary to implement the TIRZ 1 project plan
- Provide a flexible financing structure that separates project-related debt from the City's general obligation debt

Governance Structure

The LGC will be governed by a five-member Board of Directors consisting of the Mayor and Council Members from Places 1, 2, 3, and 4. The City Manager will serve as President of the Corporation, and the city will provide administrative services under an interlocal agreement. This structure ensures that all significant decisions, including debt issuances, remain under Council control.

Key Provisions

- All debt issuances require City Council approval by resolution or ordinance
- LGC debt is not a general obligation of the city and does not pledge the City's faith and credit
- The LGC budget requires annual City approval
- Upon dissolution, all LGC assets revert to the City
- The LGC will be subject to annual independent audit and reported as a component unit in the City's Comprehensive Annual Financial Report

The LGC provides a mechanism to finance public improvements supporting this development using tax increment revenues generated within the zone. Specific financing terms and debt issuances will be brought to Council for approval as the project progresses.

FINANCIAL IMPACT

Immediate Impact: There is no immediate financial impact from the creation of the LGC. Formation costs, including Secretary of State filing fees, are nominal.

Future Financial Considerations:

- The LGC is authorized to issue both short-term and long-term debt with City Council approval
- Anticipated debt repayment sources include TIRZ 1 tax increment revenues, developer contributions, and other project-related revenues
- Specific debt amounts, terms, and repayment structures will be presented to Council for approval prior to any debt issuance
- LGC financial activity will be included in the City's annual audit and reported as a discretely presented component unit

Staff will return to Council with detailed financing proposals as the projects advance. No debt will be issued without separate Council authorization.

SUGGESTED ACTION

Staff recommends approval of Resolution R2026-02, authorizing the creation of the Weatherford Local Government Corporation Number 1.

ATTACHMENTS

- R2026-02