

THE BOND BUYER

A \$250 million bond plan would create an island in Fort Worth

By

Richard Williamson

Published

May 02, 2018, 2:38pm EDT

DALLAS -- A proposal for \$250 million of flood control bonds could have a dramatic impact on a section of Fort Worth by creating a new recreation-focused island.

Promoters pitch Panther Island as an 800-acre mixed-used development surrounded by more than 12 miles of canals and a continuous river walk. Housing, restaurants, shops and entertainment venues are part of the plan.

The development is contingent on rechanneling a 1.5-mile stretch of the Trinity River north of the Tarrant County Courthouse to carve out Panther Island.

To make that possible, voters in within the Tarrant Regional Water District boundaries will vote on \$250 million of bonds Saturday for "flood control and drainage facilities." The proposal does not mention Panther Island.

"The water district's bond proposition will allow matching federal and state funds to help complete the current Trinity River channel rerouting project over the next 10 years," the Fort Worth Chamber of Commerce wrote in supporting the measure.

"This is critical as the river's current flood control levee system was designed for our population back in 1960, which has since tripled causing a dangerous amount of runoff flow into the Trinity River," according to the chamber. "This project will also restore land for community use that is currently either in the flood plain and/or has been unusable due to past environmental contamination."

While no organized opposition has formed, individual citizens have challenged the plan as a waste of taxpayer dollars.

The TRWD ballot coincides with a \$400 million bond proposal from the city that will also be decided Saturday. The city's bonds would be used for traditional projects such as streets, parks and drainage.

“Neither bond package will increase our local tax rates,” the chamber points out in its promotion of both proposals.

Most of the Panther Island work will be financed by a tax-increment finance district that will use revenue from the increased property value from the neglected section of the city north of downtown.

Launched in 2004 and expanded in 2009, the Panther Island project aims to improve flood control, clean up the Trinity River corridor environment and create recreation opportunities on more than 3,000 acres. The goal is to complete the project by 2028.

The project is a combined effort of the water district, city of Fort Worth, Tarrant County and the U.S. Army Corps of Engineers. Estimates of the project’s cost were originally \$435 million in 2005, then increased to \$909.9 million in 2009 with the addition of improvements in a related development called Gateway Park.

The city, which designates the area as TIF No. 9 or the “Trinity River Vision,” anticipates that property value will rise from \$469 million currently to \$2.5 billion by 2044.

“The area that will become Panther Island became the focus of increased near-term development interest, as continued progress of infrastructure improvements together with increased confidence in the availability of federal funding to support the flood control project has combined to make more immediate investment in the area more attractive to developers and lenders,” a city [report](#) on the project said.

TRWD is the local sponsor for 27 miles of federal floodway levees along the West and Clear Forks of the Trinity River that were built in partnership with the U.S. Army Corps of Engineers in the 1960s.

“The existing flood control levee system was designed when Fort Worth’s population was approximately 350,000 people,” the district says. “Over the last several decades, that population has grown to almost 900,000 residents.”

TRWD once expected to fund its share of the project with revenues from natural gas production on district properties. However, a dramatic drop in natural gas prices over the last few years has erased that option.

“TRWD believes that a bond option could achieve the following objectives: maintain existing general revenue caps on what local government partners previously committed to this project; not increase TRWD’s property tax rate; and

provide funding to allow the matching federal/state funds to help complete the project by 2028,” the district explains.