

# Vickery Meadow TIF District FY 2019-2020 Annual Report



(Source: Northwood Retail, LLC)

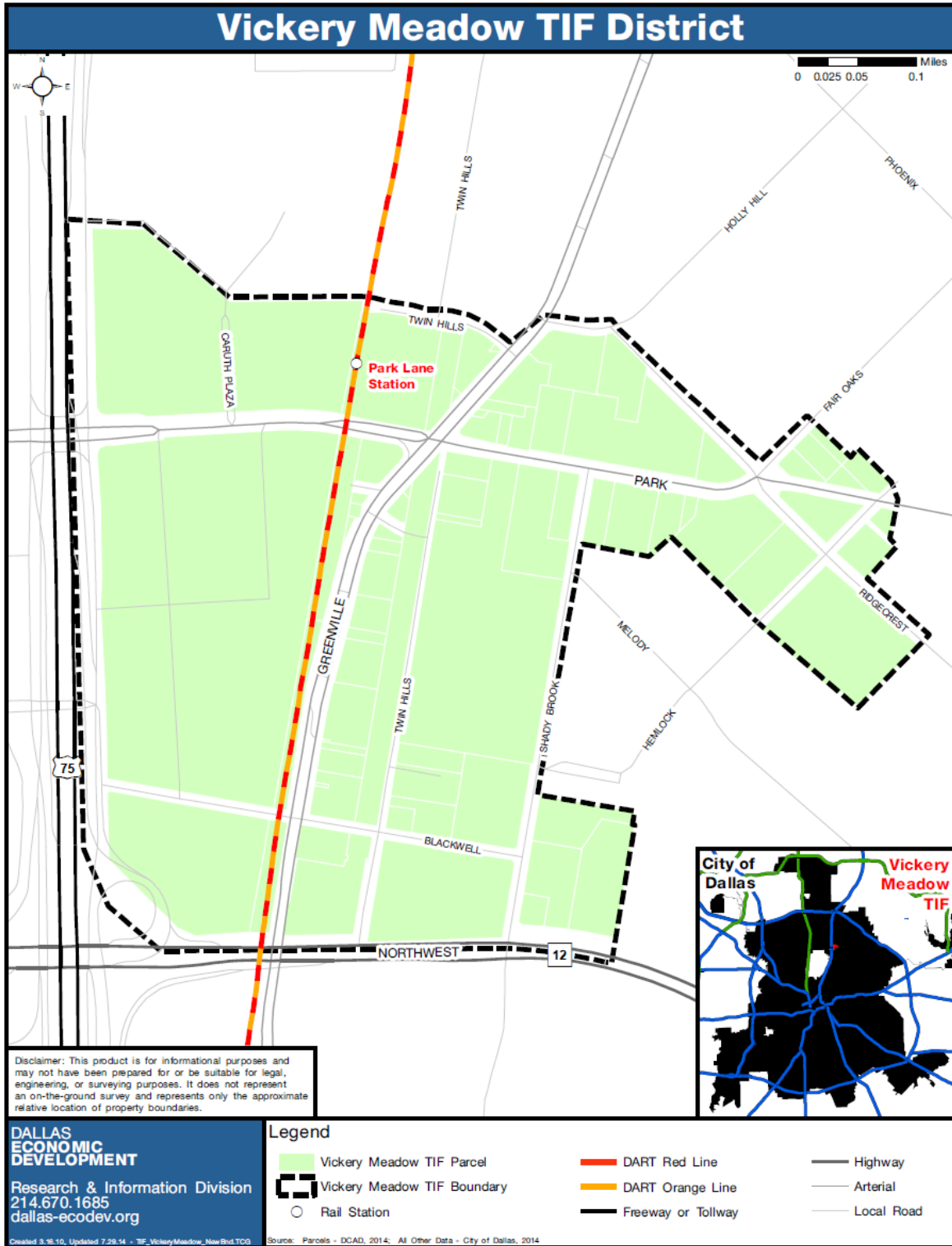


**City of Dallas**

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**October 1, 2019 to September 30, 2020**

# Reinvestment Zone Number Nine Vickery Meadow Tax Increment Financing District



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## Mission Statement

The Vickery Meadow Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping urban corridors to take full advantage of the expanding DART light rail system, to promote transit-oriented development and to implement appropriate urban design standards. The mission of the Vickery Meadow TIF District is to provide a source of funding to enhance private investment in the real estate market for the Vickery Meadow TIF District area.

The Dallas City Council established the Vickery Meadow TIF District by Ordinance Number 25964 on April 27, 2005. The Vickery Meadow TIF District took effect on January 1, 2006 and will terminate on December 31, 2027 (including collection of the 2027 increment in calendar year 2028 and any related matters to be concluded in 2028) or when the budget of \$32.2 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 80%, and the County's participation is 55% of taxes generated by the properties within the District by the respective taxing jurisdictions.

## District Accomplishments

The District was established to facilitate the creation of a catalyst mixed-use development on North Central Expressway and Park Lane (The Shops at Park Lane) and to, ultimately, stimulate redevelopment activities within the District's remaining areas, including the area generally known as "Five Points" (located generally around the intersection of Park Lane, Ridgcrest Road and Fair Oaks Avenue).



The first phase of Half Price Books, Records, Magazines, Inc.'s multi-phase plan to redevelop the former Parker Plaza site was completed in 2015. It included the demolition of two dilapidated structures and the conversion of a vacant warehouse into a REI sporting goods store that contains 34,296 square feet of retail space. During FY 2018-2019, Half Price Books broke ground on construction of a second phase of development, BookMark Center, just north of REI. The project will include a 5,000 square foot restaurant space and a four-level retail and office building with more than 27,000 square feet.



The REI sporting goods store that was built as part of Half Price Books' multi-phase plan to redevelop the former Parker Plaza site



BookMark Center retail and office space under construction as part of Half Price Books' multi-phased development

In Fall 2018, Costco announced plans to renovate the vacant Sam's Club building at 8282 Park Lane. Approximately \$10,000,000 was invested in the renovation. The 133,000 square foot building is the first North Texas site for Costco's Business Center, focused on small businesses and business-to-business sales. However, it is open to anyone with a Costco Membership. The store opened in September 2019.

As part of the November 2017 voter-approved bond election, the City committed to the construction of a new library in the Vickery Meadow area. During FY 2018-2019, construction started on the library. The approximately \$8 million library includes a youth center funded by a \$752,000 grant from Crystal Charity Ball. The Vickery Meadow library is nearing completion and will open in 2021.



<b>Vickery Meadow TIF District Projects<sup>1</sup></b>						
<b>Projects and Potential Projects Within TIF District Utilizing TIF Funding</b>						
<b>Project</b>	<b>Location</b>	<b>Status</b>	<b>Calendar Year Complete</b>	<b>Units/ SF</b>	<b>Approx. Value<sup>2</sup></b>	<b>TIF Investment</b>
The Shops at Park Lane Phase I	8010 Park Lane	Complete	2009	585 apartment units; 666,524 square feet of retail space; 383,640 square feet of office space; and parking	\$328,885,000	\$20,000,000 (principal); \$13,000,000 (interest)
<b>Sub-Total</b>	<b>585 apartment units, 666,524 square feet retail space, 383,640 square feet office, and parking structure</b>				<b>\$328,885,000</b>	<b>\$33,000,000</b>
<b>Projects Within TIF District That Are Not Utilizing TIF Funding</b>						
<b>Project</b>	<b>Location</b>	<b>Status</b>	<b>Calendar Year Complete</b>	<b>Units/ SF</b>	<b>Approx. Value<sup>2</sup></b>	<b>TIF Investment</b>
Half Price Books Mixed-use Project Phase I	5929 and 5905 East Northwest Highway	Phase I Complete	2015	Approximately 34,296 square feet of retail space, and Starbucks location	\$9,266,350	\$0
Costco Business Center	8282 Park Lane	Complete	2019	135,780 square feet of retail	\$14,449,730	\$0
Half Price Books Mixed-use Project Phase II	6730 Shady Brook Lane	Under Construction	TBD	5,000 square foot retail plus 27,000 square foot mixed-use (approx 6,750 retail and 20,250 sf office)	\$8,500,000 (approximate investment)	\$0
<b>Sub-Total</b>	<b>Completed and Under Construction: 181,826 sf retail, 20,250 sf office</b>				<b>\$32,216,080</b>	<b>\$0</b>
<b>Total Projects Within TIF District Utilizing and Not Utilizing TIF Funding</b>						
<b>Total</b>	<b>Complete: 383,640 square feet office, 836,600 square feet retail, 585 residential units</b> <b>Under Construction: 20,250 office, 11,750 square feet retail</b>				<b>\$352,601,080 (complete)</b> <b>\$8,500,000 (under construction)</b>	<b>\$33,000,000</b>

<sup>1</sup> All information updated as of September 30, 2020.

<sup>2</sup> Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.

<b>District Initiatives</b>				
<b>Activity</b>	<b>Scope</b>	<b>Status</b>	<b>Investment</b>	<b>Source</b>
<b>Vickery Meadow Improvement District (VMID) – TREC 2006 Community Grant</b>	The Real Estate Council (TREC) of Dallas awarded a grant to be used to create a Planned Urban Design (Neighborhood Plan) for the Vickery Meadow Community	Organizational stages. James Harwick + Partners, Inc. architectural design firm was hired to complete the plan. The plan was completed in 2009 and was adopted by the VMID Executive Board January 15, 2010.	\$78,000 total Includes: \$50,000 \$28,000	TREC of Dallas  VMID funds
<b>The Real Estate Council Foundation, McCormack, Baron Salazar (MBS) – Economic Development Action Plans</b>	The Real Estate Council Foundation and private donations provided financial support to engage McCormack Baron Salazar to develop action plans for economic development in three City Council designated areas:  1. Lancaster Corridor 2. South Dallas/Fair Park 3. Five Points in Vickery Meadow	The Development Action Plans by MBS were released in January 2011.	\$750,000 min Includes:  \$275,000  \$275,000  \$200,000	The Real Estate Council Foundation of Dallas  MBS Investment  Private Donations
<b>HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing</b>	Community Challenge Planning Grant from HUD used for planning and preconstruction activities related to affordable housing and transit-oriented development for 7 DART stations. Completed 5 area plans, including the Vickery Meadow area plan. Also funded preconstruction and design work for a mixed-use development anchored by a new VM branch library.	City Council authorized a professional services contract with Fregonese Associates, Inc. for the related planning activities on December 14, 2011.  City Council authorized a professional services contract with DMA Development Company, LLC for the related activities on September 25, 2013	Total federal grant Amount: \$2,225,000/ \$2,670,000 overall  Approximately \$950,000 spent in for the Vickery Meadow TIF District including \$445,000 as the local match	\$505,000 HUD Funds  \$445,000 TIF Funds
<b>Vickery Meadow Community Court Initiative at former Fire Station</b>	6742 Greenville Avenue to repurpose for community court, associated offices, and lease space to serve Vickery Meadow Neighborhood	On March 25, 2020, City Council authorized a construction contract for the renovation of the 6,453 sq. ft building for court, law and social service offices; completion January 2021	\$1,362,777	CDBG Funds
<b>Dallas Housing Trust Fund</b>	On December 12, 2018, City Council approved transfer of funds to seed the Dallas Housing Trust Fund	Transfer is complete	\$649,097	TIF Funds (a portion of Harvest NPE, L.P deposit)

## Value and Increment Summary

The Vickery Meadow TIF District's 2020 assessed taxable value was \$565,515,300. This represents an increase of \$400,736,210 (243%) over the 2005 adjusted base year value and an increase of \$36,247,630 (7%) over the taxable value for 2019. With the participation of the City and Dallas County, the increase over the base year value will result in 2021 tax year collection (from 2020 values) of approximately \$3,010,073 in total incremental revenue for the District.

## Objectives, Programs and Success Indicators

The Vickery Meadow Final Project Plan and Reinvestment Zone Financing Plan were approved on December 14, 2005. The plans' development goals are provided below:

- Facilitate private development within the Vickery Meadow TIF District to stimulate and diversify the area's economy, eliminate unemployment or underemployment, and develop or expand business, transportation, and commercial activity.

*The Shops at Park Lane has transformed that portion of the Vickery Meadow TIF District, leading to \$328,885,000 in property value and thousands of jobs.*

- Secure new private development consisting of at least 850,000 square feet of retail space, 200 hotel rooms, 625 residential units (rental and owner occupied), and 410,000 square feet of office space.

*The following progress has been made since the District's creation:*

- *0 hotel rooms have been built or are planned (0.0% of the goal)*
- *585 residential units have been built offering various types of housing for sale and rental at the Shop of Park Lane. Collectively, this represents 93.6% of the goal.*
- *383,640 square feet of office space has been built and another approximately 20,250 square feet is being constructed (98.5% of the goal).*
- *836,600 square feet of retail space has been built and another 11,750 square feet is under construction (99.8% of the goal).*
- Focus on traffic improvements and the redevelopment of properties within the Five-Points area as increment funds accumulate and can be supplemented with non-TIF sources.



*Staff continues to work with the Vickery Meadow Public Improvement District (PID) and other stakeholders to address these issues.*

- Encourage the redevelopment of the “Park Lane” site and improve pedestrian connections between the existing DART Park Lane light rail station to increase density while providing enhanced urban design for the TIF District.

*The following progress has been made since the District’s creation:*

- *Staff continues to work with DART and Northwood Retail, LLC to identify potential funding for the construction of a pedestrian platform that would extend from the light rail station to the south side of Park Lane.*
- *Staff is investigating improved pedestrian connections between Park Lane and NorthPark Center.*
- Generate approximately \$32.2 million (2006 NPV) in increment over a 20-year period (approximately \$52.06M in total collections).

*Including the estimated 2020 increment, the Vickery Meadow TIF District NPV collections are \$16.9 million (52.5% of the goal) and \$23.3 million in total collections (44.7% of the goal). There are seven more years of increment collections until TIF District termination.*

## Year-End Summary of Meetings

The Vickery Meadow TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The Board, which met one time during the fiscal year, on December 12, 2019, consisted of the following members:

- Mike Poss (Chair) – City Representative (attended 1 of 1 meeting)
- Jake Golvach – City Representative (attended 1 of 1 meeting)
- Shannon McCord – City Representative (attended 1 of 1 meeting)
- John Hazelton – City Representative (attended 1 of 1 meeting)
- Brian Driesse – Chair, City Representative (attended 1 of 1 meeting)
- Rick Loessberg – Dallas County Representative (attended 0 of 1 meeting)

The Dallas City Council approved one item directly related to the TIF District during the fiscal year. The item is summarized below:

On February 26, 2020, City Council approved Resolution Number 20-0338, accepting the FY 2017-2018 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine (Vickery Meadow TIF District or District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

City Council also approved the following item related to the TIF District:

On March 25, 2020, City Council approved Resolution Number 20-0461, authorizing a construction contract with J.C. Commercial, Inc. for the renovation of the decommissioned former Fire Station No. 37 as the new Vickery Meadow Community Court located at 6742 Greenville Avenue in an amount not to exceed \$1,362,777.00 - Financing: Community Development Block Grant Funds.

## Pending TIF Items

The Vickery Meadow TIF District's pending items include the following:

- Approval of the FY 2019-2020 Annual Report

## Budget and Spending Status

The Vickery Meadow TIF District's Project Plan and Reinvestment Zone Financing Plan established a budget for public improvement expenditures that are necessary to support private investment. The District budget and spending to-date are provided on the following charts:

<b>Vickery Meadow TIF District Project Plan Budget</b>			
<b>Projected Increment Revenues to Retire TIF Fund Obligations</b>			
<b>Category</b>	<b>TIF Budget (Actual)<sup>1</sup></b>	<b>Allocated &amp; Spent<sup>2</sup></b>	<b>Remaining Balance</b>
<b>"Park Lane" Project:</b> - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non project costs	\$33,070,538	\$33,070,538	\$0
<b>Five-Points Area Improvements:</b> - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non project costs	\$16,535,269	\$0	\$16,535,269
<b>Administration and implementation<sup>3</sup></b>	\$3,629,657	\$556,916	\$3,072,741
<b>Total</b>	<b>\$53,235,465</b>	<b>\$33,627,454</b>	<b>\$19,608,010</b>

<sup>1</sup> Budget shown above in total dollars; TIF Project Plan shows the budget in net present value.

<sup>2</sup> Allocated amount includes the total amount of principal and interest estimated to accrue on this project.

<sup>3</sup> Administration and Implementation amount shown is through FY 2019-2020 and includes \$50,000 for District audits through 2012 and \$2,500 for consultant fees.

<b>Vickery Meadow TIF District Project Plan Budget (NPV Values)</b>	
<b>Category</b>	<b>TIF Budget (NPV)*</b>
<b>"Park Lane" Project:</b> - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs	\$20,000,000
<b>Five-Points Area Improvements:</b> - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs	\$10,000,000
<b>Administration and implementation</b>	\$2,195,100
<b>Total</b>	<b>\$32,195,100</b>

\* As approved in the Project Plan and Reinvestment Zone Financing Plan in 2006 dollars.

<b>Vickery Meadow TIF District M/WBE Participation</b>			
<b>Project</b>	<b>Contractor</b>	<b>Total Contract Award Amount</b>	<b>Percentage Minority Participation</b>
Park Lane (Public Work – goal 25%)	Varies	\$13,624,760	37.85% (\$5,156,683)
Park Lane (Private Shell – goal 5%)	Varies	195,538,520	9.67% (\$18,911,015)
<b>Total</b>		<b>\$209,163,280</b>	<b>11.51% (\$24,067,698)</b>

### **FY 2020-2021 Work Program**

The FY 2020-2021 work program for the Vickery Meadow TIF District is as follows:

- Identify additional redevelopment sites, potential developers and continue to seek growth in the District through the attraction of mixed-use, high-density development.
- Work with the DART, Vickery Meadow Public Improvement District and other entities on improvement initiatives for the Vickery Meadow area.
- Investigate additional funding sources for district-wide improvements that include a pedestrian platform that would extend from the Park Lane Light Rail Station across Park Lane.
- Assist with funding solutions for the Five-Points Intersection redevelopment.

## Appendix A – Financials

**City of Dallas, Texas**  
**Vickery Meadow Tax Increment Financing District Fund**  
**Balance Sheet as of September 30, 2020 (Unaudited)**  
**With Comparative Totals for September 30, 2019, 2018, 2017, and 2016 (Audited)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Assets:</b>					
Pooled cash and cash equivalents	\$138,078	\$810,981	\$756,522	\$733,483	\$695,714
Interest receivable	\$134	\$3,799	\$7,259	\$1,851	\$963
Total assets	<u>\$138,212</u>	<u>\$814,780</u>	<u>\$763,781</u>	<u>\$735,334</u>	<u>\$696,677</u>
<b>Liabilities and Fund Balance (Deficit):</b>					
<b>Liabilities:</b>					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$75,122	\$36,060	\$0	\$13,625	\$13,625
Total liabilities	<u>\$75,122</u>	<u>\$36,060</u>	<u>\$0</u>	<u>\$13,625</u>	<u>\$13,625</u>
<b>Fund Balance (Deficit):</b>					
Fund Balance (Deficit)	<u>\$63,090</u>	<u>\$778,720</u>	<u>\$763,781</u>	<u>\$721,709</u>	<u>\$683,052</u>
Total Liabilities and Fund Equity	<u>\$138,212</u>	<u>\$814,780</u>	<u>\$763,781</u>	<u>\$735,334</u>	<u>\$696,677</u>

**City of Dallas, Texas**  
**Vickery Meadow Tax Increment Financing District Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**For the Period September 30, 2020 (Unaudited)**  
**With Comparative Totals for September 30, 2019, 2018, 2017, and 2016 (Audited)**

	<u>ITD</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Revenues:</b>						
Tax increment-Governmental	\$16,824,528	\$2,264,495	\$2,228,900	\$2,003,520	\$1,636,005	\$1,441,253
Tax increment-Intergovernmental	\$3,490,014	\$480,181	\$474,672	\$429,438	\$344,735	\$302,329
Interest income	\$167,199	\$9,324	\$27,702	\$26,370	\$9,559	\$8,449
Affordable housing payment	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$221	(\$735)	\$13,575	(\$11,337)	(\$2,278)	(\$477)
Total revenues	<u>\$21,481,962</u>	<u>\$2,753,264</u>	<u>\$2,744,850</u>	<u>\$2,447,991</u>	<u>\$1,988,021</u>	<u>\$1,751,553</u>
<b>Expenditures:</b>						
Administrative expenses	\$468,356	\$75,122	\$36,840	\$0	\$41,820	\$20,535
Non-Capital Outlay	\$1,170,361	\$649,097	\$0	\$1,919	\$1,544	\$8,600
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Principal retirement	\$8,705,477	\$1,997,295	\$1,940,195	\$1,394,298	\$1,025,351	\$784,623
Interest and fiscal charges	\$11,074,678	\$747,380	\$752,876	\$1,009,702	\$880,649	\$922,377
Total expenditures	<u>\$21,418,871</u>	<u>\$3,468,894</u>	<u>\$2,729,911</u>	<u>\$2,405,919</u>	<u>\$1,949,364</u>	<u>\$1,736,135</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$63,090</u>	<u>(\$715,630)</u>	<u>\$14,939</u>	<u>\$42,072</u>	<u>\$38,657</u>	<u>\$15,418</u>
<b>Fund balance (Deficit) at beginning of year as previously reported</b>						
	\$0	\$778,720	\$763,781	\$721,709	\$683,052	\$667,634
<b>Fund balance (Deficit) at beginning of year, as restated</b>						
	\$0	\$778,720	\$763,781	\$721,709	\$683,052	\$667,634
<b>Fund balance (deficit) at end of year</b>						
	<u>\$63,090</u>	<u>\$63,090</u>	<u>\$778,720</u>	<u>\$763,781</u>	<u>\$721,709</u>	<u>\$683,052</u>

**Note: Fiscal year 2019-20 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.**

**City of Dallas, Texas**  
**Vickery Meadow Tax Increment Financing District Fund**  
**Reinvestment Zone Number Nine**  
**As of September 30, 2020**

Chapter 311.016 of V.C.T.A. requires the following as part of the annual report on the status of the TIF District. Information is contained in detail on the financial statements.

**1. Amount and source of revenue in the tax increment fund established for the zone:**

\$8,589	Interest Income
\$0	Affordable housing payment
\$2,744,675	Ad Valorem Taxes (Collected in FY 2019-20 based on 2019 Final Tax Roll)
<u>\$2,753,264</u>	<b>Total Revenue</b>

**2. Amount and purpose of expenditures from the fund:**

\$75,122	Administrative Expense - FY19 (\$41,205) & FY20 (\$33,917)
\$649,097	Non-Capital Outlay (1)
\$1,997,295	Principal retirement (1)
\$747,380	Additional Subsidy in Form of Grant (in lieu of interest expense) (1)
<u>\$3,468,894</u>	<b>Total Expenditures</b>

(1) These expenditures were incurred for the following services:

Prof.service fees	\$0
PNV design studio cost reimbursement to general fund	\$0
Transfer to Dallas Housing Trust Fund	\$649,097
Principal pymt for FY 2020 - Park Lane Project	\$1,997,295
Interest expense pymt for FY 2020 - Park Lane Project	\$747,380
Total	<u>\$3,393,772</u>

**3. The Zone began reimbursing the General Fund for administrative costs in fiscal year 2009-10.**

**4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**

Vickery Meadow TIF District has incurred no bonded indebtedness as of September 30, 2020.

**b. The zone has reimbursed the following contingent obligations from available TIF funds as of September 30, 2020:**

<u>Developer</u>	<u>Project</u>	<u>Advance Principal</u>	<u>Accrued Add'l Subsidy (1)</u>	<u>Less Payments</u>	<u>Total Outstanding</u>
Northwood PL Holdings, LLC	The Shops at Park Lane	\$20,000,000	\$11,227,356	(\$19,780,155)	\$11,447,202
Total		\$20,000,000	\$11,227,356	(\$19,780,155)	\$11,447,202

**Reimbursement of the project's outstanding TIF-eligible project costs are subject to the availability of TIF funds.**

(1) Additional Subsidy in Form of Grant (in lieu of interest expense)

**5. Tax increment base and current captured appraised value retained by the zone:**

Taxing Jurisdiction	Taxable Value 2020*	Base Year 2005 Value	Est. Captured Value 2020*
City of Dallas	\$565,515,300	\$164,779,090	\$400,736,210
Dallas County	\$565,515,300	\$170,131,750	\$395,383,550

\*2020 Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

\*\*Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2021.

**6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:**

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Per \$100***	Amount of Estimated 2020 Increment***
City of Dallas	0.62104	\$2,488,732
Dallas County	0.13186	\$521,341
Total for all Jurisdictions	\$0.75290	\$3,010,073

\*\*\*Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2027.

B. The total amount of estimated tax increment to be billed for the 2020 tax year is \$3,010,073. For the 2019 tax year, increment in the amount of \$2,744,675 was received.

City of Dallas, Texas  
Vickery Meadow Tax Increment Financing District  
Notes to Financial Statements for the Year Ended September 30, 2020

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financial Plan permits expenditures not to exceed \$2,195,100 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. The TIF entered into a development agreement with a developer on December 14, 2005 to reimburse the developer for TIF eligible costs up to principal amount of \$20.0 million plus accrued interest thereon, at an interest rate of 4.86%, for the construction of the Shops at Park Lane Project. The developer satisfied all contingencies as required by the terms of the agreement and the liability for the principal amount of \$20.0 million plus the accrued interest was recorded in fiscal year 2008-09. The TIF District began reimbursing the developer in fiscal year 2009-10. The developer obligation balance, including principal and accrued interest, outstanding at September 30, 2020 is \$11,447,202.
6. "Due to general fund" amount of \$75,122 at September 30, 2020 represents the TIF administration costs for the fiscal year 2018-2019 (\$41,205) and fiscal year 2019-2020 (\$33,917) that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds. Note that these administrative costs do not include billing to other City departments.
7. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.



## Appendix B – Financial Obligations/Estimated Payoff

The Shops at Park Lane project is the only outstanding developer obligation. TIF payment in the amount of \$20,000,000, plus interest, is underway. To date, \$19,780,155 has been paid.

<b>Vickery Meadow TIF District Obligations</b>		
<b>Project Obligations</b>	<b>Anticipated Balance</b>	<b>Projected Year Payoff</b>
Shops at Park Lane	\$11,447,202	2024

## Appendix C – District-wide Set Aside Funds

<b>Vickery Meadow TIF District Affordable Housing Set-Aside</b>		
<b>Budget*</b>	<b>Allocated</b>	<b>Balance</b>
\$1,000,000	\$1,000,000	\$0
<p><i>* Funds deposited in the Vickery Meadow TIF District Tax Increment Fund by Harvest NPE, L.P. to support the development of affordable housing within the District in lieu of the developer constructing affording housing units as part of The Shops at Park Lane Project.</i></p> <p><i>\$445,000 allocated to local match for HUD grant used to complete five area plans, including the Vickery Meadow area plan and funded preconstruction and design work for a mixed-use development anchored by a new VM branch library. Additionally, during FY 2018-2019, \$649,097 (included interest earned) was transferred to the Dallas Housing Trust Fund.</i></p>		