

Grand Park South TIF District FY 2023-2024 Annual Report



City of Dallas

Office of Economic Development
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October 1, 2023 to September 30, 2024

Reinvestment Zone Number Thirteen Tax Increment Financing District

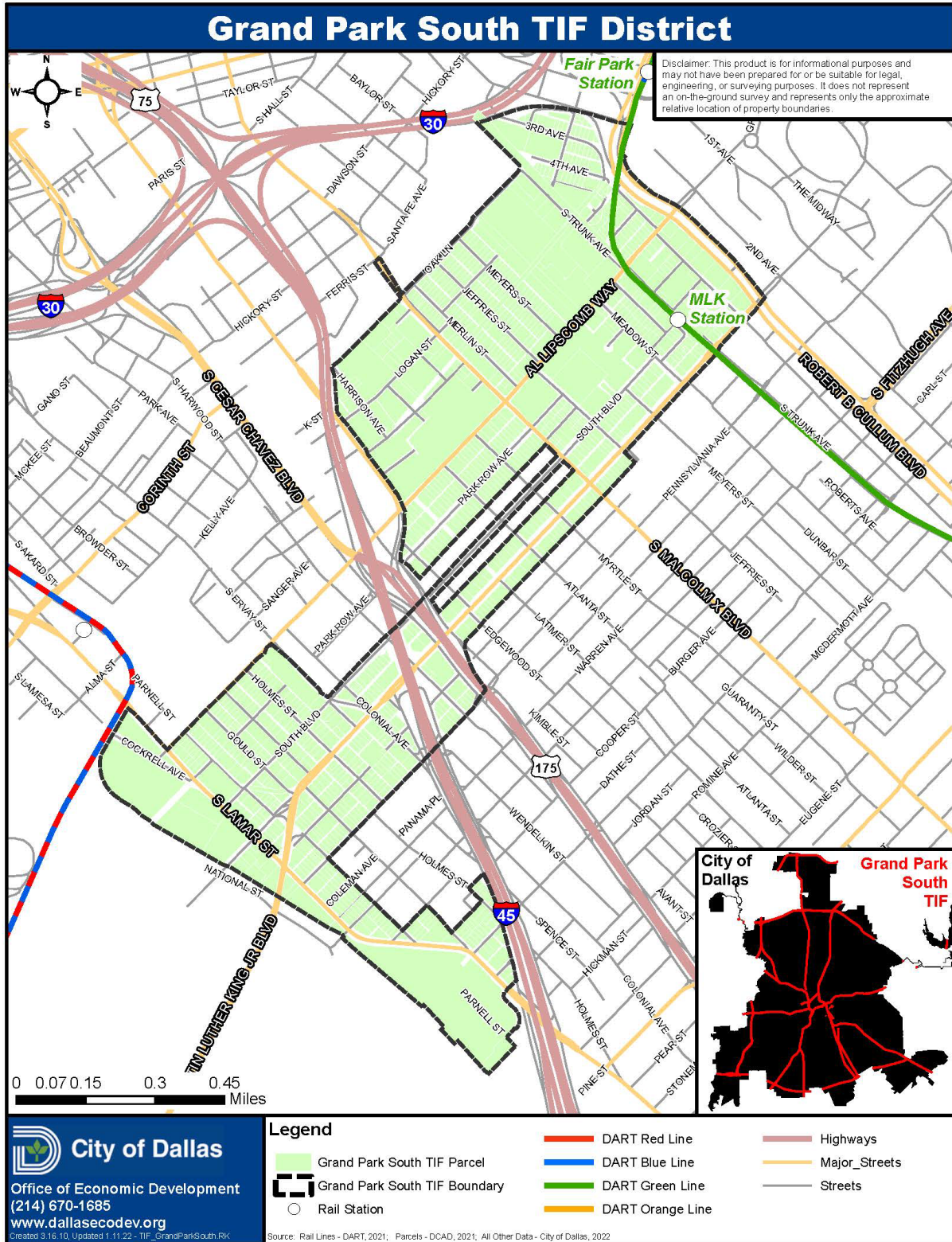


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The front cover shows a photo of the groundbreaking event for the Forest Theater Redevelopment Project, which took place on April 4, 2024, at 1920 Martin Luther King Jr. Blvd. Local and state dignitaries and other community stakeholders attended to support the project.

Mission Statement

The mission of the Grand Park South TIF District is to provide a source of funding for public investments necessary to enhance the real estate market for the Grand Park South TIF District area. The Grand Park South TIF District represents the outgrowth of the City of Dallas effort to provide a model for redeveloping a former residential area in decline to take full advantage of the expanding Dallas Area Rapid Transit (DART) light rail system, to promote transit-oriented development in the historical context of the neighborhood, to implement appropriate urban design standards, and to improve the quality of development south of downtown.

The Dallas City Council established the Grand Park South TIF District by Ordinance Number 26147 on October 26, 2005. The Grand Park South District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2035 (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036) or when the budget of \$29.8 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 90%, and the County's participation is 65%.

TIF District Accomplishments

The Grand Park South TIF District (TIF District) is composed of neighborhoods to the south of Fair Park including the Al Lipscomb Way, Martin Luther King, Jr. Boulevard, and Malcolm X Boulevard corridors. The TIF District exhibits deteriorated structures, inadequate sidewalks and streets, faulty lot layouts, unsanitary or unsafe conditions, and deteriorated site improvements. These conditions substantially arrest or impair the sound growth of the City and property within the area. The TIF District's strengths include the following:

- Proximity to downtown
- Adjacency to Fair Park
- J.B. Jackson Transit Center which includes DART's Green Line MLK Station
- South Boulevard – Park Row Historic District
- The intersection of Malcolm X and Martin Luther King, Jr. Boulevards, one of only a few such intersections in the country.

In March 2021, the TIF District's Board of Directors (Board) approved Urban Design Guidelines for projects located in Tax Increment Financing Districts to be applied to the Grand Park South TIF District. In June 2021, the Board reviewed a request by the City's Transportation Department in an amount not to exceed \$500,000 for a public street lighting improvement project and recommended City Council approval. The item was approved by City Council in October 2021. The public street lighting improvement project was completed in April 2022.

During 2021, the Board also reviewed and recommended approval of an amendment to increase the geographic area of the TIF District by approximately 151 acres in an area contiguous to the current TIF District and bounded by Al Lipscomb Way, South Ervay Street, South Boulevard, Pennsylvania Avenue, and Botham Jean Boulevard. No changes to the TIF District budget were recommended. The amendment was approved by City Council in December 2021.

During 2023, the Board reviewed and recommended approval of a development agreement with Vector Studies, LLC for TIF District funding support up to \$2,308,210 for the Legacy of Hope DFW Project, a proposed redevelopment of the former Forest Avenue Hospital building at 2516 Martin Luther King Jr. Boulevard. City Council authorized the agreement in June 2023 as the first TIF District-funded development project in this TIF District. The Board also approved Grant Program Guidelines and an Increment Allocation Policy for the TIF District.

Staff remains committed to the TIF District’s growth and development potential. Efforts include coordinating predevelopment meetings, providing guidance to interested landowners and developers, and engaging with community stakeholders committed to improving the area. Development activity to date is shown on the table below.

Current Development Status

Grand Park South TIF District – Past, Current and Anticipated Projects¹						
Projects Within TIF District Utilizing TIF District Funding						
Project	Location	Units/SF²	Status	Year Complete	Approx. Investment³	TIF Investment⁴
Legacy of Hope	2516 MLK Jr. Blvd.	15,153 sf	Approved	2026	\$3,600,000	\$2,308,210
Subtotal	15,153 sf commercial space				\$3,600,000	\$2,308,210
Projects Within TIF District Not Utilizing TIF District Funding						
Project	Location	Units/SF²	Status	Year Complete	Approx. Investment³	TIF Investment⁴
Fair Park Estates, Phase I	Malcolm X Blvd. & Park Row Avenue; South Blvd. & Jefferies St.	30 houses	Completed	2014	\$3,998,934	\$0
Fair Park Estates, Phase II		13 houses	Completed	2017-2020	\$2,639,126	\$0
Urban Mixed-Use, LLC Ph I Project (3221 Flats)	3221 Elihu Street	38 apartments	Complete	2014	\$4,500,000	\$0
O'Reilly Auto Parts	3109 MLK Jr. Blvd.	6,000 sf	Complete	2013	\$1,334,930	\$0

Billy Earl Dade Middle School	2727 Al Lipscomb Way	213,616 sf	Complete	2013	\$32,182,840 (Non-Taxable)	\$0
Office Building (Social Security Admin – tenant)	2530 Malcom X Blvd.	12,288 sf	Complete	2014	\$4,440,680	\$0
Two Podners Restaurant/Retail ⁽⁵⁾	1441 Robert B Cullum Blvd.	10,702 sf	Complete	2017 – Restaurant 2021 - Retail	\$2,560,440	\$0
South Side Apts. (remodel of former lodge)	3020 South Blvd.	6 apartments	Complete	2020	\$596,350	\$0
Fair Park Moderns Condos Phase I	3231 Elihu St.	5 condo units	Complete	2021	\$1,919,500	\$0
Fair Park Moderns Condos Phase II	3230 Elihu St	5 condo units	Complete	2023	\$1,919,500	\$0
The Crossing ⁵	2839 South Ervay St.	5,000 sf laundromat community market & kitchen	Complete	2023	\$283,130	\$0
1632 MLK retail building ⁵	1632 MLK Blvd.	12,000 sf retail	Under construction	2024	\$1,500,000	\$0
Forest Theater ⁶ Multi-faceted Redevelopment Project	1918 MLK Jr. Blvd.	64,000 sf theater/ retail space	Planned	2027	\$66,000,000	\$0
Malcolm’s Point ⁶ Retail Project	2645 Merlin Street and 2801 Al Lipscomb Way	4,900 sf retail space	Planned	2026	\$2,300,000	\$0
Subtotal			44 apartments, 43 single-family houses, and 10 condo units; 102,602 sf retail/commercial; 12,288 sf office space		\$93,992,590	
Projects Utilizing and Not Utilizing TIF District Funding						
Total					\$97,592,590	\$2,308,210
44 apartments, 43 single-family houses, and 10 condo units					Completed	
21,702 square feet retail/commercial space					Completed	
12,288 square feet office					Completed	
213,616 square feet Middle School					Completed (non-taxable)	
96,053 square feet retail/commercial					Planned/Under Construction	
<p>¹ All information updated as of September 30, 2024.</p> <p>² Based upon either the incentive application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.</p>						

³ 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.

⁴ TBD indicates that development agreement has not yet been executed and TIF District investment is yet to be determined.

⁵ Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.

⁶ Other incentives were pending City Council approval at the close of the fiscal year. Contact City of Dallas Office of Economic Development for more information.

Mixed-Income Housing Summary

Successful development efforts support a variety of housing options. Accordingly, twenty percent (20%) of all housing units in projects using direct site-specific TIF District funding assistance are subject to the City’s and County’s established criteria for mixed-income housing. In this TIF District, there are no TIF District-funded residential projects.

A total of 44 apartments (43 single-family houses, and 10 condominium units) have been completed. The current market rents may be affordable relative to area median family income levels. There are potentially additional units using other incentives in the pipeline over the next several years. The City’s Housing and Community Development Department has been coordinating with the Dallas Housing Foundation and Texas Community Builders on the development of single-family lots in the Jeffries-Meyers area with pre-development activities including environmental assessments underway.

TIF District Initiatives

TIF District Initiatives – Other Public Support for Projects				
Activity	Scope	Status	Investment	Source
Roadway Safety Projects	Street/pedestrian improvements along Martin Luther King Jr and Cedar Crest Boulevards including reduced lanes with separated bike lanes; improved crosswalks; lighting upgrades; traffic signal enhancements; and enhanced access to transit.	Federal grant funding awarded in December 2023. A contract is being finalized with Federal Highway Administration (FHWA). City Council action anticipated in FY 24-25.	\$21,800,000 ¹	US Department of Transportation (USDOT) Bipartisan Infrastructure Law for Safe Streets and Roads for All (SS4A)

MLK Jr Community Center (2922 Martin Luther King Jr Blvd)	Various interior and facility improvements including accessibility enhancements.	Federal Bill signed into law in early 2024	\$2,500,000	2024 Appropriations Bill
<i>¹The project includes \$5,250,000 in matching funds from the City and \$200,000 from DART for bus shelter upgrades.</i>				

Homeowner Stabilization, Home Repair & Displacement Mitigation

The Deep Ellum TIF District, also created in 2005 and abutting the Grand Park South TIF District, has experienced significant property value growth. Stakeholders within Deep Ellum and adjacent neighborhoods to the south desired to implement plans of the Deep Ellum TIF District and Grand Park South TIF District to ensure infrastructure needs and concerns about housing affordability, as well as housing displacement in the neighborhoods around Fair Park, are addressed. On February 28, 2024, City Council approved an ordinance to amend the Deep Ellum TIF District Project Plan and Reinvestment Zone Financing Plan to increase the District’s budget capacity and provide funding to support those needs and concerns.

Beginning with 2023 tax year (2024 calendar year) collections, 20% of each year’s annual increment collection (net of administrative costs) from the Deep Ellum TIF District will be transferred to the City’s Housing and Community Development Department (HOU) to support homeowner stabilization, home repair, homebuyer assistance, and displacement mitigation programs within the Grand Park South area. The total estimated TIF funding to be transferred is up to an estimated total of \$13,445,178 (not to exceed \$6,672,064 NPV).

In May 2024, the Grand Park South TIF District Board of Directors was briefed on the proposed annual transfer, a recommended funding area geography, and specific housing programs. The Board recommended that most of the funds be directed to home repair programs in the near term.

On September 25, 2024, City Council approved Resolution No. 24-0401, which authorized the annual transfer of funds from the Deep Ellum TIF District to HOU to deploy pursuant to the Dallas Housing Policy 2033 (DHP33) and the Dallas Housing Resource Catalog. Specific programs identified for this funding include the Home Improvement & Preservation Program (HIPP) and the Dallas Homebuyer Assistance Program (DHAP). Beginning with the FY 2024-2025 Grand Park South TIF District Annual Report, all expenditure of funds by HOU utilizing the transferred funds will be reported here. The balance of the funds to be transferred from the Deep Ellum TIF District to HOU as of the end of FY 2023-2024 totals \$2,875,875.

Value and Increment Revenue Summary

The Grand Park South TIF District 2005/2021 base year value was \$79,064,576. The TIF District's 2024 certified taxable value was \$187,811,558 (and slightly varies for other taxing jurisdictions due to exemption levels). This represents an increase of \$108,746,982 (137.5%) over the base year (2005 and 2021), as amended and an increase of \$22,742,741 (13.8%) from the previous year. In FY 2024-2025, the TIF District anticipates collecting approximately \$843,630 (City \$689,706; County \$153,924) in incremental tax revenue for tax year 2024.

Objectives, Programs and Success Indicators

The Grand Park South TIF District Project Plan and Reinvestment Zone Financing Plan was adopted in 2005 and amended in 2021. The Plan's development goals are provided below:

- Create additional taxable value attributed to new private investment in projects in the Grand Park South TIF District totaling approximately \$579 million.

Property values in the TIF District have begun to increase. Nearly \$98 million in growth has occurred or is anticipated since the TIF District's creation in 2005 and amendment in 2021 representing 17% of the goal.

- Encourage transit-oriented development within the TIF District. This includes the creation of a new town center in proximity to DART's Martin Luther King Jr (MLK) Green Line station while providing access and connections to the station that will allow ridership to exceed over 2,400 per day by 2015.

The Green Line's MLK and Fair Park stations opened in September 2009 with an aim toward setting the stage for transit-oriented development throughout the TIF District. The COVID-19 pandemic negatively impacted transit ridership in 2020 and 2021; however, recovery has continued based on the 2024 ridership figures.

The annualized ridership for FY 2024 for the MLK station is 470,703, according to DART. This represents a 98% increase over the base year ridership count (FY 2010) and a 24% increase from last year. Average daily ridership is 1,353 (a 16% increase from last year).

The annualized ridership for FY 2024 for the Fair Park station is 352,343, according to DART. This represents a 10% decline over the base year ridership count (FY 2010) and a 5% increase from last year. Average daily ridership is 875 (a 1% decrease from last year). Staff will continue to monitor ridership trends.



MLK station

- Attract new private development in the TIF District totaling approximately 2,400 residential units by 2035, including development of new single-family homes, mid-rise residential, such as townhomes, and higher density residential near the MLK Green Line station, while preserving and restoring historic single-family residences.

The Fair Park Estates project located along Park Row, Malcolm X Boulevard, South Boulevard, and Jeffries Street has resulted in the development of 43 residential units. Urban Mixed Use LLC completed 38 multifamily units in 2016. The South Side Apartments created 6 apartment units from the remodel of a former lodge. Fair Park Moderns Condos Phase I has brought 5 units to the market. In 2023, Phase II of the Fair Park Moderns Condos project included the completion of 5 additional units for a total of 10. To date, 97 units in total have been completed or planned (4% of the goal).



Examples of multifamily and single-family development. Urban Mixed Use LLC's 3221 Flats (left) and South Fair CDC's Fair Park Estates homes (right)

- Diversify housing options within the TIF District by providing various types of housing, including townhome, multi-family, and single-family projects, at a range of price points including approximately 20% of new units at or below 80% of Area Median Income (AMI) and 80% of new units at market rate. Replace existing multi-family housing stock in substandard condition (approximately 500 units) with new residential development at 60% of Area Median Income. Expand homeownership opportunities in the TIF District.

There is an ongoing effort to provide a variety of housing options within the Grand Park South TIF District, especially needed market rate housing.

On January 11, 2012, the City approved 2006 bond funding and the use of Community Development Block Grant funds for the Urban Mixed Use LLC. Phase 1 located at 3221 Elihu Street (now called 3221 Flats) with 38 units completed in 2014.

In 2018, City Council adopted a Citywide comprehensive housing policy and subsequently in April 2023 adopted "Dallas Housing Policy 2033". Future development in the Grand Park South area has the potential to support goals for expanding housing opportunities.

- Grow and diversify retail and commercial uses within the TIF District. Consolidate new retail and other commercial activities to support a new town center in proximity to the MLK Green Line station; create a neighborhood retail center in proximity to the Al Lipscomb Way and Malcolm X Boulevard intersection; enhance retailing opportunities and design through infill development along Martin Luther King, Jr. Boulevard, and, in some cases, convert existing retail and commercial buildings to residential uses. Attract 300,000 square feet of retail space and 150,000 square feet of office or other commercial space in new private development by 2035.

Completed commercial development includes a 12,288 square foot office building and 21,702 square feet of retail/commercial space, representing 8% and 7%, respectively, of the goals. The 3,000 square foot community kitchen named the "South Dallas Cloud Kitchen" as part of The Crossing project opened in 2023. Other projects in the pipeline include a retail building renovation at 1632 MLK Boulevard, the Forest Theater Redevelopment Project, and new ground-up construction of the Malcolm's Point Retail Project.



Retail building renovation at 1632 Martin Luther King Jr Boulevard.

- Expand parks and open space within the TIF District by encouraging the development of both private and public parks and open space, such as pocket parks, plazas, courtyards, and recreation areas, within walking distance (1/4 mile) of new residential development, especially new mid- and high-density residential development.

During FY 2012, the City installed shared lane markings to encourage bicycling on Martin Luther King, Jr. Boulevard from Fair Park to Julius Schepps Freeway. The long-term plan is for this shared lane to connect to future bicycle facilities on the Cedar Crest Bridge.

\$1.4 million in Complete Streets improvements on Martin Luther King, Jr. Boulevard from Robert B. Cullum to S.M. Wright Freeway was completed in 2023.

\$8.6 million grant awarded from the U.S. Department of Interior to Fair Park to assist in the design and construction cost to replace 10 acres with a community park.

- Improve security and safety through pedestrian lighting and design that encourages "eyes on the street."

During FY 2021-2022, the TIF District funded \$500,000 towards a public street lighting improvement project that installed new and upgraded lighting along portions of Park Row Avenue, South Boulevard, Jeffries Street, and Meadow Street to assist in implementing public safety strategies identified

by the Mayor’s Task Force on Safe Communities. The project was completed in April 2022.



New streetlighting installed in 2022 shown in daytime and evening

- Generate approximately \$30.3 million (net present value) in increment over 25 years of collection.

The TIF District’s assessed property value has increased from its 2005/2021 adjusted base year value. It has to-date increased 137.5% from the adjusted base year value. The cumulative increment collection to-date is \$2,764,943 (9% of the goal).

Year-End Summary of Board Meetings

The Grand Park South TIF District Board of Directors met twice during the fiscal year from October 1, 2023 to September 30, 2024. The Board approved and forwarded one item to City Council.

The Board, based on amended composition, can consist of up to seven members, including six City of Dallas appointees and one Dallas County appointee. The list of Board members including the meeting attendance record during FY 2023-2024 is as follows:

Michael Hubbard, Chair	City Representative	2 of 2 meetings
Jason Brown, Vice Chair	City Representative	1 of 2 meetings
Todd Atkins	City Representative	1 of 2 meetings (only served part of the year)
Terry Flowers	City Representative	0 of 2 meetings (only served part of the year)
Sheri Mixon	City Representative	2 of 2 meetings
Diane Ragsdale	City Representative	2 of 2 meetings
Eva Taylor-Jones	City Representative	1 of 2 meetings (only served part of the year)
Luis Tamayo	Dallas County Representative	1 of 2 meetings

The Dallas City Council approved two items during the fiscal year directly related to the TIF District or other economic development incentives. The items are summarized below:

- On February 28, 2024, Resolution No. 24-0345 accepted the FY 2022-2023 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Thirteen, (Grand Park South TIF District), and authorized 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.
- On September 25, 2024, Resolution No. 24-0401 authorized the annual transfer of funds from the Deep Ellum TIF District to the Housing and Community Development Department to support homeowner stabilization, home repair, homebuyer assistance, and displacement mitigation programs within the Grand Park South area (*details on page 8: Homeowner Stabilization, Home Repair, and Displacement Mitigation*).

Pending TIF District Items

- Consideration of the FY 2023-2024 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

The TIF District’s budget and spending to date are provided below:

Grand Park South TIF District Project Plan Budget Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated**	Balance
Infrastructure Improvements	\$36,584,408	\$600,000	\$35,984,408
Environmental Remediation	\$17,288,932	\$88,613	\$17,200,319
Façade Restoration	\$5,352,488	\$233,945	\$5,118,543
Parks, Open Space, and Signature Entries	\$5,798,528	\$0	\$5,798,528
Grant or Loan Programs	\$4,014,367	\$1,885,652	\$2,128,715
Administration and Implementation	\$3,791,347	\$595,301	\$3,196,046
Total Project Costs (excluding interest)	\$72,830,070	\$3,403,511	\$69,426,559

**Budget shown above in estimated current dollars; however, based on updated development assumptions the maximum budget capacity provided in the Project Plan is unlikely to be reached within the term. The TIF District Project Plan shows the budget in net present value. Values above do not include interest payments or receipts.*

***TIF District administration costs shown are expended through FY 2023-2024.*

Grand Park South TIF District Project Plan Budget (NPV Values)	
Category	TIF Budget (NPV)
Infrastructure Improvements	\$15,219,872
Environmental Remediation	\$7,192,554
Façade Restoration	\$2,226,746
Parks, Open Space, and Signature Entries	\$2,412,308
Grant or Loan Programs	\$1,670,060
Administration and Implementation	\$1,577,279
Total Project Costs (excluding interest)	\$30,298,818

All values discounted to 2006 dollars at 5% annually. Actual expenditure value will depend on timing of the project costs

FY 2024-2025 Work Program

The FY 2024-2025 work program for the Grand Park South TIF District includes:

- Support existing and encourage new development projects within the TIF District like the proposed Legacy of Hope DFW Project.
- Investigate additional sources of funding for the TIF District.
- Continue to provide staff support for the City's Brownfield's Redevelopment Program that focuses on the South Dallas/Fair Park community in revitalizing priority brownfields.



Rendering for the Legacy of Hope DFW Project - a proposed redevelopment of the former Forest Avenue Hospital building at 2516 Martin Luther King Jr. Boulevard.

Appendix A: Financials

City of Dallas, Texas
Grand Park South Tax Increment Financing District Fund
Reinvestment Zone Number Thirteen
As of September 30, 2024

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

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

109,593	Interest Income & Net increase (decrease) in fair value of investments
<u>\$610,106</u>	Ad Valorem Taxes (Collected in FY 2023-24 based on 2023 Final Tax Roll)
<u>\$719,699</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$74,428	Administrative Expense - TIF admin cost for FY 2023-2024
\$0	Non-Capital Outlay
\$0	Capital outlay
<u>\$0</u>	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$74,428</u>	Total Expenditures

3. The Zone began reimbursing the General Fund for administrative costs incurred through fiscal year 2008-09.

4. a. Amount of Principal and Interest due-on outstanding indebtedness:

Grand Park South TIF District has incurred no bonded indebtedness as of September 30, 2024.

b. The City Council on June 14, 2023 authorized execution of a development agreement with Vector Studies LLC for the Legacy of Hope DFW redevelopment project in an amount not to exceed \$2,308,210. Payments will be made to the developer upon completion of the project.

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

Taxing Jurisdiction	Taxable Value 2024*	Base Year 2005/2021 Value	Est. Captured Value 2024**
City of Dallas	\$187,811,558	\$79,064,576	\$108,746,982
Dallas County	\$188,951,159	\$79,064,576	\$109,886,583

*2024 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 Certified Taxable Value. The final values will be determined on February 01, 2025.

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 2024 Increment
City of Dallas	0.63423	\$689,706
Dallas County	0.14008	\$153,924
Total for all Jurisdictions	<u>\$0.77431</u>	<u>\$843,630</u>

***Participation rates for City of Dallas and Dallas County are 90% for tax years 2007-2035 and 65% for tax years 2007-2026 respectively.

B. The total amount of estimated tax increment to be billed for the 2024 tax year is \$843,630. For the 2023 tax year, increment in the amount of \$610,106 was received.

City of Dallas, Texas
Grand Park South Tax Increment Financing District Fund
Balance Sheet as of September 30, 2024 (Unaudited)
With Comparative Totals for September 30, 2023, 2022, 2021 and 2020 (Audited)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets:					
Pooled cash and cash equivalents	\$2,098,679	\$1,395,133	\$805,207	\$1,017,640	\$743,284
Interest receivable	\$26,657	\$7,495	\$1,325	\$213	\$573
Total assets	\$2,125,336	\$1,402,628	\$806,532	\$1,017,854	\$743,857
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Deferred tax revenue	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$311,413	\$236,985	\$184,994	\$125,003	\$82,444
Total liabilities	\$311,413	\$236,985	\$184,994	\$125,003	\$82,444
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$1,810,913	\$1,165,642	\$621,538	\$892,851	\$661,413
Total Liabilities and Fund Equity	\$2,122,326	\$1,402,628	\$806,532	\$1,017,854	\$743,857

Grand Park South Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2024 (Unaudited)
With Comparative Totals for September 30, 2023, 2022, 2021 and 2020 (Audited)

	<u>ITD</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Tax increment-Governmental	\$2,303,575	\$512,613	\$501,959	\$248,112	\$236,163	\$173,986
Tax increment-Intergovernmental	\$461,367	\$97,493	\$98,350	\$52,860	\$54,283	\$36,418
Interest income	\$130,472	\$69,835	\$33,828	\$3,737	\$2,546	\$5,466
Net increase (decrease) in fair value of investment:	\$10,800	\$39,758	(\$14,012)	(\$16,030)	(\$1,198)	\$1,634
Total revenues	\$2,906,215	\$719,699	\$620,126	\$288,678	\$291,794	\$217,503
Expenditures:						
Administrative expenses	\$595,301	\$74,428	\$76,022	\$59,991	\$60,356	\$64,612
Non-Capital Outlay	\$500,000	\$0	\$0	\$500,000	\$0	\$0
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$1,095,301	\$74,428	\$76,022	\$559,991	\$60,356	\$64,612
Excess (Deficiency) of Revenues over Expenditure	\$1,810,913	\$645,271	\$544,104	(\$271,313)	\$231,438	\$152,891
Fund balance (Deficit) at beginning of year						
as previously reported	\$0	\$1,165,642	\$621,538	\$892,851	\$661,413	\$508,522
Fund balance (Deficit) at beginning of year,						
as restated	\$0	\$1,165,642	\$621,538	\$892,851	\$661,413	\$508,522
Fund balance (deficit) at end of year	\$1,810,913	\$1,810,913	\$1,165,642	\$621,538	\$892,851	\$661,413

Note: Fiscal year 2023-24 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
Grand Park South Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2024

1. The measurement focus used for the 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. 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).
3. The Zone'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.
4. The Zone's Financing Plan permits expenditures not to exceed \$3,791,347 over the life of the Zone to reimburse the city for administrative costs. The Zone began reimbursing the General Fund for costs incurred through fiscal year 2008-09. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. On the Balance Sheet, the "due to other funds" amount of \$311,413 on September 30, 2024 represents the Zone's administration expenses for FY 2018-2019 (\$3,932), FY 2019-2020 (\$36,649), FY 2020-2021 (\$60,390), FY 2021-2022 (\$59,991), FY 2022-2023 (\$76,023), and FY 2023-2024 (\$74,428) that have been earned but will be reimbursed to the City's General Fund based on the availability of future TIF District funds.
6. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

Appendix B – Financial Obligations Estimated Payoff

A development agreement has been authorized for The Legacy of Hope DFW Project for up to \$2,308,210 in TIF District funding. Pending execution of the agreement and successful completion of the Project, full payoff is estimated by 2026.

Appendix C – District-Wide Set-Aside Funds

There are currently no district-wide set-aside funds.