

January 14, 2026

WHEREAS, the City of Dallas (“City”) recognizes the importance of its role in local economic development and the public purposes of fostering economic growth and prioritizing investment and economic progress for underserved areas with local job creation and equitable business and real estate development projects; and

WHEREAS, investment decisions made by business owners, developers, and property owners are often significantly influenced by a municipality's ability to provide economic development incentives; and

WHEREAS, it is in the interest of the City to support and secure the development, redevelopment, establishment, expansion, and relocation of businesses within the City for the economic vitality and employment opportunities that these businesses bring for Dallas residents; and

WHEREAS, the City established Tax Increment Reinvestment Zone Number Three (“Oak Cliff Gateway TIF District” or “District”) and established a Board of Directors (“Board”) for the District to promote development or redevelopment in the Oak Cliff Gateway area pursuant to Ordinance No. 21466; as amended, authorized by the City Council on November 11, 1992, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended (“TIF Act”); and

WHEREAS, on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan (“Plan”) for the Oak Cliff Gateway TIF District by Ordinance No. 23033, as amended; and

WHEREAS, on December 9, 2025, a Letter of Intent (“LOI”) for the proposed Agreement, as described herein, was executed by and between 549 E Jefferson Blvd, LLC and/or its affiliates and the City’s Director of the Office of Economic Development (“OED Director” or “Director”) in consideration of The Jefferson Redevelopment Project; and

WHEREAS, on December 15, 2025, the Oak Cliff Gateway TIF District Board of Directors (“TIF District Board”) reviewed The Jefferson Redevelopment Project and unanimously recommended City Council authorization of an Agreement with 549 E Jefferson Blvd, LLC and/or its affiliates in an amount not to exceed \$10,000,000.00; and

WHEREAS, the Economic Development Committee was briefed by memorandum regarding this matter on January 6, 2026; and

January 14, 2026

WHEREAS, the Project will significantly advance the public purpose of economic development within the City; and

WHEREAS, the City finds that the Project is not financially feasible without an offer of economic development incentives from the City; and

WHEREAS, to further implement the Oak Cliff Gateway TIF District Plan, the City desires to enter into an Agreement with 549 E Jefferson Blvd, LLC and/or its affiliates in an amount not to exceed \$10,000,000.00 payable from current and future Oak Cliff Gateway TIF District funds, in consideration of the Project on property currently addressed as 549 E. Jefferson Boulevard.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is hereby authorized to execute tax increment financing ("TIF") development agreement and all other necessary documents ("Agreement") with 549 E Jefferson Blvd, LLC and/or its affiliates ("Developer") in an amount not to exceed \$10,000,000.00 from current and future Oak Cliff Gateway TIF District funds ("TIF Subsidy"), as shown in **Exhibit A**, in consideration of The Jefferson Redevelopment Project ("Project") on approximately 1.72 acres of property currently addressed as 549 East Jefferson Boulevard ("Property") in Tax Increment Reinvestment Zone Number Three ("Oak Cliff Gateway TIF District"), approved as to form by City Attorney.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That, upon Director's verification of Substantial Completion of the Required Project Components and Developer's compliance with all terms and conditions in the Agreement executed pursuant to this resolution, the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$10,000,000.00 (subject to annual appropriations from tax increments) to 549 E Jefferson Blvd, LLC (Vendor No. VC0000034986) and/or its affiliates from the Oak Cliff Gateway TIF District Fund, as follows:

Oak Cliff Gateway TIF District Fund
Fund 0034, Department ECO, Unit X270, Object 3070,
Activity TOAK, Program JEFFPROJ,
Encumbrance/Contract No. CX ECO-2026-00029515

\$353,000.00

January 14, 2026

SECTION 3. (continued)

Oak Cliff Gateway TIF District Fund
Fund 0034, Department ECO, Unit X270, Object 3072,
Activity TOAK, Program JEFFPROJ,
Encumbrance/Contract No. CX ECO-2026-00029515 \$1,292,379.00

Oak Cliff Gateway TIF District Fund
Fund 0034, Department ECO, Unit X270, Object 4599,
Activity TOAK, Program JEFFPROJ,
Encumbrance/Contract No. CX ECO-2026-00029515 \$298,615.00

Oak Cliff Gateway TIF District Fund
Fund 0034, Department ECO, Unit X270, Object 3016,
Activity TOAK, Program JEFFPROJ,
Encumbrance/Contract No. CX ECO-2026-00029515 \$8,056,006.00

Total amount not to exceed \$10,000,000.00

SECTION 4. That the TIF Subsidy in a total amount not to exceed \$10,000,000.00 shall be payable in at least two (2) installments as further described below:

- Installment No. 1. An amount not to exceed \$6,325,139 shall be payable upon Substantial Completion of the Required Project Components and Developer's satisfaction of all terms and conditions in the Agreement with the exception of the Minimum Occupancy Requirement. Any amount of \$6,325,139 not dispersed with Installment No. 1 would be disbursed in Installment No. 2
- Installment No. 2 (and future installments as necessary). The balance of the TIF Subsidy up to \$3,674,861 upon performance of the Minimum Occupancy Requirement of the Project. If the TIF Subsidy is not fully paid after Installment No. 2, so long as a Developer is in compliance with the terms and conditions of the Agreement, all remaining TIF Subsidy installments shall be paid to Developer on an annual basis in accordance with the Increment Allocation Policy of the Oak Cliff Gateway TIF District.

SECTION 5. That the Developer shall design, fund, and/or construct the Required Project Components and any related public infrastructure improvements on and adjacent to the Property in the Oak Cliff Gateway TIF District as described in Section 7 and in substantial conformance with **Exhibit B**.

January 14, 2026

SECTION 6. That nothing in this resolution shall be construed to require the City to approve payment of the TIF Subsidy from any source of City funds other than the Oak Cliff Gateway TIF District Fund and/or tax increment bonds. Any funds expended under

the Agreement that remain unpaid upon termination of the Oak Cliff Gateway TIF District, due to lack or unavailability of the Oak Cliff Gateway TIF District funds, shall no longer be considered project costs of the Oak Cliff Gateway TIF District or the City, and the obligation of the Oak Cliff Gateway TIF District to pay any remaining amount of the TIF Subsidy to Developer shall automatically expire.

SECTION 7. That, in addition to the conditions set out in the sections above, the Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. Project Financing. Prior to or contemporaneously with the City's execution of the Agreement, Developer shall close construction financing for the Project. Developer shall provide evidence of binding commitments of all capital sources necessary to deliver the Project.
- B. Required Project Components. The Project shall include the following ("Required Project Components"):
 - a. interior and exterior rehabilitation and adaptive reuse of the three existing buildings located on the Property with exterior improvements subject to the review and approval of the City's Landmark Commission to create a minimum of 12,000 square feet of gross leasable non-residential space; and
 - b. a minimum of 40 multi-family residential units (either studio apartments or live/work units); and
 - c. site improvements (public and private) necessary to deliver the Project (e.g. utilities; demolition; paving, lighting; landscaping; and signage).
- C. Minimum Investment. Developer shall invest (or cause to be invested) and provide documentation to the OED Director evidencing a minimum of \$9,000,000.00 in investment expenditures (**Exhibit C**) for delivery of the Project, including environmental remediation, demolition, sitework, building renovation, tenant finish-out, and professional fees (e.g., architecture, engineering, landscape architecture, interior design, surveying, environmental remediation) associated with the Project ("Minimum Investment") by **December 31, 2028**. Construction management costs may be included in the Minimum Investment calculation if the construction management services are directly related to ensuring the quality of the construction of the Project and are performed by an independent and unaffiliated third party. Construction management costs must be evidenced by invoices with

SECTION 7. (continued)

detailed descriptions of services performed. Developer fees, legal fees, marketing fees, financing fees, leasing commissions, carrying costs, reserves, operating deficits through stabilization and other similar costs shall not be considered an eligible investment expenditure. With the exception of professional fees, environmental assessments, and other eligible due diligence costs, no expenditures made by Developer prior to execution of the LOI on December 9, 2025 shall count towards the Minimum Investment calculation.

- D. Affordability Requirement. A minimum of 20% of the total number of multi-family residential units delivered with the Project shall be set aside and leased solely to those households earning a maximum of 80% of the Area Median Income ("Affordable Units") for a minimum of 15 years ("Affordability Period"). Attached is the Oak Cliff Gateway TIF District Mixed-Income Housing Guidelines ("Guidelines") (**Exhibit D**), and such Guidelines shall be followed except where the requirements of this Resolution are more restrictive than the Guidelines. In addition, the Affordable Units shall be integrated throughout the Property. Prior to Substantial Completion, the Affordability Requirement shall be impressed upon the Property by deed restriction for the Affordability Period. The deed restriction shall be filed in the Official Real Property Records of Dallas County.

After the Project's Substantial Completion and throughout the Affordability Period, Developer shall monitor and submit semi-annual reports to the Director on the status of its compliance with the requirements of the Project's Affordability Requirements. Reporting forms and frequency may be modified at City's discretion.

Developer further agrees to complete the Affirmative Fair Housing Marketing Plan and submit the plan to the City's Fair Housing division for approval. Developer shall submit a copy of the approved Affirmative Fair Housing Marketing Plan to the Director within 30 days of approval. Developer shall market the residential units pursuant to the Affirmative Fair Housing Marketing Plan.

- E. Vouchers. In accordance with Section 20-4.1(b) of the Dallas City Code, Developer shall make best efforts to lease up to ten percent (10%) of the Project's residential units to voucher holders during the Affordability Period from the date of Substantial Completion. Developer shall register with a minimum of one local provider of housing vouchers at least 12 months prior to Substantial Completion. "Best efforts" is defined as "compliance with Section 20A-4.1(a), compliance with the development agreement, and submission of the evidence of compliance to the Director." As applicable, Ordinance 32195 shall be enforced. Compliance forms shall be completed and submitted by Developer for review and verification by

SECTION 7. (continued)

Director. Should Ordinance 32195 and Chapter 20A of the Dallas City Code be further amended prior to Substantial Completion, Developer shall abide by such amended terms. Pursuant to Section 20A-4.1(a) of the Dallas City Code, Developer shall not discriminate against holders of any housing vouchers, and Developer shall comply with Section 20A-28 of the Dallas City Code regarding tenant selection. Prior to Substantial Completion, this requirement shall be impressed upon the Property by deed restriction. The deed restriction shall be filed in the Official Real Property Records of Dallas County.

- F. Building Permit. Developer shall obtain a building permit for the Project (including all buildings) by **December 31, 2026**.
- G. Substantial Completion. Construction of the Required Project Components shall be complete, all portions of the multi-family residential building shall be occupiable, and the non-residential space shall be delivered to white-box condition by **December 31, 2028**, as evidenced by certificate(s) of occupancy, letter(s) of acceptance, certificate(s) of completion, and/or similar documentation issued by the City. Developer shall also obtain final acceptance of any public infrastructure improvements associated with the construction of the Required Project Components, as evidenced by a letter(s) of acceptance or similar documentation issued by the City, by **December 31, 2028** (altogether "Substantial Completion").
- H. Public Access to Infrastructure Not Owned by City. Prior to City's payment of any portion of the TIF Subsidy and at no cost to the City, Developer shall provide public access easements, deed restrictions, or other instruments reasonably acceptable to the OED Director if any street and utility infrastructure improvements and/or public open space associated with the Project remain in non-City ownership but require public access.
- I. Property Management. The proposed property management group for the Project must be submitted at least three (3) months prior to Project completion for review by the OED Director to consider acceptance based on the management entity's comparable experience managing other comparable properties, such approval not being unreasonably withheld. Notwithstanding any provision in this resolution to the contrary, any affiliate of the Developer shall be considered an approved manager for any component of the Project.
- J. Operating and Maintenance Agreement. If applicable, and prior to Substantial Completion, Developer shall execute an Operating and Maintenance Agreement (defined below) for any Non-Standard Public Improvements (defined below) associated with the Project that will be owned by the City but maintained by the Developer (the "Operating and Maintenance Agreement"). If necessary, obtain a

SECTION 7. (continued)

license from City for the purpose of maintaining any improvements in the public right-of-way. "Non-Standard Public Improvements" shall be defined as those public infrastructure improvements located within the City's rights-of-way which exceed the City's standard design requirements, as determined by the City, including specially designed street/pedestrian lighting, brick pavers, bollards, sidewalks, public art, fountains, landscaping, and irrigation. If Developer fails to maintain such public improvements after notice from City, City may, at its sole option, perform such maintenance and invoice Developer for the costs, which costs Developer shall pay within thirty (30) days of notice. Developer shall submit documentation evidencing that an executed Notice of Operating and Maintenance Agreement specifying the existence of an executed Operating and Maintenance Agreement for the Non-Standard Public Improvements was recorded with the Dallas County Clerk's Office. The term for the Operating and Maintenance Agreement shall be twenty (20) years. The terms and conditions of the Operating and Maintenance Agreement are binding upon the successors and assigns of all parties hereto and may be assignable, subject to OED Director's approval (not to be unreasonably withheld, conditioned, or delayed), in whole or in part, to a new owner of all or a portion of the Project. Developer shall remain responsible for the maintenance of the Non-Standard Public Improvements for a term of twenty (20) years even if Developer chooses to forgo the TIF Subsidy or is not paid the TIF Subsidy as a result of default.

- K. Quarterly Reporting. Until all Required Project Components have passed final building inspection and Developer has submitted all required paperwork documenting Substantial Completion to the OED Director, Developer shall submit to OED quarterly status reports for ongoing work on the Project in the form to be attached to the Agreement. Such status reports shall be due within thirty (30) calendar days following the end of each calendar quarter after the execution of the Agreement.
- L. Design. The City's Urban Design Peer Review Panel ("UDPRP") is an independent group of professional designers selected by the City Manager with expertise in architecture, landscape architecture, engineering, and urban planning. Review by the UDPRP is required for all projects seeking TIF subsidies.

Following a formal review of the Project's preliminary conceptual drawings and renderings on May 16, 2025, the UDPRP provided design recommendations to the Developer. On October 28, 2025, Developer submitted a written response to the City's Planning and Development Department ("P&D") staff and included updated plans. On December 5, 2025, P&D staff responded and acknowledged that the updated plans met UDPRP's recommendations (**Exhibit B**).

SECTION 7. (continued)

Prior to submitting construction plans to P&D as part of a building permit application, Developer shall submit a set of the construction plans to P&D staff for a final staff review to ensure that the Project will be constructed in substantial conformance with the revised conceptual drawings and renderings accepted by P&D on December 5, 2025. P&D staff shall complete the final review within 10 business days of submission by Developer.

- M. Local Hiring. For all permanent non-construction employment opportunities created by operation of the Project, Developer shall submit to the City a written plan ("Local Hiring Plan") describing (1) how Developer or its property management group shall use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas and (2) how Developer or its property management group shall cause all non-residential tenants of all non-residential buildings in the Project to use and document commercially reasonable efforts to recruit and hire residents of the city of Dallas. At a minimum, the Local Hiring Plan shall describe how Developer, its property management group, and/or non-residential tenants will target local recruitment through local advertisement, community outreach, local engagement, participation in local job fairs, and/or coordination with local hiring sources. The Local Hiring Plan shall be subject to approval by the Director to ensure that employment opportunities are targeted to Dallas residents and that commercially reasonable efforts are made to promote the hiring of neighborhood residents for any new permanent jobs created. No portion of the TIF Subsidy shall be disbursed to Developer until the Director approves the Local Hiring Plan. Within 30 calendar days of Director's receipt of the Local Hiring Plan, the Director shall either approve the Local Hiring Plan or give written notification to the Developer of the Director's disapproval, specifying the reasons for such disapproval. Compliance with the Local Hiring Plan shall be a material requirement for the Agreement.
- N. Minor Modifications. OED Director, after approval and recommendation by the TIF District Board, may authorize minor modifications to the Project and an extension of the Project's material dates and deadlines by up to twelve (12) months for just cause except as provided in Section Q.
- O. Minimum Occupancy Requirement. Prior to the City's disbursement of Installment No. 2 the TIF Subsidy, Developer shall provide evidence that:
- i. at least 65% of the multi-family residential units delivered as part of the Required Project Components (i.e. at least 26 units) are leased and occupied, and

SECTION 7. (continued)

- ii. at least 25% of gross rentable building area of the non-residential space shall be leased and occupied with uses such as retail, office, and/or flex space.
- P. Ongoing Minimum Occupancy Requirement. For a period of five (5) years following disbursement of Installment No. 2 of the TIF Subsidy, Developer shall immediately notify Director in writing if ongoing minimum occupancy falls below the Minimum Occupancy Requirement described in Section 7.O above ("Occupancy Default"). Such notice shall specify the nature of the Occupancy Default, the period of existence thereof, and the action Developer is taking or proposes to take to cure the Occupancy Default. Failure of Developer to cure the Occupancy Default within 180 calendar days following written notice by Developer or Director shall constitute an uncured Occupancy Default ("Uncured Occupancy Default"). If Developer is making a good faith effort to cure by taking commercially reasonable and continuous steps to cure any Occupancy Default, the 180-calendar day period may be extended by the Director in his/her sole discretion.
- Q. Force Majeure. Notwithstanding Minor Modifications as described on Section 7.N or any other provision of this resolution to the contrary, in the event the OED Director determines (which determination shall not be unreasonably withheld, conditioned, or delayed) the Project has been delayed as a result of Force Majeure, after being provided written notice by Developer, Developer shall have additional time to complete the Project, as may be required in the event of Force Majeure, defined herein, so long as Developer is diligently and faithfully pursuing completion of the Project, as determined by the OED Director (which determination shall not be unreasonably withheld, conditioned, or delayed). Extension of Project deadlines as a result of Force Majeure shall not require City Council approval. "Force Majeure" shall mean any contingency or cause beyond the reasonable control of Developer, as reasonably determined by the OED Director (which determination shall not be unreasonably withheld, conditioned, or delayed) including, without limitation, acts of nature or the public enemy, war, riot, civil commotion, insurrection, state, federal or municipal government, or de facto governmental action (unless caused by acts or omissions of Developer), fires, explosions floods, pandemics, epidemics, or viral outbreaks, shortages in labor or materials, delays in damages caused by delivery of materials and strikes. In the event of Force Majeure, Developer shall be excused from doing or performing the same during such period of delay, so that the completion dates applicable to such performance, or to the construction requirement shall be extended for a period equal to the period of time Developer was delayed, subject to OED Director's approval (which approval shall not be unreasonably withheld, conditioned, or delayed).

January 14, 2026

SECTION 8. All payments of the TIF Subsidy are subject to the availability of tax increment in the Oak Cliff Gateway TIF District Fund. If the appraised value of the property in the Oak Cliff Gateway TIF District remains constant or decreases in value from the base year value, payment of the TIF Subsidy may be reduced or unpaid due to lack of available increment. The TIF Subsidy shall be paid solely from the Oak Cliff Gateway TIF District fund, if and when tax increments are received and available for such purpose, during the remaining life of the Oak Cliff Gateway TIF District (including collection of the 2052 tax year increment in calendar year 2053), subject to the limitations on payment provided in the Agreement authorized by City Council.

SECTION 9. Assuming all other conditions for payment have been met, City will administer the payment of the TIF Subsidy pursuant to the Oak Cliff Gateway TIF District Increment Allocation Policy (**Exhibit E**). Final project prioritization and payment terms, upon approval of the TIF District Board and City Council, will be set in the Agreement.

SECTION 10. Until Substantial Completion of the Required Project Components, an assignment of the Developer's duties and obligations under the Agreement shall only be allowed to a direct affiliate of Developer with the prior written approval of the OED Director, not to be unreasonably withheld, conditioned, or delayed.

After Substantial Completion of the Required Project Components, Developer may assign its rights or obligations under the Agreement to any entity provided the assignee expressly assumes all of the Developer's obligations under the Agreement for the balance of the term of such Agreement.

Any receivables due under the Agreement may be assigned by Developer or assignee upon providing the OED Director with written notice with thirty (30) calendar days of such assignment. Developer and assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, interest under the Agreement for the benefit of their respective lenders without the consent of, but with written notice to, the OED Director. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under the Agreement unless the lender agrees in writing to perform such obligations or incur such liability.

January 14, 2026

SECTION 11. Developer's inability to meet any of the material conditions in the Agreement, if not cured within 180 calendar days (or if not reasonably susceptible of cure within such 180-day period, within a reasonable time for the curing of such default; such reasonable time shall be determined in the sole discretion of the Director) after written notice of such failure is provided by the City to the Developer, Developer shall be in default under the Agreement and shall nullify the financial commitments to this Project.

In the event of an Uncured Default, the City shall have the right to elect any or all of the following actions in its sole discretion: (i) terminate the Agreement effective immediately upon written notice of such intent to Developer and demand immediate repayment by Developer of the TIF Subsidy, and said TIF Subsidy shall be immediately due and payable by Developer without further or additional notice; and/or (ii) pursue any other legal remedies available at law or equity, including but not limited to specific performance. In the event of termination of the Agreement under (i), any TIF Subsidy funds available but unpaid to Developer shall be immediately rescinded and Developer shall have no further right to such TIF Subsidy and any amount due and owing after the demand date shall accrue interest at the maximum rate of interest allowed by law.

SECTION 12. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.