Exhibit A

Sports Arena TIF District
FY 2022-2023
Annual Report

Photo Source: Hillwood Urban

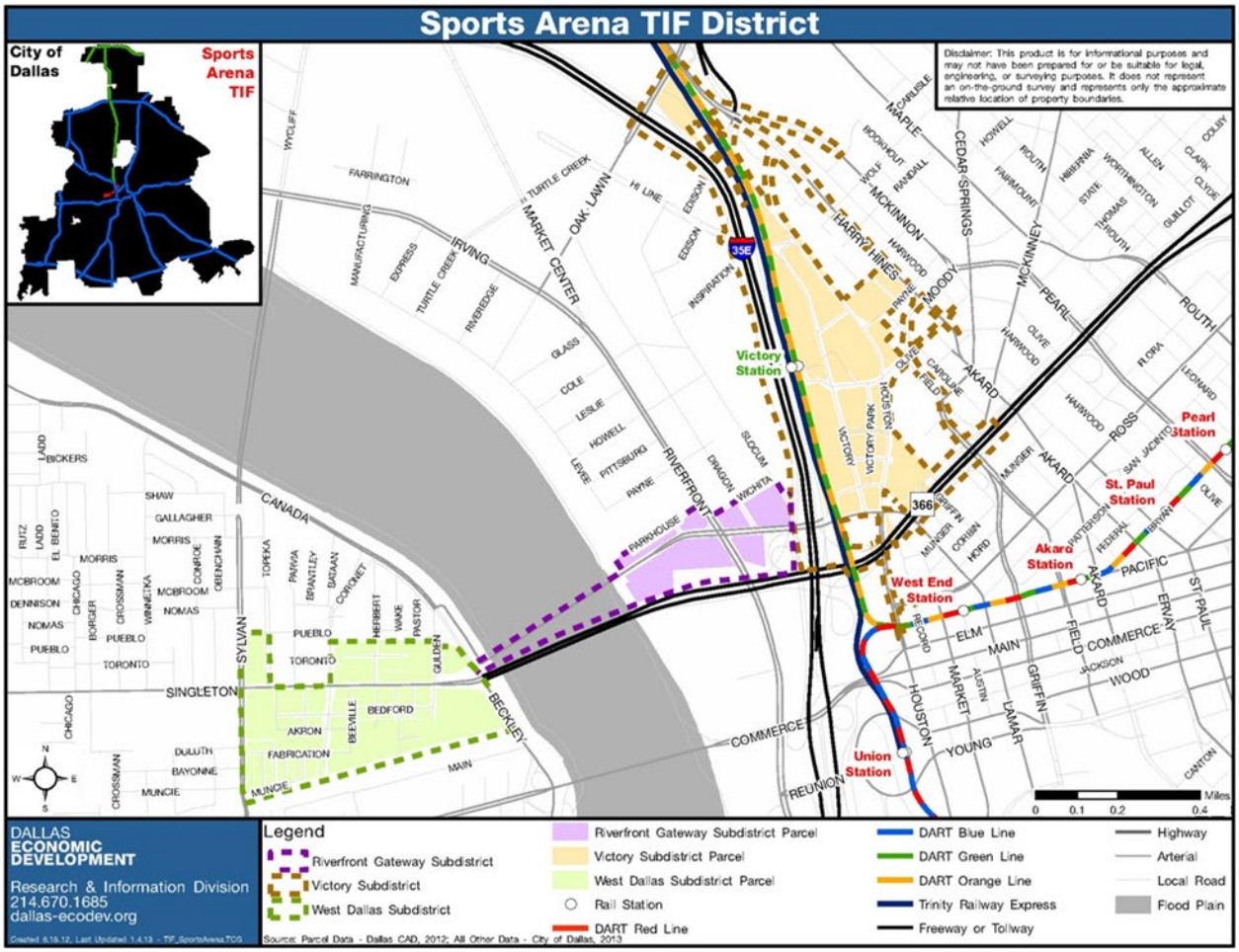
City of Dallas
Office of Economic Development
1500 Marilla Street, 6DN
Dallas, Texas 75201
(214) 670-1685
http://www.dallas-ecodev.org/

October 1, 2022 to September 30, 2023

Table of Contents

Map 3
Mission Statement 4
TIF District Accomplishments 4
Sports Arena TIF District Projects 6
Mixed-Income Housing Summary 9
Value and Increment Revenue Summary 9
Objectives, Programs, and Success Indicators 10
Year-End Summary of Meetings and Council Items 11
Budget and Spending Status 13
M/WBE Participation 15
FY 2023-2024 Work Program 15
Appendix A: TIF District Financials 16
Appendix B: Project Pay-Off Estimates 19
Appendix C: Sub-district Set-Aside Funds 20

Map of Reinvestment Zone Number Seven
Sports Arena Tax Increment Financing District



Mission Statement

The mission of the Sports Arena TIF District ("TIF District" or "Zone") is to generate tax increment sufficient enough to reimburse costs of roadway improvements and other public improvements in the TIF District that were beneficial to the redevelopment of the area around the American Airlines Center ("AAC"). The mission of the TIF District was amended in 2012 to provide a means of funding needed public investments to shift AAC event parking from surface parking lots to structured parking within the Victory area, facilitate redevelopment in West Dallas that currently serves as a gateway from the west to the Victory area, improve occupancy rates of retail space in the Victory area, and create new retail opportunities in the West Dallas area.

City Council created the Sports Arena TIF District (Reinvestment Zone Number Seven) by Ordinance No. 23688 on October 28, 1998. The TIF District took effect January 1, 1999, and its original termination date was December 31, 2018, or when all TIF District project costs and any interest on these costs were paid in full. The termination date of the TIF District was extended by 10 years to December 31, 2028 on May 23, 2012, by Ordinance No. 28672. Also, in 2012, the TIF District's boundary was expanded to create three sub-districts. The original boundary of the TIF District became the Victory Sub-district, and the Riverfront Gateway and West Dallas Sub-districts were created.

The City of Dallas participation rate in all three sub-districts is 90%. Dallas County's participation rate in the Victory Sub-district is 45%, while the County's participation rate for the Riverfront Gateway and West Dallas Sub-districts is 55%.

TIF District Accomplishments

Since its inception, the Sports Arena TIF District has leveraged approximately $2.6 billion in new development completed or under construction through fiscal year 2023. TIF District development includes 5,458 residential units, 251 hotel rooms, 454,200 square feet of retail space, and 1,421,000 square feet of office space (includes 436,000 square feet of planned office space).

On June 23, 2021, City Council approved a development agreement with the Circuit Trail Conservancy (CTC) for the design and construction of the North Victory segment of the Hi Line Connector Trail Project and an enhanced trail head for the Katy Trail in the Victory Sub-district of the Sports Arena TIF District in an amount not to exceed $11,562,124. Construction of the trail and design of the trail head began during the 2022-2023 fiscal year. The trail portion of the project will complete construction in 2024, while the trail head will be finished in 2025.

Before Construction

During Construction

Before Construction

During Construction

Sports Arena TIF District Projects

Projects Located Within the TIF District Utilizing TIF District Funding[1]

Project	Location	Calendar Year Complete	Status	Units/ SF[2]	Approx. Value[3]	TIF District Investment
TIF Infrastructure		2001	Complete	-	-	$23,900,000
South Parking Garage[4]	2401 Victory Park Ln	2014	Existing	425 Parking Spaces	$19,164,440	$12,825,000
North Parking Garage[4] (city-owned)	2503 Victory Ave	2015	Complete	1,200 Space Parking Garage	$26,790,830	$33,271,841
Victory Park Lane Improvement Project	Victory Park Ln	2016	Complete	-	-	$1,226,500
Olive Street Improvement Project	Olive St	2016	Complete	-	-	$825,100
Two-Way Conversion (Houston St & Victory Ave)	Houston St & Victory Ave	2016	Complete	-	-	$3,718,000
Trinity Groves – Restaurant Incubator	3011 Gulden Ln	2016	Complete	106,000 sf retail/restaurant space	$8,190,490	$3,505,000
Placemaking Project	Olive St., Victory Ave, Houston St, Victory Park Ln	2017	Complete	-	-	$5,974,804
Cypress at Trinity Groves	320 Singleton Blvd	2018	Complete	352 apts. 34,200 sf retail	$58,826,550	$13,950,000
District Wide Retail Project	Victory Park Lane	2019	Complete	45,000 sf retail	$17,796,062	$3,500,000
Hi Line Connector Trail Project	Houston St, Victory Ave, Hi Line Dr	2025	Under Construction	-	$22,191,588	$11,562,124
			Sub-total	352 res. units 1,625 parking spaces 185,200 sf retail	$152,959,960	$114,258,369

Projects Located Within the TIF District Not Utilizing TIF District Funding[1]

American Airlines Center[4]	2500 Victory Ave	2001	Complete	840,000 sf entertainment space	$284,104,160	$0
Center Operating Company	2427 N. Houston St	2001	Complete	parking garage	$3,816,450	$0
Platinum Parking Garage	1620 Lyte St.	2001	Complete	2,000 space parking garage	$49,541,340	$0
W Dallas Victory Hotel & Residences	2408, 2430 & 2440 Victory Park Ln.	2006	Complete	145 condos 251 hotel rooms 42,500 sf retail	$173,873,270	$0
The Terrace	2323 N. Houston St	2006	Complete	97 condos 24,000 sf retail	$35,294,050	$0
The Vista	2345 N. Houston St	2007	Complete	127 apts 28,000 sf retail	$38,500,000	$0
Victory Plaza Buildings	3030 & 3090 Nowitzki Way	2007	Complete	65,000 retail 155,000 sf office	$77,109,850	$0

Cirque	2500 N Houston St	2008	Complete	252 apts 11,000 sf retail	$94,000,000	$0
One Victory Park	2323 Victory Ave	2008	Complete	9,000 sf retail 430,000 sf office	$177,800,480	$0
The House by Starck & Yoo	2200 Victory Ave	2009	Complete	150 condos 30,000 sf retail	$106,752,990	$0
Arpeggio Victory Park	2425 Victory Ave	2014	Complete	378 apts	$81,614,390	$0
Moda	1855 Payne St	2014	Complete	263 apts 3,500 sf retail	$54,828,300	$0
SkyHouse Dallas	2320 N. Houston St	2015	Complete	336 apts 5,000 sf retail	$86,000,000	$0
Camden Victory Park	2823 N. Houston St.	2016	Complete	425 apts	$103,000,000	$0
The Ascent	2588 N. Houston St.	2017	Complete	302 apts 3,000 sf retail	$112,000,000	$0
Victory Place	1701 Payne St.	2017	Complete	352 apts 3,000 sf retail	$93,000,000	$0
The Katy	1400 Alamo St. 3111 N. Houston St.	2018	Complete	461 apts 2,000 sf retail	$162,000,000	$0
The 23 Dallas	2100, 2370 Victory Ave	2018	Complete	285 apts 23,000 sf retail 44,000 sf cinema	$105,761,000	$0
Trinity Groves Residential II	411 Broadway Ave	2019	Complete	296 apts 10,000 sf retail	$71,385,390	$0
The Victor	3090 Nowitzki Way	2021	Complete	334 apts 10,000 sf retail	$190,600,000	$0
Victory Commons	2601 Victory Ave	2021	Complete	400,000 sf office	$145,473,000	$0
Trinity Groves Residential III	500 Singleton Blvd	2023	Complete	368 apts	$45,566,960	$0
505 Riverfront Blvd	505 Riverfront Blvd	2023	Complete	535 apts	$100,000,000	$0
Hines Office Bldg	2371 Victory Ave	TBD	Announced	436,000 sf office	$70,000,000	$0
			Sub-total	**5,106 res. units 251 hotel rooms 269,000 sf retail 1,421,000 sf office 884,000 sf entertainment 2,000 spaces parking garage**	$2,462,021,630	$0
			Total	**5,458 res. units 251 hotel rooms 454,200 sf retail 1,421,000 sf office 884,000 sf entertainment 3,625 spaces parking garage**	$2,614,981,590	$114,258,369

[1] All information updated as of September 30, 2023.

[2] Based upon information from developer, news articles and/or project announcements. For completed projects, information is actual unit mix and square footage.

[3] Based upon 1) DCAD market value for completed projects (unless project has not yet been assessed) and 2) estimated DCAD value for projects under construction or announced.

[4] Tax exempt property.

Projects Adjacent to TIF District[1]

Project	Location	Calendar Year Complete	Status	Units/ SF[2]	Approx. Value[3]	TIF District Investment
Perot Museum of Nature and Science[4]	2201 N. Field St.	2012	Complete	180,000 sf	$137,294,800	$0
The Alexan Skyline Apartments	3333 Harry Hines Blvd	2016	Complete	365 apts 6,410 sf retail	$79,981,750	$0
CVS	2501 N. Field St.	2016	Complete	10,000 sf retail	$6,505,530	$0
			Total	**365 apts; 196,410 sf retail**	**$223,782,080**	**$0**

[1] All information updated as of September 30, 2023.
[2] Based upon information from developer, news articles and/or project announcements. For completed projects, information is actual unit mix and square footage.
[3] Based upon 1) DCAD market value for completed projects (unless project has not yet been assessed) and 2) estimated DCAD value for projects under construction or announced.
[4] Tax exempt property.

TIF District Initiatives

Activity	Scope	Status	Investment	Source
Orange Roadways	Improvements to Houston St, McKinney Ave., Ross Ave., Continental Ave., Lamar Street and Wichita St.	Complete	$20,988,088	TIF District Funding
Woodall Rodgers Plaza	Improvements to Woodall Rodgers Plaza between McKinney Ave., Continental Ave., and Houston Street	Complete	$2,000,000	TIF District Funding
District Wide Technical Studies	Parking, traffic, vehicular and pedestrian circulation, place making and retail design for Victory Sub-district	Complete	$700,000	TIF District Funding
Central Core Connector Project (Dallas Bikeway System)	Bikeway program implemented through the use of shared lanes on roadways going through the American Airlines Center/Victory area, the West End, Downtown, and Deep Ellum.	Phase I Complete	$90,452 Total (Downtown Dallas Inc. - $41,000; City of Dallas Streets Department - $12,188; TIF District Funding - $37,264 – divided by four TIF districts)	TIF District Funding (Deep Ellum, City Center, Downtown Connection and Sports Arena TIF Districts) & Downtown Dallas, Inc.

Other Initiatives

Victory Sustainable Development Project	Victory Park Lane, DART Street, Laws Street, and related public improvements, including lighting improvements to the Katy Trail.	Roadway construction completed November 2007. Katy Trail lighting completed August 2009	$8,505,000	NCTCOG Sustainable Development Funds and developer match

Mixed-Income Housing Summary

Successful development efforts support a variety of housing options. In 2012, the TIF District's Project Plan was amended to add the requirement of mixed-income housing for residential projects receiving TIF District funding. 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. Since 2012, only one residential project in the TIF District received funding, Cypress at Trinity Groves. Of the 352 residential units constructed, 70 units (20%) have been set-aside as affordable.

Value and Increment Revenue Summary

The base value of the TIF District is the total appraised value of all taxable real property in the TIF District, as determined by the Dallas Central Appraisal District's certified property tax roll for the base year. The base value is established the year a property is placed within TIF District boundaries.

The Sports Arena TIF District's original assessed 1998 base taxable value was $16,423,773. The TIF District's Project Plan and Reinvestment Zone Financing Plan was amended in 2012 to create three sub-districts: Victory, Riverfront Gateway, and West Dallas. As a result, each sub-district has its own base year value.

Victory Sub-district – In 2012, the Victory Sub-district's amended base year value was $33,515,323. The sub-district's certified value in 2023 was $1,899,194,196, an increase of $118,858,702 (6.7%) from the sub-district's 2022 final value ($1,780,335,494). This increase above the amended base value will result in an estimated collection in 2024 of approximately $12,582,779 (City $12,353,220; County $229,559) in incremental revenue. Dallas County's participation in the Victory Sub-district will end with the partial collection of fiscal year 2023's increment.

Riverfront Gateway Sub-district – In 2012, the Riverfront Gateway Sub-district's base year value was $18,624,970. The sub-district's appraised certified value in 2023 was $43,387,170, an increase of $7,356,820 (20.4%) from the sub-district's 2022 final value ($36,030,350). This increase above the base value will result in an estimated collection in 2024 of approximately $193,337 (City $163,958; County $29,379) in incremental revenue.

West Dallas Sub-district – In 2012, the West Dallas Sub-district's base year value was $11,590,076. The sub-district's certified value in 2023 was $243,554,833, an increase of $63,110,963 (35%) from the sub-district's 2022 final value ($180,443,870). This increase above the base value will result in an estimated collection in 2024 of approximately $1,811,123 (City $1,535,908; County $275,214) in incremental revenue.

The TIF District's (all sub-districts) total value in 2023 was $2,122,405,830, an increase of $125,596,116 (6%) from the final 2022 total district value ($1,996,809,714). This increase in total district value above the base year values will result in an estimated collection in 2024 of approximately $14,587,238 in total incremental revenue for the Sports Arena TIF District.

Objectives, Programs, and Success Indicators

The original Sports Arena TIF District Project Plan and Reinvestment Zone Financing Plan was adopted August 25, 1999. In 2012, the TIF District's Project Plan and Reinvestment Zone Financing Plan was amended, and the goals and objectives were revised to include additional public improvements as well as private development.

Specific actions addressing these objectives follow in italics:

- Attract 250,000 square feet of additional retail space.

  Approximately 454,000 square feet of retail space has been (includes restaurant and theater space) completed within the TIF District since 1998 (182% of the total goal).

- Attract 3,000 additional residential units including town home, multifamily and condominium units.

  The Trinity Groves Residential Phase III project (368 residential units) in the West Dallas Sub-district completed construction during the fiscal year. The 505 Riverfront project (535 residential units) completed construction during the fiscal year.

  In total 5,458 residential units have completed construction or are currently under construction (182% of the total goal) since 1998.

- Increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the Sports Arena TIF District, especially the Trinity River, Trinity Strand Trail, Katy Trail and proposed Continental Pedestrian Bridge.

  Continental Avenue Bridge Project – The Bridge was permanently closed to vehicular traffic on July 8, 2013. The construction cost for the Continental Avenue Bridge and West Dallas Gateway project was funded by private donations and bond funds. The bridge reopened for pedestrians only in 2015, providing a new outdoor destination with recreational amenities, parking at the West Dallas Gateway and non-motorized vehicular access across the Trinity River.

  Katy Trail Extension – As part of the two-way conversion of Houston Street completed in 2016, a dedicated bicycle track on both sides of Houston Street was constructed, connecting to the current terminus of the KATY Trail and extending it throughout the Victory sub-district improving bicycle circulation.

Hi Line Connector Trail Project - On June 23, 2021, City Council approved a development agreement with the CTC for the design and construction of the North Victory segment of the Hi Line Connector Trail Project located in the Victory Sub-district of the Sports Arena TIF District in an amount not to exceed $11,562,124. The project began construction in 2023 with anticipated completion in June of 2025.

- Increase the utilization of structured parking to provide public and American Airlines Center (AAC) event parking.

  Construction of the North Parking Garage providing AAC event parking completed in 2015. 425 spaces in the South Parking Garage provide additional AAC structured parking. These two facilities enabled the redevelopment of approximately 12.3 ± acres previously used for surface parking.

- Improve access and connectivity between the Victory, Riverfront Gateway Sub-district and West Dallas Sub-districts.

  Improvements to the bike trail and pedestrian network, Continental Bridge improvements and ongoing work at Trinity Groves is intended to improve connectivity within the Sports Arena TIF District.

Year-End Summary of Meetings and Council Items

The Sports Arena TIF District Board of Directors did not meet during FY 2022-2023.

The Sports Arena TIF District Board of Directors consists of nine (9) members, including six (6) City of Dallas appointees, one (1) Dallas Independent School District (DISD) appointee, one (1) Dallas County appointee and one (1) Dallas County Hospital District (DCHD) appointee. During FY 2022-2023, the Sports Arena TIF District Board consisted of the following members:

James Armstrong – City Appointee
Stanley Coleman – City Appointee
Maria Lozada Garcia – City Appointee
Sylvia Lagos – City Appointee
Edwin Robinson – City Appointee
Jessica Lynn Sepulveda – City Appointee
Orlando Alameda – DISD Appointee
Luis Tamayo – Dallas County Appointee
Joe Mayer – DCHD Appointee

During FY 2022-2023, City Council approved two (2) items directly or indirectly associated with the Sports Arena TIF District. The Council actions are listed below.

- On February 22, 2023, City Council approved Resolution No. 23-0301 accepting the FY 2021-2022 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven (Sports Arena TIF District or District), 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.
- On June 28, 2023, City Council approved Resolution No. 23-0917 authorizing a decrease in the construction services contract with the Fain Group, Inc. for the construction of the Hi-Line Connector Trail along Victory Avenue and Hi Line Drive between, the Katy Trail and the Trinity Strand Trail for construction and labor cost increases along with removing accent lighting and underground electrical service routing - Not to exceed ($366,844.41), $11,531,424.84 to $11,164,580.43.

Budget and Spending Status

Sports Arena TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	**Budget**	**Total Committed or Spent**	**Total Remaining**
Original Improvements			
Total Original Improvements	$38,588,359	$38,389,665	$198,694
Victory Sub-district Amended Budget			
West Dallas Set-Aside	$12,108,240	$7,986,526	$4,121,714
Tier One Improvements	$47,679,815	$47,679,815	$0
North Parking Garage			
South Parking Garage			
Economic Development TIF Grants			
Tier Two Improvements	$67,201,775	$29,165,706	$38,036,069
Additional North Parking Garage			
Additional South Parking Garage			
Other District Improvements:			
Open Space/Connectivity, Special Studies			
Infrastructure Improvements and Retail			
Total Victory Sub-District[1]	$165,578,189	$123,221,712	$42,356,477
Category	**Total Budget**	**Total Committed or Spent**	**Total Remaining**
West Dallas Sub-district			
Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies Environmental/Demolition			
Total West Dallas Sub-District	$89,127,163	$17,455,000	$71,672,163
Riverfront Gateway Sub-district			
Economic Development Grants, Infrastructure Improvements, Environmental/Demolition Open Space, Connectivity and Retail			
Total Riverfront Gateway Sub-district	$10,191,893	$0	$10,191,893
Administration and Implementation[2]	$2,005,770	$1,202,372	$803,399
Total Amended Budget	**$305,491,374**	**$180,268,748**	**$125,222,626**
Original Sports Arena TIF District Budget	$46,961,785		

[1]Victory Sub-district's Total Budget includes original improvements and amended budgets.

[2]Administration and Implementation costs for FY 2022-2023 are included in the allocation above.

**Revenues shown above are estimated current dollars to be collected over the life of the TIF District, as of September 30, 2023.*

Sports Arena TIF District Project Plan Budget	
Category	**TIF Budget***
Original Improvements	**$23,498,088**
Victory Sub-district Amended Budget	
Tier One Improvements	**$13,547,539**
North Parking Garage	
South Parking Garage	
Economic Development TIF Grants	
Total Tier One Improvements	
Tier Two Improvements	**$22,301,524**
Additional North Parking Garage	
Additional South Parking Garage	
Other District Improvements:	
Open Space/Connectivity, Special Studies	
Infrastructure Improvements and Retail	
Total Tier Two Improvements	
Total Victory Sub-District	**$35,849,063**
Category	**TIF Budget***
West Dallas Sub-district	
Economic Development Grants, Retail Incentives, Infrastructure Improvements, Technical Studies	
Environmental/Demolition	
Total West Dallas Sub-District	**$31,120,420**
Riverfront Gateway Sub-district	
Economic Development Grants, Infrastructure Improvements, Environmental/Demolition	
Open Space, Connectivity and Retail	
Total Riverfront Gateway Sub-district	**$3,595,888**
Administration and Implementation	**$345,546**
Total Amended Budget	**$94,409,005**
Original Sports Arena TIF District Budget	$25,498,568

** All values in Victory Sub-district were discounted to NPV 1999 dollars.*

** All values in Riverfront Gateway and West Dallas Sub-districts are in NPV 2013 dollars.*

M/WBE Participation

Although public bidding is not required for TIF District-funded projects, all TIF District-funded projects must follow the City's adopted Business Inclusion and Development Plan (BID) and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF District-funded projects. The BID Plan goal for the TIF District-funded projects listed below was 25 percent (25%) M/WBE participation in construction costs of the awarded subsidy. During fiscal year 2020-2021, City Council increased the BID Plan goal for construction costs to 32 percent (32%).

Sports Arena TIF Project M/WBE Participation (completed projects only)

Project	Total Construction Contract Amount	Local M/WBE Amount	Non-Local M/WBE Amount	Total M/WBE Participation	Total M/WBE Participation Percentage
North Parking Garage	$21,756,462	$2,329,577	$64,522	$2,394,099	11%
Olive Street Improvement Project	$698,649	$156,275	$32,500	$188,775	27%
Victory Park Lane Improvement Project	$1,892,078	$741,046	$34,344	$775,390	41%
Two Way Conversion Project - Phase I	$2,881,557	$795,170	$0	$795,170	28%
Two Way Conversion Project - Phase II	$1,088,763	$0	$821,790	$821,790	75%
Trinity Groves Restaurant Incubator Project	$3,483,496	$1,413,288	$224	$1,413,512	41%
Placemaking Project - Phase I	$1,750,586	$713,499	$6,285	$719,784	41%
Placemaking Project - Phase II	$1,473,872	$0	$1,222,849	$1,222,849	83%
Cypress at Trinity Groves	$43,795,169	$5,455,084	$5,507,075	$10,962,159	25%
District Wide Retail Project	$18,687,484	$0	$6,522,428	$6,522,428	35%
Totals	**$97,508,116**	**$11,603,939**	**$14,212,016**	**$25,815,955**	**26%**

FY 2023-2024 Work Program

The FY 2023-2024 Work Program for the Sports Arena TIF District is as follows:

- Adoption of the Sports Arena TIF District FY 2022-2023 Annual Report
- Promote projects in the Riverfront Gateway Sub-District and assess boundary expansion opportunities
- Continue annual payment of completed projects in the Victory and West Dallas Sub-districts
- Complete audit of TIF District-funded projects completed during FY 2022-2023, if any, and begin payment in June of 2024
- Work with the CTC and Park and Recreation Department to complete construction of the Hi Line Connector Trail Project.
- Evaluate incentive application(s) for the West Dallas Sub-district

Appendix A: TIF District Financials

City of Dallas, Texas
Sports Arena Area Tax Increment Financing District Fund
Balance Sheet as of September 30, 2023 (Unaudited)
With Comparative Totals for September 30, 2022, 2021, 2020 and 2019 (Audited)

	2023	2022	2021	2020	2019
Assets:					
Pooled cash and cash equivalents	$33,603,577	$22,539,790	$15,359,357	$11,140,133	$3,905,639
Accrued parking revenue receivable	$42,368	$36,886	$21,894	$0	$43,338
Interest receivable	($439,770)	($408,052)	$3,188	$8,703	$6,926
Total assets	$33,206,174	$22,168,623	$15,384,439	$11,148,837	$3,955,903
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	$500,000	$0	$500,000	$2,693,322	$855,000
Advances from developers	$0	$0	$0	$0	$0
Due to general fund	$231,375	$168,246	$163,641	$94,054	$51,515
Accrued liability	$0	$0	$0	$0	$0
Total liabilities	$731,375	$168,246	$663,641	$2,787,376	$906,515
Fund Balance (Deficit):					
Fund Balance (Deficit)	$32,474,799	$22,000,377	$14,720,798	$8,361,460	$3,049,387
Total Liabilities and Fund Equity	$33,206,174	$22,168,624	$15,384,439	$11,148,837	$3,955,903

Sports Arena Area Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2023 (Unaudited)
With Comparative Totals for September 30, 2022, 2021, 2020 and 2019 (Audited)

	ITD	2023	2022	2021	2020	2019
Revenues:						
Tax increment-Governmental	$104,244,487	$12,977,968	$13,092,781	$10,753,205	$9,848,179	$9,073,708
Tax increment-Intergovernmental	$26,034,827	$1,539,770	$112,342	$1,257,228	$1,165,252	$1,017,420
Parking Revenue	$2,420,650	$459,885	$404,714	$242,617	$271,622	$371,064
Interest income	$2,462,912	$864,211	$111,138	$37,061	$59,444	$99,529
Developer Participation	$1,189,939	$0	$0	$0	$0	$0
Net increase (decrease) in fair value of investments	($639,723)	($268,293)	($443,308)	($18,193)	$15,079	$35,995
Total revenues	$135,713,093	$15,573,541	$13,277,667	$12,271,918	$11,359,577	$10,597,716
Expenditures:						
Administrative expenses	$1,202,372	$63,129	$56,835	$68,990	$94,481	$51,515
Non-Capital outlay	$32,305,505	$4,484,263	$5,226,522	$3,081,420	$3,442,527	$3,251,013
Capital outlay	$48,634,538	$0	$98,372	$2,083,890	$1,772,889	$7,060,082
Interest and fiscal charges	$22,748,756	$451,727	$516,360	$578,281	$637,607	$694,444
Total expenditures	$104,891,171	$4,999,120	$5,898,088	$5,812,581	$5,947,504	$11,057,055
Excess (Deficiency) of Revenues over Expenditures	$30,821,922	$10,574,421	$7,379,579	$6,459,338	$5,412,073	($459,339)
Fund balance (Deficit) at beginning of year as previously reported	$0	$22,000,377	$14,720,798	$8,361,460	$3,049,387	$3,808,726
Prior period restatement	$2,352,877	$0	$0	$0	$0	$0
Interfund Transfer	($700,000)	($100,000)	($100,000)	($100,000)	($100,000)	($300,000)
Fund balance (Deficit) at beginning of year, as restated	$1,652,877	$21,900,377	$14,620,798	$8,261,460	$2,949,387	$3,508,726
Fund balance (deficit) at end of year	$32,474,799	$32,474,799	$22,000,377	$14,720,798	$8,361,460	$3,049,387

Note: Fiscal year 2022-23 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by City Council. In case of any material changes, the TIF board will be provided updated financial statements.

Interfund Transfer: Annual transfer of funds in the amount of $100,000 (fiscal year 2017 thru Fiscal Year 2023) from South Parking Garage revenues to North Parking Garage Fund for major capital expenses and maintenance costs.

Financial Status of the Zone
City of Dallas, Texas
Sports Arena Tax Increment Financing District
Reinvestment Zone Number Seven
As of September 30, 2023

Section 311.016 of the Tax Increment Financing Act 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:

$864,211	Interest Income
$459,885	Parking Revenue
$14,517,738	Ad Valorem Taxes (Collected in FY'2022-2023 based on 2022 Final Tax Roll)
($268,293)	Net change in fair value of investment
$15,573,541	**Total Revenue**

2. Amount and purpose of expenditures from the fund:

$63,129	TIF District administrative costs for the fiscal year 2022-2023
$4,484,263	Non-Capital outlay[1]
$0	Capital outlay
$451,727	Additional Subsidy in Form of Grant (in lieu of interest expense) - non capital outlay[1]
$4,999,120	**Total Expenditures**

[1]These expenditures were for the following projects:

	Total	Capital	Non-Capital
North Parking Garage Improvements-Principal & Interest	$1,993,035	$0	$1,993,035
South Parking Garage Grant	$500,000	$0	$500,000
Trinity Groves Mixed Use Project - Phase I	$2,442,956	$0	$2,442,956
Total	**$4,935,991**	**$0**	**$4,935,991**

Per the North Parking Garage Operating and Management Agreement, an annual transfer of $100,000 was made from the Sports Arena TIF Fund to the Sports Arena TIF North Parking Garage TIF Fund during FY 2023 for the major capital expense maintenance costs.

3. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:
Sports Arena TIF District has incurred no bonded indebtedness as of September 30, 2023.

b. The Zone has paid the following contingent obligations from available TIF funds, as of September 30, 2023:

Developer	Project	Advance Principal	Accrued Add'l Subsidy **(1)**	Total Outstanding
Center Operating Company	Houston Street Extension	$21,241,017	$13,451,642	$34,692,660
Center Operating Company	Woodall Rodgers Plaza	$2,000,000	$1,701,821	$3,701,821
	Total	$23,241,017	$15,153,464	$38,394,481
	Less: payments	$23,241,017	$15,153,463	$38,394,480
	Net Balance Outstanding	$0	$0	$0

c. The Zone has paid the following operator from available TIF funds as of September 30, 2023:
American Airlines Center's Parking

Garage Operator	Type of Agreement	Principal	Add'l Subsidy **(1)**	Payments	Outstanding
Center Operating Company	Parking Mgt & Operating Agm	$1,521,114	$0	$1,521,114	$0

d. The Zone has entered into a development agreement for each of the following projects and payment status as of September 30, 2023:

					Less Payments			
Developer	**Project Name**	**Principal TIF Award**	**Max. Accrued Add'l Subsidy (1)**	**Total TIF Award**	**Principal**	**Accrued Add'l Subsidy (1)**	**Total**	**Net Remaining Balance**
Anland GP, LP	North Parking Garage	$21,800,000	$6,430,193	$28,230,193	$13,020,520	$5,244,498	$18,265,018	$9,965,175
Victory Park UST Joint Venture I, L.P.	South Parking Garage	$12,825,000	$0	$12,825,000	$7,485,000	$0	$7,485,000	$5,340,000
Anland GP, LP	North Parking Garage Enhancements	$3,600,000	$0	$3,600,000	$3,600,000	$0	$3,600,000	$0
Victory Park UST Joint Venture I, L.P.	Victory Park Lane Improvement Project	$1,226,500	$0	$1,226,500	$1,226,500	$0	$1,226,500	$0
Victory Park UST Joint Venture I, L.P.	Olive Street Improvement Project	$825,100	$0	$825,100	$825,100	$0	$825,100	$0
Victory Park UST Joint Venture I, L.P.	Two Way Conversion & parking signage Project	$4,646,152	$0	$4,646,152	$4,646,152	$0	$4,646,152	$0
Trinity Groves, LLC	Trinity Groves-Restaurant/Retail Project	$3,505,000	$0	$3,505,000	$3,505,000	$0	$3,505,000	$0
Victory Park UST Joint Venture I, L.P.	Placemaking Project Phase I & II	$5,535,808	$0	$5,535,808	$5,535,808	$0	$5,535,808	$0
Trinity Groves Residential I, L.P.	Trinity Groves Mixed Use Phase I	$12,478,853	$0	$12,478,853	$9,398,260	$0	$9,398,260	$3,080,593
Blocks GKM, LP	Victory Park Retail Initiatives	$3,500,000	$0	$3,500,000	$3,500,000	$0	$3,500,000	$0
Total		**$69,942,413**	**$6,430,193**	**$76,372,606**	**$52,742,340**	**$5,244,498**	**$57,986,837**	**$18,385,768**

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

4. Tax increment base and current captured appraised value retained by the Zone:

	Taxable Value 2023	**Base Year Value**	**Est. Captured Value 2023***
City of Dallas-Victory Sub-District	$1,899,194,196	$33,515,323	$1,865,678,873
City of Dallas-Riverfront Sub-District	$43,387,170	$18,624,970	$24,762,200
City of Dallas-West Dallas Sub-Distric	$243,554,833	$11,590,076	$231,964,757
Dallas County-Victory Sub-District	$1,900,848,996	$405,570,974	$1,495,278,022
Dallas County-Riverfront Sub-District	$43,387,170	$18,624,970	$24,762,200
Dallas County-West Dallas Sub-Distric	$243,554,833	$11,590,076	$231,964,757

*Based on DCAD Certified Taxable Value. The final values will be determined on February 1, 2024.

5. Captured appraised value by the municipality and other taxing units, the total amount of 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**	**Estimated 2023 Increment**
City of Dallas-Victory Sub-District	0.66213	$12,353,220
City of Dallas-Riverfront Sub-District	0.66213	$163,958
City of Dallas-West Dallas Sub-Distric	0.66213	$1,535,908
Dallas County-Victory Sub-District*	0.09707	$229,559
Dallas County-Riverfront Sub-District	0.11864	$29,379
Dallas County-West Dallas Sub-Distric	0.11864	$275,214
Total for all Jurisdictions		**$14,587,238**

*Reaches Dallas County participation maximum of $4,900,000 NPV with partial increment collection.

B. The total amount of estimated tax increment to be billed for the 2023 tax year is $14,587,238

C. For the 2022 tax year, increment in the amount of $14,517,738 was received.

City of Dallas, Texas
Sports Arena Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2023
(Unaudited)

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 $2,005,770 (in Current $) over the life of the Zone to reimburse the City for administrative costs. The City began reimbursing the general fund for administrative costs in FY’1998-99. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.

5. “Due to general fund” amount of $231,375 on September 30, 2023 represents the Zone administrative costs for the fiscal year 2018-2019 ($1,581), fiscal year 2019-2020 ($40,243), fiscal year 2020-2021 ($69,587), fiscal year 2021-2022 (56,835) and fiscal year 2022-2023 ($63,129), that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF District funds. These administrative costs do not include billing to other City departments.

6. All expenditures resulting in capital improvements that are owned by the City are capitalized on the City’s books.

Appendix B: Project Pay-Off Estimates

Developer	Project Name	Max. TIF Award	Pay-Off Date
Victory Sub-district			
Anland GP, LP	North Parking Garage	$21,800,000	2028
Victory Park UST Joint Venture I, L.P.	South Parking Garage	$12,825,000	2028
Circuit Trail Conservancy	Hi Line Connector Trail Project	$11,562,124	2025
West Dallas Sub-district			
Trinity Groves Residential I, L.P.	Cypress @ Trinity Groves	$13,950,000	2024

Estimated pay-off dates may change and are subject to the following

(1) Changes in increment collected annually;
(2) Changes in the real property tax rates of participating taxing jurisdictions (City of Dallas and Dallas County);
(3) Changes in the participation rate of participating taxing jurisdictions;
(4) Completion dates of projects listed in the TIF District's reimbursement queue; and/or
(5) Changes in development activity within the TIF District

Appendix C: Sub-district Set-Aside Funds

The Sports Arena TIF District Project Plan and Reinvestment Zone Financing Plan created a West Dallas set-aside within the Victory Sub-district. Additionally, the adopted Increment Allocation Policy for the TIF District gives the TIF District Board the discretion to set aside increment for "sub-district wide improvements" such as gateways, trails, open space, public facilities, workforce training or utility/streetscape improvements benefiting multiple properties or blocks within the sub-districts.

Victory Sub-district Set-Asides

West Dallas Set-Aside - Ten percent (10%) of the total collected City and County increment revenue (after administrative expenses) for the Victory Sub-district shall be allocated to the West Dallas Sub-district.

Victory Sub-district Wide Improvements Set-Aside – From 2014 annual sub-district increment, after payment of completed Tier One projects, $500,000, shall be set-aside for eligible sub-district wide improvements. Eligible improvements are limited to future design and construction of public improvements that may be required as a result of the implementation of the following Tier Two infrastructure improvement projects: Olive Street Reconfiguration and Two-Way Conversion of Houston Street and Victory Avenue.

Riverfront Gateway Sub-district Set-Aside

Riverfront Gateway Sub-district Wide Improvements Set-Aside – Ten percent (10%) of the increment generated from the Riverfront Gateway Sub-District, up to $955,000, shall be set aside for eligible improvements. Eligible improvements shall specifically include streetscape, open space and trail improvements that benefit multiple properties within the Riverfront Gateway Sub-district whether constructed as part of a single development project or independent of a development project. These funds may also be used as a match for potential grant funding for eligible improvements.

West Dallas Sub-district Set-Asides

Zoning Sub-district Wide Improvements Set-Aside – Five percent (5%) of the increment generated from the West Dallas Sub-District, up to $3,000,000, shall be set aside for Planned Development District (PD) 891 zoning required improvements (Zoning Sub-district Wide Improvements). Zoning Sub-District Wide Improvements shall specifically include PD 891 Open Space Improvements, whether constructed incrementally or in conjunction with specific private development projects or constructed independent of a specific private development project. PD 891 improvements specifically include: Muncie Street Linear Park, Herbert Plaza and the Akron Park Greenway.

General Sub-district Wide Improvements Set-Aside – Ten percent (10%) of the increment transferred from the Victory Sub-district shall be set-aside for other West Dallas Sub-

district wide improvement projects (General Sub-district Wide Improvements) and to be used as a match for potential grant funding of improvement projects.

Sports Arena TIF District - Sub-district Set-Asides			
Sub-districts	**Max Set-Aside Amount**	**Collected to Date**	**Committed or Spent to Date**
Victory Sub-district			
West Dallas Set-Aside*	-	$7,986,526	$7,986,526
Sub-district Wide Improvements Set-Aside	$500,000	$500,000	$0
Riverfront Gateway Sub-district			
Sub-district Wide Improvements Set-Aside	$955,000	$63,114	$0
West Dallas Sub-district			
Zoning Sub-district Wide Improvements Set-Aside	$3,000,000	$388,685	$0
General Sub-district Wide Improvements Set-Aside*	-	$798,653	$0

**There are no max amounts for these set-asides.*