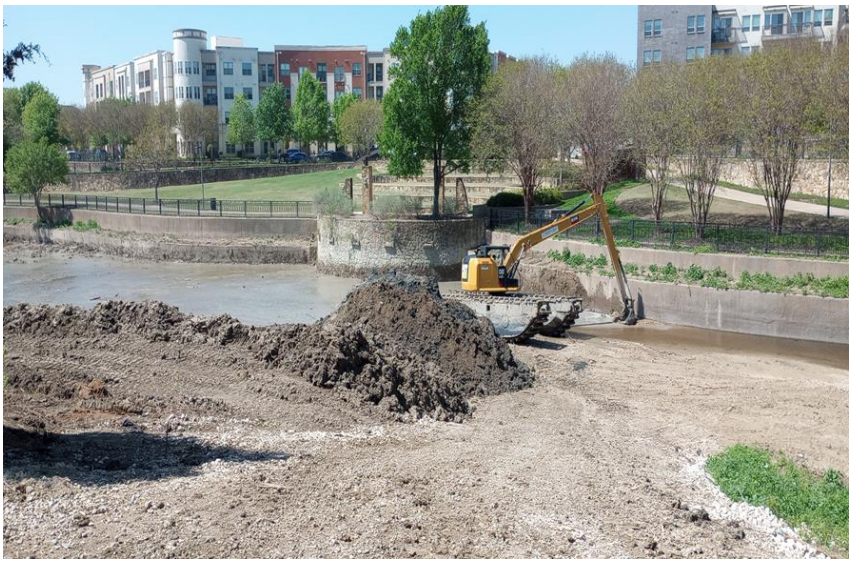
Exhibit A

Skillman Corridor TIF District
FY 2022-2023
Annual Report



Watercrest Park Pond Dredging Project

City of Dallas

Office of Economic Development
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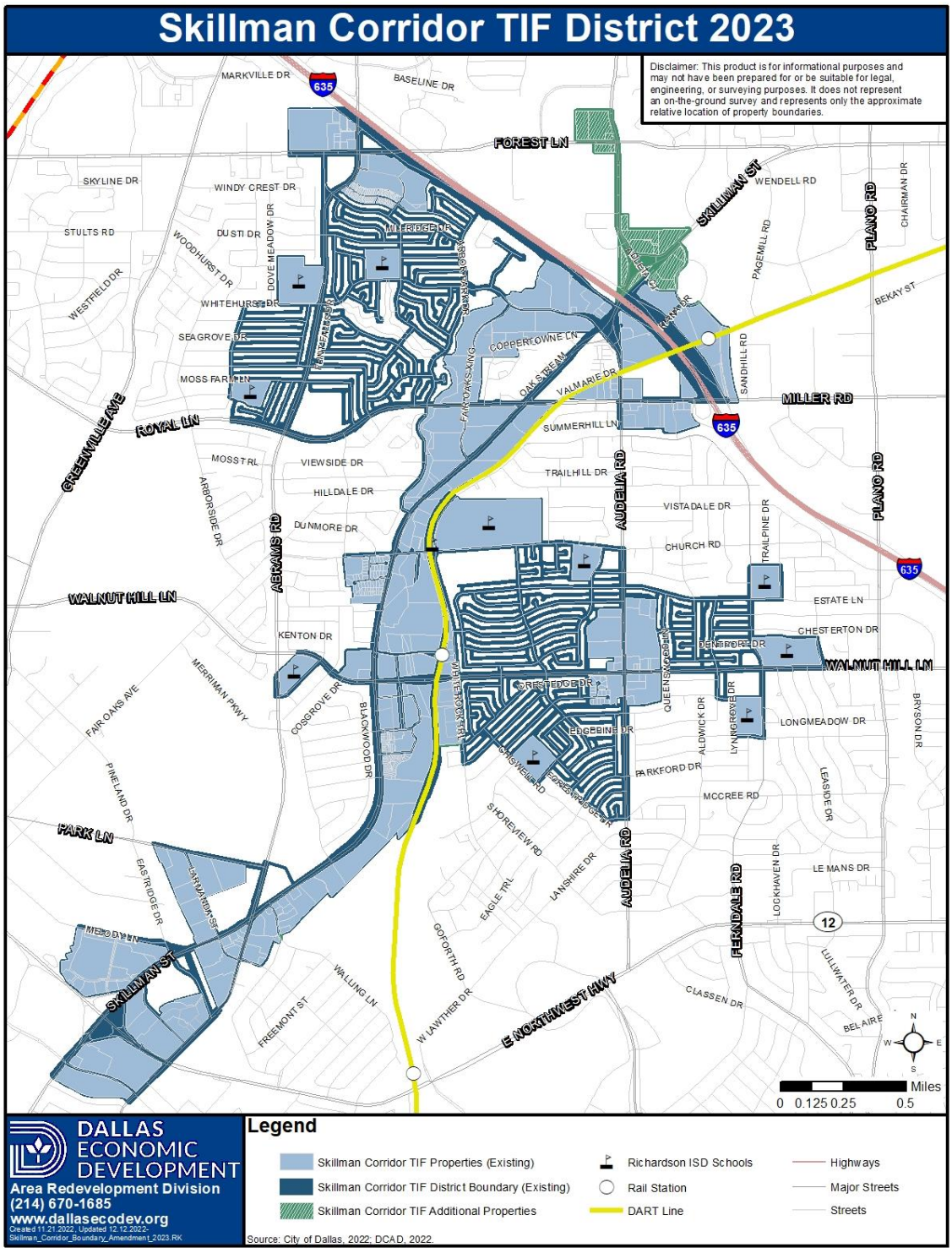
Dallas, Texas 75201
(214) 670-1685
www.dallasecodev.org

October 1, 2022 to September 30, 2023

Reinvestment Zone Number Fourteen
Tax Increment Financing District
(as amended March 8, 2023)



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Mission Statement

The mission of the Skillman Corridor TIF District ("Skillman Corridor TIF District" or "TIF District") is to provide a source of funding for public investments that will assist in creating a more sustainable mix of rental and owner-occupied residential property in the Skillman Corridor. This effort will help encourage the redevelopment of structurally obsolete apartment complexes and retail centers, better trail and recreational connections, and transit-oriented development near the Skillman/Walnut Hill DART light rail station and the existing Skillman/LBJ DART light rail station. The Skillman Corridor TIF District began on January 1, 2006 and will terminate on December 31, 2035 (including collection of the 2035 increment in calendar year 2036 and any related matters to be concluded in 2036).

Skillman Corridor TIF District Accomplishments

City Council established the Skillman Corridor TIF District by Ordinance 26148 on October 26, 2005. In December 2006, the TIF District's boundaries were amended to include several Richardson Independent School District (RISD) campuses to help RISD meet changing campus needs as the area is redeveloped. The RISD Board of Trustees approved contributing the debt service portion of future RISD increment to the TIF District up to $10 million net present value (or a total amount of just over $16 million). This financial participation marked the first financial participation by a school district in a Dallas TIF district since 1999. The City Council adopted the Skillman Corridor TIF District Project Plan and Reinvestment Zone Financing Plan (the "TIF District Plan") on December 13, 2006 by Ordinance 26534.

In 2007, a development agreement with PC LH Land Partners, LP (PC LH) for the TIF District's catalyst project "Lake Highlands Town Center (LHTC)" was approved by the Skillman Corridor TIF Board (the "TIF Board") and the City Council. The project also received funding commitments from Dallas Area Rapid Transit (DART) and the North Central Texas Council of Governments (NCTCOG) for a light rail station and related improvements at Skillman Street and Walnut Hill Lane along the existing DART Blue Line. In addition, the project received funds from Dallas County for infrastructure improvements and City of Dallas bond funds for infrastructure improvements.

Infrastructure and other public improvements as part of the LHTC horizontal site development phase are complete. An operation and maintenance agreement for non-standard public improvements was executed with PC LH, and the Lake Highlands Public Improvement District (LHPID) agreed to partial assignment of those responsibilities.

The 20 acres of park land and trails constructed as part of the project were conveyed to the City on March 31, 2011 and named "Watercrest Park." Maintenance responsibility has been designated to PC LH, future owners, and/or the Lake Highlands Public Improvement District (LHPID).

Due to the economic downturn between 2008-2010, vertical development at the LHTC was delayed. In June 2011, the City approved an amended development agreement for LHTC that increased the TIF District funding dedication from $23,000,000 to a maximum of $40,000,000, subject to certain conditions.

In May 2009, the TIF Board adopted a “Skillman Corridor TIF Strategic Implementation Plan” to guide the next phases of development and improvements in the TIF District.

In FY 2011, a development agreement with Audelia WGK, LLC for the White Rock Place development was approved by the TIF Board and the City Council. TIF District funding assisted with reconfiguring the southwest corner of Walnut Hill Lane and Audelia Road into a smaller retail component of 18,000 square feet and infrastructure for 17 residential lots. All homes were completed in late 2013.

A development agreement with the Richardson Independent School District (RISD) was approved in FY 2011 to provide TIF District funding pursuant to the Interlocal Agreement between the City and RISD for stadium facility improvements adjacent to Lake Highlands High School as funds are available.

During FY 2012, the TIF Board approved by-law amendments to reflect changes in state law for TIF Board composition so that only taxing jurisdictions that participate financially can have representation and a change in the TIF design review process to have the function undertaken as part of the City Design Studio Urban Design Peer Review Panel. The TIF Board also approved mixed-income housing guidelines.

During FY 2013, a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project was approved by the TIF Board and City Council. The development, now called NorthRock Lake Highlands, was completed in late 2014. In FY 2016, the developer terminated the agreement, forgoing the TIF subsidy.

In 2015, Phase I requirements under the LHTC agreement were completed, and the City began disbursement of TIF District funding. In September 2015, PC LH decided to terminate the remainder of the LHTC agreement.

During FY 2016, the TIF Board approved district-wide funding commitments including $349,800 in local match funding for the Lake Highlands TOD Multimodal Connectivity Project (hike/bike trail extension) and $35,000 to share in the cost for a Phase I Master Plan to study and prepare schematic design for enhancements to the proposed Lake Highlands Gateway Bridge at the intersection of Skillman Street and IH 635.

During FY 2017, a development agreement with NADG/SHOP Lakeridge LP for the Lakeridge shopping center project was approved by the TIF Board and City Council.

In June 2018, the TIF Board recommended district-wide funding up to $350,000 toward median/gateway improvements along Skillman Street near the hike/bike trail extension project.

During fiscal year 2018-2019, the Lakeridge shopping center project was completed, and the $4,500,630 TIF District funding was paid in full. The 90,476 square feet of upgraded retail space has resulted in a more than doubling of taxable value. The project also replaced much of the non-pervious parking lot with 8,000 square feet of public open space. The City of Dallas and SHOP Development were awarded the 2019 Urban Land Institute's "Next Big Idea" award for three of their local projects, including the Lakeridge center project.

In 2021, the TIF Board recommended district-wide funding to support dredging and studying Watercrest Park pond at Lake Highlands Town Center. On March 9, 2022, City Council authorized a construction contract for dredging of Watercrest Park, and dredging work is underway. In 2021, the TIF Board also recommended district-wide funding for 26 new City light-emitting diode (LED) street lights and approximately 5,200 linear feet of fiber optics within the District.

In March 2023, at the recommendation of the TIF Board, City Council approved amendments to the TIF District Plan (the "TIF District Plan Amendment"), expanding the District boundary, and dedicated $5,551,590 to support design and construction of a new City park and multi-purpose facility at the northwest corner of Forest Lane and Audelia Road (the "Forest/Audelia Project").

Significant TIF District projects are shown in the following table.

Skillman Corridor TIF District Projects[1]

Projects Within TIF District Utilizing TIF District Funding

Project	Location	Calendar Year Complete	Status	Units/ SF[2]	Approx. or Estimated Value[3]	TIF Investment[4]
Lake Highlands Town Center, Phase I[2 7]	Walnut Hill/Skillman (NE and SE); Haven Apts. – 7707 Watercrest Parkway	Public Improv – 2010; Ph I – 2014	Sitework/public improvements & Phase I vertical development - Haven Apts. complete	200 units; 7,500 square sf retail	$36,000,000	$10,000,000
White Rock Place	SW Corner Walnut Hill & Audelia	2013	Retail portion & infrastructure for SF lots complete	17 SF lots; 18,000 sf retail reconfig.	$23,959,230	$2,372,000
Lakeridge	SE corner of Walnut Hill & Audelia	2019	Complete	90,476 sf upgraded retail	$11,975,000	$4,500,630

			Subtotal	**217 res. units; 115,976 square feet retail**	**$71,934,230**	**$16,872,630**
Projects Within TIF District Not Utilizing TIF District Funding[5]						
Project	**Location**	**Calendar Year Complete**	**Status**	**Units/ SF[2]**	**Approx. Value[3]**	**TIF Investment[4]**
Trimark Town Homes	9400 Block Timberleaf Dr	2005	Complete	84 units	$17,033,306	n/a
Medallion Retail Center expansion/renov.	6300 E Northwest Hwy & 5720 Skillman St.	2006	Complete	88,800 square feet new space	$30,158,480	n/a
Kingsley Square Redevelopment	7203 & 7211 Skillman St.	2007	Complete	76,000 square feet retail	$18,840,000	n/a
Wal Mart Supercenter	9382 LBJ Fwy.	2008	Complete	204,000 square feet retail	$13,109,680	n/a
The Avery on Southwestern (formerly Village View Apts)	8910 Southwestern Blvd.	2009	Complete	422 units	$79,950,000	n/a
Timbercreek redevelopment	Skillman St @Northwest Hwy	2011-2012	Complete	485,000 square feet retail	$56,183,560	n/a
Century Lake Highlands (formerly White Rock Trail/ NorthRock Apts.)	6808 Skillman St	2014	Complete	362 units	$71,511,290	n/a
The Bordeaux at Lake Highlands	SW corner Skillman St & Church Rd.	2014-2017	Complete	37 single family homes	$27,109,235	n/a
The Shops at Lake Highlands Town Center	SE corner Walnut Hill/Skillman	2017	Complete	59,600 sf grocery/retail restaurant	$23,036,480	n/a
Lookout Apartments at Lake Highlands Town Center	Lookout Point/ Watercrest Parkway	2018	Complete	259 units	$65,000,000	n/a
The Enclave at Lake Highlands Town Center	Skillman & Segwick Dr.	2018-2021	Complete	86 townhomes	$45,679,428	n/a
Highpoint Crossing	6375 & 6411 E. Northwest Hwy	2018	Complete	181,993 square feet retail	$44,608,000	n/a

Lenox Lake Highlands (Lake Highlands Town Center North)	Whistle Stop Place	2023	Under Construction	403 units	$79,000,000	n/a
Goose at White Rock Valley	9601 White Rock Trail	2023	Under Construction	36 homes	$23,000,000	n/a
			Subtotal	**1,689 res units; 1,095,393 square feet retail**	$594,219,459	**$0**
Projects Utilizing and Not Utilizing TIF District Funding						
			Total	**1,906 res units; 1,211,369 square feet retail**	$666,153,689	**$16,872,630**

[1] All information updated as of September 30, 2023.
[2] As of 2015, only Phase I of the project relates to the TIF District funding agreement.
[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 taxable 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] Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.
[5] Selected significant projects included.
[6] Tax-exempt property. Amount shown is approximate investment in improvements.
[7] Per the TIF program mixed-income housing requirement, the project is providing at least 20% of units as affordable for 15 years.

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, as part of TIF District funding, a total of 217 units have been built to-date, of which 40 are required to be set-aside as affordable. The White Rock Place project involved TIF District funding for infrastructure for 17 single-family lots, and previously, on a case-by-case basis, for-sale housing was not subject to specific affordability requirements.

A total of 1,467 residential units have been completed overall. Another 439 units are under construction without any TIF District subsidy or affordable units anticipated.

TIF District Initiatives

In addition to TIF District funding, there have been other public funding commitments in support of the Lake Highlands Town Center (LHTC) and improvements to trails and gateways as shown in the TIF District Initiatives table below. A unique partnership was formed with PC LH and several public agencies (City, Dallas County, DART, and

NCTCOG) as a result of the interdependent layering of funding for infrastructure and public improvements requiring coordination in support of the LHTC.

In June 2010, NCTCOG Regional Transportation Council (RTC) awarded funding for two Sustainable Development (SD) Projects in the Skillman Corridor TIF District including the "LBJ/Skillman Urban Planning Initiative" (planning study) and the "Lake Highlands TOD Sustainable Development Infrastructure Project."

The LBJ/Skillman Urban Planning Initiative included evaluating the best land use and development mix in the LBJ/Skillman DART Station area and strategies to encourage transit-oriented development (TOD) and supporting pedestrian/bike improvements. In August 2009, the TIF Board approved a pledge of TIF District funding in the amount of $25,000 as matching funds for the project. NCTCOG funding includes $100,000 with a required local 20% match of $25,000 for a total study amount of $125,000. The completed study was adopted by City Council in October 2014.

The "Lake Highlands TOD Sustainable Development Infrastructure Project", with Dallas County and PC LH as partners, was selected for funding as an infrastructure project totaling $3,243,000 to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman Street, north of Abrams Road). In late 2015, the City took the lead on managing the project with the TIF District providing $346,800 in local match support and Dallas County committing up to $271,000 (net project management costs). The trail extension construction was completed in 2021.

In June 2018, the TIF Board recommended up to $350,000 in TIF District funding toward the construction costs of median/gateway improvements along Skillman Street between Merriman Parkway and Abrams Road. The Lake Highlands Public Improvement District funded the design work. Construction was implemented in conjunction with the construction of the trail extension project. The median improvements were completed in 2022.

During fiscal year 2020-2021, the TIF Board recommended dedicating $1,600,000 in TIF District funds to match the $1,600,000 available 2017 proposition D bond funds for dredging of the Watercrest Park pond at Lake Highlands Town Center with the following conditions: (1) that the dredging is consistent with Alternative 7A as presented in Garver's Technical Memorandum dated April 1, 2021 (partial dredge of the whole pond to a shallow 1.5 foot depth to remove all sediment above the normal water surface elevation and dredging of the southern "bowl" portion of the pond to full design depth to provide additional volume), with additional focus that the northern portion of the waterway receive a light dredge so as to preserve natural habitat, (2) that the TIF Board will not entertain future dredging funding requests, and (3) that the findings as presented in the recommended action are accepted. At the same TIF Board meeting, the TIF Board also recommended dedicating up to $60,000 to supplement the professional services contract with Garver for Watercrest Park pond dredging improvements to provide engineering evaluations and cost estimates for up to three beautification and maintenance-reducing concepts of Watercrest Park pond. The

Watercrest Park Pond study was completed in 2022. On March 9, 2022, City Council approved the construction contract to dredge Watercrest Park pond which included $1,200,700 of the TIF District's $1,600,000 commitment. A subsequent change order approved by City Council on April 12, 2023 that compensated the contractor for additional work required for an agreed upon alternative construction entrance and staging area increased the TIF District funds by $399,300, thereby utilizing the full Skillman Corridor TIF District dedication amount of $1,600,000.

On December 3, 2021, the TIF Board recommended a request by the City of Dallas Department of Transportation for TIF District funding of public street lighting improvements including (a) installation of approximately 26 new City light-emitting diode (LED) street lights in the amount of $286,000 and (b) approximately 5,200 linear feet of fiber optics in the amount of $286,000, for a total amount not to exceed $572,000, along the following locations: (1) West and East Ferris Branch Boulevard: 3 street light poles, (2) Ferris Branch Boulevard from West/East Ferris Branch Boulevard to Whitehurst Drive: 5 street light poles, (3) Fair Oaks Crossing from Royal Lane to Whitehurst Drive: 12 street light poles, and (4) Fair Oaks Crossing from Royal Lane to Skillman Street: 6 street light poles. On March 9, 2022, the City Council approved Resolution 22-0456, authorizing $572,000 to be transferred from the Skillman Corridor TIF District Fund to the Transportation Special Projects Fund to implement the public street lighting improvement project. The new street lights became operational in 2023 and the fiber optic installation is in progress.

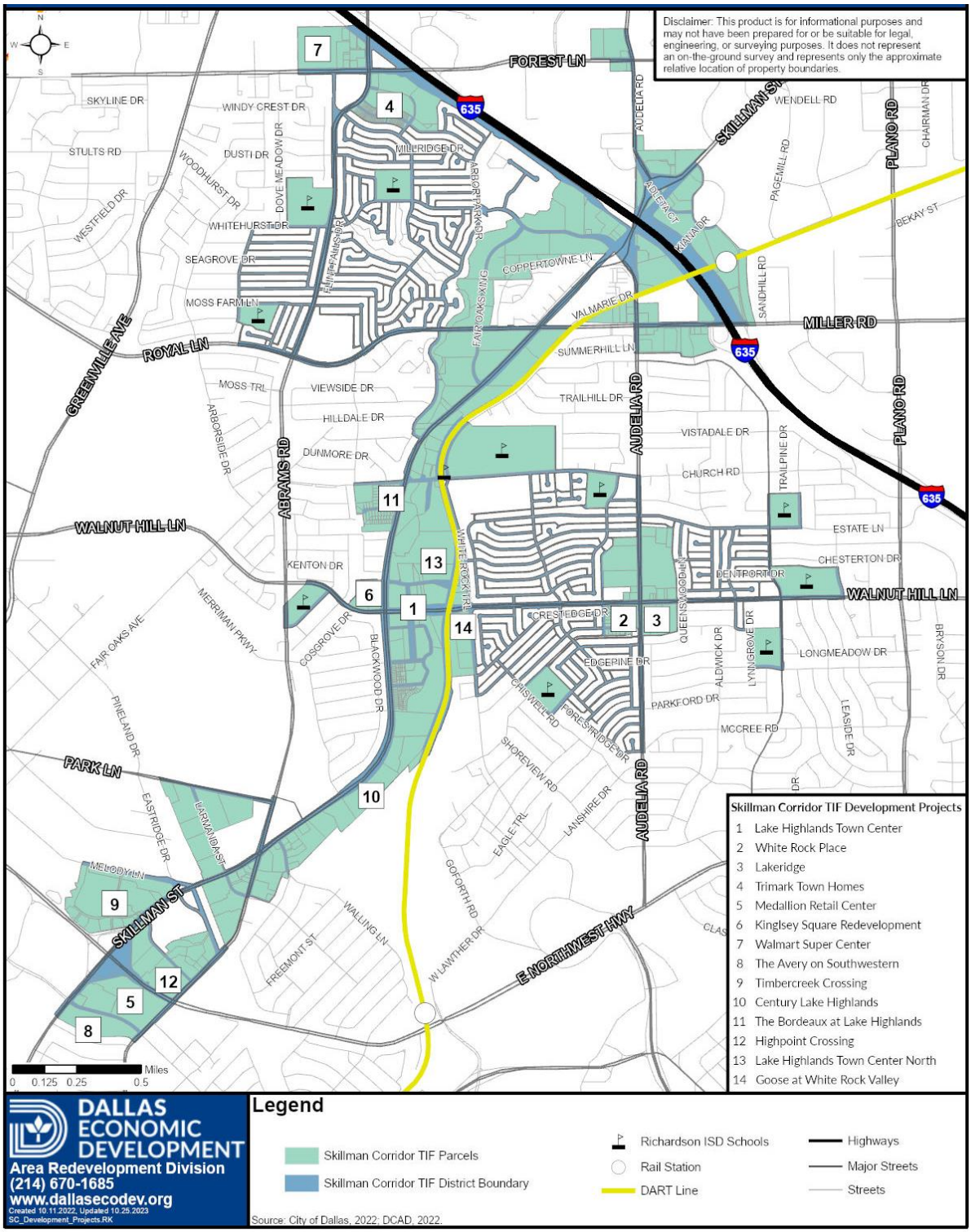
On April 13, 2022, City Council approved Resolution 22-0583 authorizing a construction services contract for the construction of the Lake Highlands Trail - Phase 2A/2B, Northern Extension Project from Harry S Moss Park located at 7601 Greenville Avenue, a portion of which falls within the Skillman Corridor TIF District. Funding for the contract awarded to RoeschCo Construction, Inc., lowest responsible bidder of seven, totals an amount not to exceed $4,392,297.50 and includes the following sources: Lake Highlands Phase 2 Transportation Alternatives Set-Aside Program ($3,513,838.00), Street and Transportation Improvements Fund (2012 General Obligation Bond Fund) ($63,143.10), Street and Transportation (A) Fund (2017 General Obligation Bond Fund) ($733,299.63), and Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund) ($82,016.77). Phase 2A connects Arbor Park to the existing White Rock Creek Trail at Harry Moss Park; Phase 2B connects Arbor Park to the existing Lake Highlands Trail Phase 1; and the Lake Highlands Trail Northern Extension provides a safe route to schools and connects the Lake Highlands Trail Phase 1 at Lake Highlands High School to the Lake Highlands DART Station at Walnut Hill Lane.

On December 2, 2022, the TIF Board recommended transferring $5,551,590 in Skillman Corridor TIF District funds to the Park and Recreation Department to support the design and construction of a new City park and multi-purpose facility at the northwest corner of Forest Lane and Audelia Road (the "Forest/Audelia Project") and, on March 8, 2023, City Council approved the transfer of funds by Resolution 23-0372.

District Initiatives				
Activity	**Scope**	**Status**	**Investment**	**Source**
Lake Highlands Town Center (LHTC) related				
New DART Light Rail Station – Skillman St./Walnut Hill Ln.	Along the existing DART Blue Transit Line, a new station will be added on the northeast side.	Funding approved by DART Board in 2006. Station opened Dec 2010	$10,000,000	DART
City 2006 Bond Funds – Proposition 8	Public infrastructure support for a transit-oriented development at Skillman St/Walnut Hill Ln.	Bond sale and Chapter 380 grant authorized in 2007. Infrastructure completed 2010	$4,677,282	2006 City Bond
Dallas County Major Capital Improvement Program (MCIP)	Funding for LHTC transportation infrastructure including bridge over Jackson Creek, collector streets, and pedestrian improvements.	Improvements completed in 2010	$3,421,846	Dallas County MCIP Fund 196, Project 8201
NCTCOG *with DART local funding exchange.*	Traffic and median improvements, collector streets, and pedestrian access and transit related improvements.	NCTCOG RTC approved 2007. Interlocal agreement executed 2008; Construction completed 2010	$5,150,000 $1,287,500	NCTCOG/RTC Local Match – Private (*eligible for TIF reimbursement*)
Watercrest Park pond dredge	Partial dredge of pond to 1.5 foot depth and dredging of the southern “bowl” to full design depth, with focus that northern portion of the waterway receive a light dredge to preserve natural habitat	Under construction	$3,200,000 = $1,600,000 + $1,600,000	2017 City Bond Prop D 2017 City Bond Prop B Skillman Corridor TIF District
Watercrest Park pond study	Evaluations and cost estimates for up to 3 beautification and maintenance-reducing concepts of pond	Study complete	$60,000	Skillman Corridor TIF District
Other District-Wide Initiatives				
Regional Transportation Council (RTC) 2009-10 Sustainable Development Program – Lake Highlands TOD Sustainable Development Infrastructure Project **Skillman Street median/gateway improvements**	Hike/bike trail extending from south end of Lake Highland Town Center Trail into the White Rock Creek Trail near Skillman Street. The original scope included intersection improvements at Walnut Hill and Skillman Improvements to medians between Merriman Parkway and Abrams Road near the trail extension.	Project selected by the RTC in June 2010. City Council authorized agreements in 2012 Construction complete	$3,467,778 includes: $2,774,222 $346,800 $346,778 (*$271,000, net project management costs)* $350,000	RTC funds Skillman Corridor TIF District Dallas County Major Capital Improvement Program (MCIP) funds. LHPID funded design as part of a larger contract. TIF funds toward construction

Regional Transportation Council (RTC) 2009-10 Sustainable Development Program – LBJ/Skillman Urban Planning Initiative	Planning study to determine future land use, development scenarios, and zoning to facilitate transit-oriented development (TOD) near the LBJ/Skillman DART Station area, potential linkages, and opportunities for new trails and open spaces.	Project selected by RTC in June 2010 Study completed, and City Plan Commission approved. Council adopted October 8, 2014	$125,000 total includes: $100,000 $25,000	 RTC funds Local match from Skillman Corridor TIF District
Lake Highlands Trail - Phase 2A/2B	Partially within TIF District Boundary; 12-foot wide multi-use trail from existing White Rock Creek Trail at Harry S Moss Park to Arbor Park, continuing from Arbor Park to the existing Lake Highlands Trail, new signalization with pedestrian/cycling enhancements at Abrams Road and approximately 800 linear feet of concrete boardwalk	Construction contract awarded April 22, 2022	$4,392,298 Total includes: $3,513,838 $63,143 $733,300 $82,017	 Phase 2 TASA Program 2012 City Bond Prop 1 2017 City Bond Prop A 2017 City Bond Prop B
Phase I Master Plan for schematic design of enhancements to the Skillman Gateway Bridge	Plan to build on the Lake Highlands Gateway Bridge project, a $64 million interchange reconfiguration for Skillman and IH 635 "LBJ Freeway" that both TXDOT and the City of Dallas have committed construction funding. Enhancements being constructed as designed	LHIDC managed the consultant and design was completed in 2017	$55,000 estimated total cost $35,000 $25,000	 Skillman Corridor TIF District LHIDC funds
Public Street Light Improvements	Installation of approx. 26 City light-emitting diode (LED) street lights and (b) approximately 5,200 linear feet of fiber optics	Street lights complete; fiber optics in progress	$572,000	Skillman Corridor TIF District
Forest/Audelia Project	Design and construction of a new City park and multi-purpose facility	Funding approved; Design underway	$7,551,590 = $5,551,590 + $750,000 + $332,000 + $918,000	 Skillman Corridor TIF District Park Department 2017 City Bond Prop B City ARPA funds
		Total Investment	**$42,672,794**	

TIF District Development Project Map



Value and Increment Revenue Summary

The Skillman Corridor TIF District's assessed 2023 taxable value was $1,505,414,441 (and varies for other taxing jurisdictions due to exemption levels). The taxable value includes 19 parcels added to the TIF District in 2023. This represents an increase of $1,142,914,710 (315.3%) over the 2023 adjusted base year value and an increase of $230,862,007 (18.1%) over last year's final value. The TIF District anticipates collecting approximately $11,460,579 in incremental tax revenue for tax year 2023 (collected in 2024), of which $7,147,160 is the City's contribution. The anticipated RISD portion totals $2,953,968, and 30% or $886,190 will be earmarked for the RISD Facility Improvements TIF budget line item pursuant to RISD's interlocal agreement with the City.

Objectives, Programs, and Success Indicators

Among the goals of the Plan are:

- To create additional taxable value attributed to new private investment in projects in the Skillman Corridor TIF District totaling approximately $592 million.

  Over $564 million in new investment is completed (95.3% of the goal).

- To attract new private development in the Skillman Corridor TIF District totaling approximately 740,000 square feet of new or upgraded retail space and 6.4 million square feet of new or upgraded residential development including town home, multi-family, and single-family projects.

  1,211,369 square feet of new and upgraded retail space is completed (exceeding the goal by 64%). 1,467 residential units are completed and 439 units under construction, approximately 2,164,800 square feet total (calculated by using estimated average size by unit type; includes units only) (34% of the goal).

Residential developments at Lake Highlands Town Center that opened in 2018 including Lookout Apartments (left) and Enclave townhomes (right)

- To focus on encouraging the redevelopment of properties on the Skillman Street corridor and the existing DART Light Rail Station at LBJ and Skillman to increase density and provide enhanced urban design for the District.

  In 2009, the TIF Board adopted a TIF District Strategic Implementation Plan to focus redevelopment activities and TIF expenditures including supporting the Skillman/LBJ Gateway planning effort to promote TOD development at the LBJ/Skillman DART Station area. A NCTCOG Regional Transportation Council (RTC) funded planning study was completed in 2014 to explore development options and public improvements needed to facilitate TOD development around the LBJ DART station.

  The Lake Highlands Gateway Bridge project, a $64 million interchange reconfiguration for Skillman (incorporating the extensive efforts made by community leaders to present an alternative to an original flyover bridge design) and the LBJ East project is moving forward as one project. Construction began Fall 2020 and was ongoing during the fiscal year. The TIF Board funded $35,000 to share in the cost with the Lake Highlands Public Improvement District for a Phase I Master Plan that studied and prepared schematic design for bridge enhancements (completed in 2017).

- To maintain the stability of local schools as redevelopment occurs in the housing market.

  In May 2007, the TIF Board adopted "Skillman Corridor TIF District Relocation Assistance/Student Retention Program Guidelines" with substantial input from the Richardson Independent School District (RISD) and private partners as part of negotiating the LHTC development agreement. A concerted effort was made at the start of the LHTC redevelopment to relocate remaining tenants to other apartment complexes within the RISD. Occupancy levels were low at the time and of the 110 unit relocations specifically tracked in August 2007, 78% relocated to another complex in the RISD.

  In September 2022, RISD broke ground on the new Lake Highlands Middle School. The 3-story school will house 1,500 students and is anticipated to be complete August 2024. Phase 2 of the project includes demolition of the existing Lake Highlands Junior High School.

  Current RISD enrollment data for FY 2023 indicates that overall enrollment for the eleven RISD campuses within the TIF District is up 38% compared to the 2006-07 school year when tracking for the potential impact of TIF related redevelopment began. Over the seventeen-year period, all but one RISD schools gained students, and Lake Highlands High School enrollment has increased 69.5% since the 2006-2007 school year. Staff and the TIF Board will continue to work with school district representatives to monitor enrollment.

- To reach ridership at existing and future DART light rail stations in the District averaging over 3,000 riders per weekday by 2015.

  The annualized ridership for FY 2023 for the LBJ/Skillman station is 186,601, according to DART. This represents a decrease of 53.19% over the base year (FY 2005) and 1.47% increase from last year. The average daily (weekday) ridership level is 622, a 6.69% increase from last year.

  The annualized ridership for FY 2023 for the Lake Highlands station is 88,999 which represents a 13.08% decrease over the base year (FY 2011) and a 21.47% increase over last year. The average daily (weekday) ridership level is 299, a 31.14% increase from last year.

Year	Station	Annualized Ridership	Change from Previous Year	Change from Base Year
FY 2005	LBJ/Skillman	398,664	-	-
FY 2006	LBJ/Skillman	412,972	3.59%	3.59%
FY 2007	LBJ/Skillman	410,944	-0.49%	3.08%
FY 2008	LBJ/Skillman	458,432	11.56%	14.99%
FY 2009	LBJ/Skillman	466,593	1.78%	17.04%
FY 2010	LBJ/Skillman	419,418	-10.11%	5.21%
FY 2011	LBJ/Skillman	420,294	0.21%	5.43%
FY 2012	LBJ/Skillman	455,667	8.42%	14.30%
FY 2013	LBJ/Skillman	465,269	2.11%	16.71%
FY 2014	LBJ/Skillman	427,755	-8.06%	7.30%
FY 2015	LBJ/Skillman	415,159	-2.94%	4.14%
FY 2016	LBJ/Skillman	385,132	-7.23%	-3.39%
FY 2017	LBJ/Skillman	363,885	-5.52%	-8.72%
FY 2018	LBJ/Skillman	361,137	-0.76%	-9.41%
FY 2019	LBJ/Skillman	361,148	.003%	-9.41%
FY 2020	LBJ/Skillman	240,001	-33.54%	-39.80%
FY 2021	LBJ/Skillman	168,278	-29.88%	-57.79%
FY 2022	LBJ/Skillman	183,897	9.28%	- 53.87%
FY 2023	LBJ/Skillman	186,601	6.76%	-53.19%

Year	Station	Annualized Ridership	Change from Previous Year	Change from Base Year
FY 2011	Lake Highlands	102,394	-	-
FY 2012	Lake Highlands	153,439	49.85%	49.85%
FY 2013	Lake Highlands	175,425	14.33%	71.32%
FY 2014	Lake Highlands	161,445	-7.97%	57.67%
FY 2015	Lake Highlands	162,719	0.79%	58.91%
FY 2016	Lake Highlands	153,156	-5.88%	49.58%
FY 2017	Lake Highlands	145,841	-4.78%	42.43%
FY 2018	Lake Highlands	138,839	-4.80%	35.59%
FY 2019	Lake Highlands	137,806	-.74%	*34.58%*
FY 2020	Lake Highlands	92,665	-32.76%	*-9.5%*
FY 2021	Lake Highlands	55,191	-40.44%	*-46.1%*
FY 2022	Lake Highlands	73,269	32.76%	*-28.44%*
FY 2023	Lake Highlands	88,999	21.47%	*-13.08%*

- To improve access and connections to the DART light rail system within the District.

  The Lake Highlands DART opened December 6, 2010. The station is the first infill station constructed while DART Rail is in operation. The station area was intended to be incorporated with the development of the Lake Highlands Town Center (LHTC).

- To increase recreational opportunities and improve connections to the City of Dallas trails and open space system in the District.

  The 20 acres of park and trails as part of the LHTC was completed and conveyed to the City in March 2011. Maintenance of this recreational space is handled privately and/or by the Lake Highlands Public Improvement District (PID).

  In 2010, the NCTCOG Regional Transportation Council (RTC) committed funding to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman, north of Abrams). The project was completed in 2021.

- To generate approximately $49.7 million net present value (NPV) in increment over 20 years of collections.

  The TIF District's 2023 total taxable value is 1,505,414,441 (includes the addition of 19 parcels added to the TIF District with the 2023 approved TIF District Plan Amendment)*. The economic downturn in the early years of the TIF District impacted the pace of new construction, including delaying the build out of the Lake Highlands Town Center, but recent growth, including the 18.1% increase in values between 2022 and 2023, has allowed for significant strides in meeting the goal. The total NPV collections to-date is $32.1 million, 65% of the goal.*

- To diversify retail and commercial uses in the TIF District.

  Upgrades were made at the Kingsley Square and Medallion Center. A WalMart Supercenter and the Timbercreek Crossing development is complete with Wal Mart/Sam's Club as an anchor. The White Rock Place project included upgraded signage and site improvements as part of consolidating viable retail space that attracted new tenants. The Shops at Lake Highlands Town Center includes a Sprouts grocery anchor along with new restaurants and retail. An additional 181,993 square feet in retail space, including a Marshalls, Burlington and Academy, was added to the TIF District with the development of Highpoint Crossing in 2018.

Taco Diner at the Shops at Lake Highlands Town Center (left) and Andy's Frozen Custard (right) at the upgraded "White Rock Place" retail center.

The 2023 TIF District Plan Amendment added the two following development goals and objectives:

- To create a public park and public multipurpose facility which may include a cultural center, library, recreation center and/or police sub-station to provide needed amenities in the Forest-Audelia area.

- To encourage development and redevelopment of the property north of LBJ Freeway, along Audelia, in conjunction with the LBJ East improvements and the enhanced Skillman bridge along the new alignment.

Year-End Summary of Meetings

The Skillman Corridor TIF District Board of Directors met one time during the fiscal year: December 2, 2022. The Board approved and forwarded three items to City Council (the 2021-2022 Annual Report, the TIF District Plan Amendment, and TIF District funding dedication for the Forest/Audelia Project), and one additional City Council item was approved with previously approved Skillman Corridor TIF District funding.

The TIF Board, based on amended composition, can consist of up to nine members, including seven City of Dallas appointees, one Richardson School District appointee, and one Dallas County appointee. During FY 2022-2023, the Board members were (FY 2022-2023 Board meetings attended):

Gregory Duval (Vice Chair, December 2, 2022 Presiding Officer) - City Representative (1 of 1 meeting)
John Dean – (Chair, re-appointed after December 2, 2022 meeting) – City Representative (1 of 1 meeting)
Bill Boyd – City Representative (1 of 1 meeting)
Susan Morgan – City Representative (1 of 1 meeting)
Marcus Walther – City Representative (1 of 1 meeting)
Asheya Warren - City Representative (1 of 1 meeting)
Luis Tamayo – Dallas County Representative (0 of 1 meeting)
Chris Poteet – RISD Representative (1 of 1 meeting)

During the fiscal year, the City Council approved four items directly associated with the Skillman Corridor TIF District (excludes calling of public hearing on February 22, 2023):

- On February 22, 2023, City Council approved Resolution 23-0308 accepting the FY 2021-2022 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Fourteen (Skillman Corridor 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 March 8, 2023, City Council held a public hearing to receive comments on proposed amendments to the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Fourteen, the Skillman Corridor Tax Increment Financing ("TIF") District (the "TIF District") to: (1) increase the geographic area of the TIF District by approximately 34 acres along Audelia Road from LBJ Freeway (IH-635) to Forest Lane; (2) specify that expenditures within the budget category titled "Other Skillman Corridor Improvement" may include redevelopment of publicly owned facilities; and (3) make corresponding modifications to the TIF District's boundary and Plan; and, at the close of the public hearing, approved Ordinance 32415 amending Ordinance No. 26534, previously approved on December 13, 2006, as amended, to reflect these amendments, by Resolution 23-0417.

- On March 8, 2023, City Council approved Resolution 23-0372, authorizing (1) the transfer of $5,551,590 from the Skillman Corridor TIF District Fund to the Park & Recreation Department Capital Gifts Donation & Development Fund to support the design and construction of a new City park and multi-purpose facility at the northwest corner of Forest Lane and Audelia Road (the "Forest/Audelia Project") in Tax Increment Financing Reinvestment Zone Number Fourteen (Skillman Corridor TIF District); (2) an increase in appropriations in an amount not to exceed $5,551,590 in the Park & Recreation Department Capital Gifts Donation & Development Fund; and (3) the disbursement of funds in an amount not to exceed $5,551,590 from the Park & Recreation Department Capital Gifts Donation & Development Fund to deliver the Forest/Audelia Project, such improvements being necessary and convenient to the implementation of the Skillman Corridor TIF District Project Plan and Reinvestment Zone Financing Plan, as amended.

- On April 12, 2023, City Council approved Resolution 23-0500, authorizing an increase in the construction services contract with Energy Resources, Inc., for additional work associated with the dredging of the pond located within Watercrest Park at Lake Highlands Town Center – Not to exceed $499,605.67, from $2,800,700.00 to $3,300,305.67 – Financing: Flood Control (D) Fund (2017 General Obligation Bond Fund)($100,305.67) and Skillman Corridor TIF District Fund ($399,300.00).

Pending TIF District Items

- Consideration of the FY 2022-2023 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

In the TIF District Project Plan, each TIF District establishes a budget for the public improvement expenditures necessary to support private investment in the District. The March 2023 TIF District Plan amendment specified that expenditures within the "Other Skillman Corridor Improvements" budget category may include redevelopment of publicly owned facilities. The current TIF District budget is shown on the following page:

Skillman Corridor TIF District Projected Increment Revenue to Retire TIF Fund Obligations			
Category	**TIF Budget [1]**	**Allocated[2]**	**Balance**
Skillman/Walnut Hill TOD Town Center: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	$45,882,763	$12,006,800	$33,875,963
Other Skillman Corridor Improvements: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, economic development grants, and redevelopment of public facilities	$54,504,680	$12,938,194	$41,566,486
Relocation Assistance/Student Retention	$1,000,000	$0	$1,000,000
RISD Facility Improvements	$5,000,000	$5,000,000	$0
Administration and implementation[3]	$6,076,073	$809,246	$5,266,827
Total Project Costs	**$112,463,516**	**$30,754,240**	**$81,709,276**

1. *Budget shown above in total dollars. However, TIF District Plan shows the budget in net present value.* ***2.*** *Allocated amount for Other Skillman Corridor Improvements category includes a portion as a grant in lieu of interest up to $457,000; Interest paid on White Rock Place was in the amount of $13,974.* ***3.*** *TIF District administration costs shown are expended or committed through FY 2022-2023 .*

Skillman Corridor TIF District Project Plan Budget	
Category	**TIF Budget***
Skillman/Walnut Hill TOD Town Center: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, and economic development grants	$20,000,000
Other Skillman Corridor Improvements: environmental remediation, interior/exterior demolition, street & utility improvements, streetscape, land acquisition, park/plaza design & acquisition, economic development grants, and redevelopment of public facilities	$23,809,003
Relocation Assistance/Student Retention	$531,833
RISD Facility Improvements	$2,659,164
Administration and implementation	$2,684,296
Total	$49,684,296
** As approved in the Project Plan and Reinvestment Zone Financing Plan (discounted to 2006 dollars).*	

Skillman Corridor TIF M/WBE Participation			
Project	**Contractor**	**Total Contract Award Amount**	**Minority Participation**
Lake Highlands Town Center (LHTC) Project			
LHTC Civil Engineering/Design	Pacheco Koch & TBG Landscape Architects	$1,225,000	76%
LHTC – Environmental Consulting *(private competitive bidding)*	Southwest Geoscience	$256,365	100%
LHTC – Abatement *(private competitive bidding)*	AMX Environmental	$2,954,777	33%
LHTC – Demolition *(private competitive bidding)*	Intercon Demolition	$1,861,230	21%
LHTC – Geotechnical Services *(private competitive bidding)*	Terracon	$11,500	47%
LHTC – Public Bid (City) Package #1 for dirtwork, storm sewer, sanitary sewer, and retaining wall construction	Walton Construction	$9,782,947	18%
LHTC – Utilities (*private competitive bidding*)	Tri-Dal	$1,102,291	6%
LHTC – Tree relocation/ test lab	Environmental Design & Terracon	$567,331	n/a
LHTC – Park/Trail improvements (*private competitive bidding*)	Valley Crest	$2,500,000	35%
City/Private Bid Total		**$20,261,441**	**$5,227,256 (25.8%)**
***Dallas County* Public Bid Package – LHTC bridge, roads, streetscape, signals**	Austin Bridge and Road, Inc.	**$8,076,506**	**9%**
White Rock Place (WRP) Project			
WRP – Flat work	W.O.E. Construction	$5,179	0.70%
WRP – Erosion control	Brock Environmental Services, LLC	$14,459	1.96%
WRP - Utilities	JT Dersner	$369,204	49.99%
WRP – Building demo	E.W. Wells Group, LLC	$272,360	40.39%
WRP Bid Total		**$1,412,775**	**$661,202 (46.8%)**
White Rock Trail Apartments (WRT) Project			
WRT – Building demo	Lindamood Demolition, Inc.	$553,665	37.9%
WRT - Abatement	Southwest Geoscience	$60,500	4.14%
WRT Bid Total		$1,460,986	**$614,165 (42%)**
Overall Total		**$31,211,708**	**$7,229,509(23.2%)**
Overall Total *(excluding Dallas County bid)*		**$23,135,202**	**$6,502,623 (28.1%)**

Skillman Corridor TIF M/WBE Participation Continued			
Project	**Contractor**	**Total Contract Award Amount**	**Minority Participation**
Lakeridge Project			
Lakeridge – Electrical Services	Vanguard Electrical Services	**$175,000**	**31.76%**
Lakeridge – Asbestos remediation/abatement	Ponce Contractors	**$176,816**	**32.09%**
Lakeridge Overall Total		**$551,018**	**$351,816 (63.85%)**

FY 2023-2024 Work Program

The FY 2023-2024 work program includes:

- Continuing coordination efforts for the LHTC and other development projects.
- Continuing work to support the efforts of the Skillman Street Corridor Master Plan.
- Continuing work to support the efforts of the LBJ/Skillman Gateway Plan.
- Continuing work on improved connections to the City of Dallas trails and open space system in the TIF District and enhancing TIF District open space amenities, including improvements to the Watercrest Park pond at Lake Highlands Town Center.
- Promoting development within the newly added TIF District boundary as LBJ East construction continues.
- Supporting the Park and Recreation Department in the design and construction of the new City park and multipurpose facility located at the northwest quadrant of Forest and Audelia.
- Monitoring the impact of redevelopment on RISD student enrollment.

Appendix A – Financials

City of Dallas, Texas
Skillman Corridor 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	$26,014,304	$23,263,281	$17,048,563	$10,549,256	$9,661,086
Interest receivable	$137,390	$38,346	$3,527	$8,131	$10,472
Total assets	$26,151,695	$23,301,627	$17,052,090	$10,557,387	$9,671,558
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	$115,477	$24,872	$23,840	$307,312	$34,119
Advances from developers	$0	$0	$0	$0.00	$0
Accrued interest	$0	$0	$0	$0.00	$0
Due to general fund	$305,762	$223,699	$170,737	$161,140	$60,378
Total liabilities	$421,239	$248,571	$194,577	$468,452	$94,497
Fund Balance (Deficit):					
Fund Balance (Deficit)	$25,730,457	$23,053,056	$16,857,513	$10,088,935	$9,577,062
Total Liabilities and Fund Equity	$26,151,695	$23,301,626	$17,052,090	$10,557,387	$9,671,559

Skillman Corridor Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Balance Sheet as of 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	$33,801,534	$5,947,721	$4,926,975	$4,609,814	$3,656,790	$3,323,169
Tax increment-Intergovernmental	$18,242,724	$3,593,017	$2,903,916	$2,752,046	$2,257,501	$1,921,453
Interest income	$1,194,873	$686,756	$110,401	$38,553	$83,878	$116,629
Net increase (decrease) in fair value of investments	($546,011)	($99,380)	($464,969)	($17,220)	$24,105	$30,099
Total revenues	$52,693,119	$10,128,112	$7,476,322	$7,383,193	$6,022,274	$5,391,350
Expenditures:						
Administrative expenses	$834,168	$82,063	$52,961	$69,286	$100,824	$60,679
Non-Capital Outlay	$14,746,499	$6,297,498	$1,169,148	$545,330	$3,955,955	$376,066
Capital outlay	$11,368,021	$1,071,150	$58,670	$0	$1,453,622	$74,719
Interest and fiscal charges	$13,974	$0	$0	$0	$0	$0
Total expenditures	$26,962,662	$7,450,712	$1,280,779	$614,616	$5,510,401	$511,464
Excess (Deficiency) of Revenues over Expenditures	$25,730,457	$2,677,401	$6,195,543	$6,768,577	$511,874	$4,879,886
Fund balance (Deficit) at beginning of year as previously reported	$0	$23,053,056	$16,857,513	$10,088,935	$9,577,062	$4,697,175
Fund balance (Deficit) at beginning of year, as restated	$0	$23,053,056	$16,857,513	$10,088,935	$9,577,062	$4,697,175
Fund balance (deficit) at end of year	$25,730,457	$25,730,457	$23,053,056	$16,857,513	$10,088,935	$9,577,062

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 the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
Skillman Corridor Tax Increment Financing District Fund
Reinvestment Zone Number Fourteen
As of September 30, 2023

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:**

587,375	Interest Income
$9,540,737	Ad Valorem Taxes (Collected in FY 2022-23 based on 2022 Final Tax Roll)
$10,128,112	Total Revenue

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

$82,063	Administrative Expense - TIF admin. cost for FY 2022-2023
$6,297,498	Non-Capital outlay (1)
$1,071,150	Capital outlay (1)
$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
$7,450,712	Total Expenditures

(1) These expenditures were for the following projects:

Non Capital - Partial payment #14 for RISD Public Imp.	$745,908
Non Capital -Transfer to the Park and Rec Dept Capital Gifts Donation & Devm't Fund for Forest-Audelia	$5,551,590
Other	$0
Total Non - Capital	$6,297,498
Capital - Public Improvements (Lake Highlands Town Center (LHTC) Dredging Project)	$1,071,150
Total Capital	$1,071,150
Total Capital and Non-Capital	$7,368,648

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

4. **a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:**
Skillman Corridor TIF District has incurred no bonded indebtedness as of September 30, 2023.

b. The Zone entered into a development agreement; as amended, with PC LH Land Partners, LP for the "Lake Highland Town Center" development in the TIF in an amount not to exceed $40,000,000; however, developer opted to terminate the agreement after Phase I, ($10 million TIF commitment) and began disbursing payments to the developer in fiscal year 2011 with the status as follows:

Project	Principal	Accrued Add'l Subsidy **(1)**	Less Payments	Total Outstanding
Demolition, Env. Remediation, etc.	$643,000	$0	$643,000	$0
Water, Wastewater & San. Sewers	$257,000	$0	$257,000	$0
Street & Utility Improvements	$6,100,000	$0	$4,437,748	$1,662,252
Land Acquisition	$3,000,000	$0	$3,000,000	$0
Grant	$0	$0	$0	$0
Total	$10,000,000	$0	$8,337,748	$1,662,252

c. The Zone also entered into a development agreement with Audelia WGK, LLC for the White Rock Place redevelopment in an amount not to exceed $2,372,000. The Zone fully disbursed payment to the developer in fiscal year 2014 with status as follows:

Project	Principal	Accrued Add'l Subsidy **(1)**	Less Payments	Total (P & I) Outstanding
White Rock Place Project	$1,915,000	$13,974	$1,928,974	$0
Total	$1,915,000	$13,974	$1,928,974	$0

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

d. The Zone entered into a development agreement with WRT/DK Residential, L.P. for the White Rock Trail Apartments project in 2013 in an amount up to $4,000,000 however, developer opted to terminate the agreement in FY 2016; therefore no payment will occur.

e. The Zone entered into a development agreement with NADG/SHOP Lakeridge LP for the development of the Lakeridge Project in an amount not to exceed $4,500,630 with payment to begin upon completion of the all requirements and the availability of funds. Full payment was made in FY 2020.

Project	Principal	Accrued Add'l Subsidy	Less Payments	Total (P & I) Outstanding
Environmental Remediation	$286,799	$0	$286,799	$0
Street & Utility Improvements	$529,500	$0	$529,500	$0
Streetscape Improvements	$463,271	$0	$463,271	$0
Economic Development Grant	$3,221,060	$0	$3,221,060	$0
Total	$4,500,630	$0	$4,500,630	$0

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

Taxing Jurisdiction	Taxable Value 2023*	Base Year 2005/2023 Value	Est. Captured Value 2023*
City of Dallas-Skillman Corridor Sub-District Zone A	$1,478,872,021	$335,957,311	$1,142,914,710
City of Dallas-Skillman Corridor Sub-District Zone B	$26,542,420	$26,542,420	$0
Dallas County-Skillman Corridor Sub-District Zone A	$1,481,724,014	$335,909,087	$1,145,814,927
Dallas County-Skillman Corridor Sub-District Zone B	$26,542,420	$26,542,420	$0
Richardson School District # 1 (INS) Sub-District A	$1,079,452,321	$235,461,409	$843,990,912
Richardson School District # 1 (INS) Sub-District B	$26,542,420	$26,542,420	$0
Richardson School District # 2 (Operating)	$0	$0	$0

*Taxable value shown for participating taxing jurisdictions. County & RISD #1 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, 2024.

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 2023 Increment***
City of Dallas-Skillman Corridor Sub-District Zone A	0.62535	$7,147,160
City of Dallas-Skillman Corridor Sub-District Zone B	0.62535	$0
Dallas County-Skillman Corridor Sub-District Zone A	0.11864	$1,359,451
Dallas County-Skillman Corridor Sub-District Zone B	0.11864	$0
Richardson School District # 1 (INS) Sub-District A	0.35000	$2,953,968
Richardson School District # 1 (INS) Sub-District B	0.35000	$0
Richardson Independent School District # 2 (Operating)	0.96460	$0
Total for all Jurisdictions	$3.15258	$11,460,579

***Participation rate for City of Dallas is 85% for tax years 2008 - 2035.
***Participation rate for Dallas County is 55% for tax years 2008 - 2027.
Richardson Independent School District (RISD) participates with the debt service portion of the tax rate, currently $0.35 per $100 for tax year 2023. Of the estimated $2,953,968 RISD 2023 (tax year) increment, 30% ($886,190) will be set aside for Facility Improvements TIF budget line item pursuant to RISD's interlocal agreement with the City of Dallas.

B. The total amount of estimated tax increment to be billed in 2024 for the 2023 tax year is $11,460,579. For the 2022 tax year, increment in the amount of $9,540,737 was received.

City of Dallas, Texas
Skillman Corridor Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2023

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. 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.

3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).

4. The Zone's Financing Plan permits expenditures not to exceed $6,076,073 (in current dollars) over the life of the Zone to reimburse the City for administrative costs. 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 $305,762 on September 30, 2023, represents the Zone administration costs for the fiscal year 2018-2019 ($49,921), fiscal year 2019-2020 ($50,840), fiscal year 2020-2021 ($69,976), fiscal year 2021-2022 ($52,962), and fiscal year 2022-2023 ($82,063) that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF District funds. Note that these administrative costs do not include billing to other City departments.

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

The TIF District currently has one outstanding developer obligation:

- Lake Highlands Town Center, Phase I has an outstanding obligation of $1,662,252. An available payment of this final amount is pending verification of compliance.

Appendix C – District-Wide Set-Aside Funds

The Increment Allocation Policy for the TIF District allows the TIF Board discretion to set aside increment for "district-wide improvements" such as gateways, trails, open space, public facilities, or utility/streetscape improvements benefiting multiple properties or blocks. The intent of these funds is to leverage TIF District funds as a match for other funding.

Below are district-wide funding commitments to date:

- In 2009, TIF District funding of $25,000 was paid toward the required 20% local match for the LBJ/Skillman Urban Planning Initiative that evaluated the best land use and development mix in the LBJ/Skillman DART Station area and strategies to encourage transit-oriented development (TOD) and supporting pedestrian/bike improvements. NCTCOG funded $100,000 toward the total study amount of $125,000.

- In 2016, a TIF District funding commitment of $346,800 was recommended towards the local match for the NCTCOG "Lake Highlands TOD Sustainable Development Infrastructure" Project, to expand the hike and bike trail south from the LHTC to the existing White Rock Creek Trail (at Skillman Street, north of Abrams Road). The $3.4 million project is complete.

- In 2016, a TIF District funding commitment of $35,000 was recommended to share in the cost for a Phase I Master Plan to study and prepare schematic design for enhancements to the proposed Lake Highlands Gateway Bridge at the intersection of Skillman Street and IH 635. The Lake Highlands Public Improvement District (LHPID) also committed at least $25,000 toward the cost and managing the process. TIF District funds have been used to reimburse the LHPID for the completed study and schematic designs.

- In 2018, a TIF District funding commitment of $350,000 was recommended towards the construction costs of median/gateway improvements along Skillman Street between Merriman Parkway and Abrams Road. The Lake Highlands Public Improvement District funded the design work. Construction was implemented in conjunction with the construction of the trail extension project.

- In 2021, a TIF District funding commitment of $1,600,000 was recommended to match the $1,600,000 available in 2017 Proposition D bond funds for dredging of the Watercrest Park pond at Lake Highlands Town Center. Funds were transferred to Dallas Water Utilities to implement the project.

- In 2021, a TIF District funding commitment of $60,000 was recommended to supplement the professional services contract with Garver for Watercrest Park pond at Lake Highlands Town Center dredging improvements to provide engineering evaluations and cost estimates for up to three beautification and maintenance-reducing concepts of Watercrest Park pond. Funds were transferred to Dallas Water Utilities to implement the project.

- In 2021, a TIF District funding commitment of $572,000 was recommended to provide 26 new City LED street lights and approximately 5,200 linear feet of fiber optics in the Skillman Corridor TIF District. Funds were transferred to the Transportation Department to implement the project.

- In 2022, a TIF District funding commitment of $5,551,590 was recommended to support design and construction the Forest/Audelia Project. Funds were transferred to the Department of Parks and Recreation to implement the project (City Council approved 2023).