

Vickery Meadow TIF District FY 2021-2022 Annual Report



(Source: Northwood Retail, LLC)



City of Dallas

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October 1, 2021 to September 30, 2022

Reinvestment Zone Number Nine Vickery Meadow Tax Increment Financing District



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Mission Statement

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

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

District Accomplishments

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



(Source: Northwood Retail, LLC)

The first phase of Half Price Books, Records, Magazines, Inc.’s multi-phase plan to redevelop the former Parker Plaza site was completed in 2015. It included the demolition

of two dilapidated structures and the conversion of a vacant warehouse into a REI sporting goods store that contains 34,296 square feet of retail space. During FY 2018- 2019, Half Price Books broke ground on construction of a second phase of development, BookMark Center, just north of REI. The project will include a 5,000 square foot restaurant space and a four-level retail and office building with more than 27,000 square feet.



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



Construction of BookMark Center retail and office space as part of Half Price Books' multi-phased development is nearly complete and available for lease.

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



The Vickery Meadow Branch Library located at 8333 Park Lane

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

The 18,000-square-foot Vickery Park Branch Library was completed and opened on February 2, 2021 for curbside service. Vickery Park Branch Library has plans for

program offerings that will assist job seekers and English language learners, early literacy workshops for parents and toddlers, and STEM programs for children and teens.

On March 25, 2020, City Council authorized a construction services contract for \$1,362,777 with J.C. Commercial for the renovation of the old Fire Station in the Vickery Meadow area as a permanent home for the Northeast Community Court. In addition to housing the Community Court, this location also houses community partners which makes it a vibrant part of the Vickery Meadow area. The Vickery Meadow Community Court #15, completed in January 2021, is located at 6742 Greenville Ave, Dallas, TX 75231.

On December 9, 2020, City Council authorized an agreement with Vickery Midtown Management Corporation (VMMC) for the construction and maintenance of the SoPac Trail Lighting Project and acceptance of \$122,254, which is approximately 25 percent of the anticipated cost of the trail lighting project. The SoPac Trail was constructed by Dallas County in collaboration with the City and completed in July 2018. At the time of construction, funding was not available for lighting the trail; however, in anticipation of future lighting, light pedestals and conduit was constructed. By November 2021, 170 lights were installed along the trail.

Vickery Meadow TIF District Projects¹						
Projects and Potential Projects Within TIF District Utilizing TIF District Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value²	TIF District Investment
The Shops at Park Lane Phase I	8010 Park Lane	2009	Phase I Complete	585 apartment units; 666,524 square feet of retail space; 383,640 square feet of office space; and parking	\$356,075,000	\$20,000,000 (principal); \$13,000,000 (interest)
Sub-Total	585 apartment units; 666,524 square feet of retail space; 383,640 square feet of office space; and parking				\$356,075,000	\$33,000,000
Projects Within TIF District That Are Not Utilizing TIF District Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value²	TIF District Investment
Half Price Books Mixed-use Project Phase I	5929 and 5905 East Northwest Highway	2015	Phase I Complete	Approximately 34,296 square feet of retail space, and Starbucks location	REI: \$9,000,000 and Starbucks: \$1,075,000 Total: \$10,075,000	\$0
Costco Business Center	8282 Park Lane	2019	Complete	135,780 square feet of retail	\$13,900,000	\$0

Projects Within TIF District That Are Not Utilizing TIF District Funding (Cont.)						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value ²	TIF District Investment
Half Price Books Mixed-use Project Phase II	6730 Shady Brook Lane	2023 (Estimated)	Under Construction	5,000 square foot retail plus 27,000 square foot mixed-use (approx. 6,750 retail and 20,250 sf office)	\$10,286,010	\$0
Sub-Total	Completed and Under Construction: 181,826 sf retail, 20,250 sf office				\$34,261,010	\$0
Total Projects Within TIF District Utilizing and Not Utilizing TIF District Funding						
Total	Complete: 383,640 square feet office space, 836,600 square feet retail space, 585 residential units Under Construction: 20,250 square feet office space and 11,750 square feet retail				\$390,336,010	\$33,000,000
¹ All information updated as of September 30, 2022. ² Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF District for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.						

District Initiatives				
Activity	Scope	Status	Investment	Source
Vickery Meadow Improvement District (VMID) – TREC 2006 Community Grant	The Real Estate Council (TREC) of Dallas awarded a grant to be used to create a Planned Urban Design (Neighborhood Plan) for the Vickery Meadow Community	Organizational stages. James Harwick + Partners, Inc. architectural design firm was hired to complete the plan. The plan was completed in 2009 and was adopted by the VMID Executive Board January 15, 2010.	\$78,000 total Includes: \$50,000 \$28,000	TREC of Dallas VMID funds
The Real Estate Council Foundation, McCormack, Baron Salazar (MBS) – Economic Development Action Plans	The Real Estate Council Foundation and private donations provided financial support to engage McCormack Baron Salazar to develop action plans for economic development in three City Council designated areas: 1. Lancaster Corridor 2. South Dallas/Fair Park 3. Five Points in Vickery Meadow	The Development Action Plans by MBS were released in January 2011.	\$750,000 min Includes: \$275,000 \$275,000 \$200,000	The Real Estate Council Foundation of Dallas MBS Investment Private Donations

District Initiatives (Cont.)				
Activity	Scope	Status	Investment	Source
HUD Community Challenge Grant for Transit Oriented Development and Affordable Housing	Community Challenge Planning Grant from HUD used for planning and preconstruction activities related to affordable housing and transit-oriented development for 7 DART stations. Completed 5 area plans, including the Vickery Meadow area plan. Also funded preconstruction and design work for a mixed-use development anchored by a new VM branch library.	City Council authorized a professional services contract with Fregonese Associates, Inc. for the related planning activities on December 14, 2011. City Council authorized a professional services contract with DMA Development Company, LLC for the related activities on September 25, 2013	Total federal grant Amount: \$2,225,000/ \$2,670,000 overall Approximately \$950,000 spent in for the Vickery Meadow TIF District including \$445,000 as the local match	\$505,000 HUD Funds \$445,000 TIF District Funds
Vickery Meadow Community Court Initiative at former Fire Station	6742 Greenville Avenue to repurpose for community court, associated offices, and lease space to serve Vickery Meadow Neighborhood	On March 25, 2020, City Council authorized a construction contract for the renovation of the 6,453 sq. ft building for court, law, and social service offices; completion January 2021	\$1,362,777	CDBG Funds
Dallas Housing Trust Fund	On December 12, 2018, City Council approved transfer of funds to seed the Dallas Housing Trust Fund	Transfer complete	\$649,097	TIF District Funds (a portion of <i>Harvest NPE, L.P deposit</i>)
Vickery Meadow Branch Library	As part of the November 2017 voter-approved bond election, the City committed to the construction of a new library in the Vickery Meadow area located at 8255 Park Lane. Construction began on the library during FY 2018-2019 and was completed during FY 2020-2021.	Completed (February 2021)	\$5,429,640 \$217,200 \$752,454	Library Fund (2017 Bond Funds) Park and Recreation Fund (2017 Bond Funds) Library Private Donation Fund – The Crystal Charity Ball and Frieda Gayle Stern Family

District Initiatives (Cont.)				
Activity	Scope	Status	Investment	Source
Vickery Meadow Station Area Plan Update	In response to a request from the City for assistance updating the 2013 Vickery Meadow Transit-Oriented Development Area Plan, North Central Texas Council of Governments (NCTCOG) staff reviewed the 2013 Plan with the objective of supporting transit-oriented development and communities with access to opportunity. Using new area condition data and planning context, possible approaches were recommended for an update to the 2013 Plan.	Completed (June 2021)	\$0	NCTCOG
SoPac Trail Lighting	<p>Construction and maintenance agreement with Vickery Midtown Management Corporation (VMMC) for the construction and maintenance of lighting improvements, lighting utility costs, and enhanced maintenance on the SoPac Trail.</p> <p>Installation of 170 sixteen-foot light poles, light luminaires, flood lighting, and related materials, labor, permits, etc in the area located from East Northwest Highway in the south to approximately 600 feet north of Greenville Ave.</p>	Completed (August 2021)	\$489,017	<p>\$122,254 VMMC</p> <p>\$366,763 Equity Revitalization Funds (City Council District 13)</p>

Value and Increment Summary

The Vickery Meadow TIF District’s 2022 assessed taxable value was \$630,320,920. This represents an increase of \$465,541,830 (283%) over the 2005 adjusted base year value of \$164,779,090 and an increase of \$64,783,657 (11.5%) over the taxable value for 2021. With the participation of the City and Dallas County, the increase over the base year value will result in 2023 tax year collection (from 2022 values) of approximately \$3,329,239 in total incremental revenue for the District.

Objectives, Programs and Success Indicators

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

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

The Shops at Park Lane has transformed that portion of the Vickery Meadow TIF District, leading to \$356,075,000 in property value.

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

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

- *0 hotel rooms have been built or are planned (0.0% of the goal)*
 - *585 residential units have been built offering various types of housing for sale and rental at the Shops of Park Lane. Collectively, this represents 93.6% of the goal.*
 - *403,590 square feet of office space has been built (98.5% of the goal).*
 - *842,600 square feet of retail space has been built and another 5,000 square feet is under construction (99.8% of the goal).*
- Focus on traffic improvements and the redevelopment of properties within the Five-Points area as increment funds accumulate and can be supplemented with non-TIF sources.

On March 9, 2022, City Council authorized a Project Specific Agreement with Dallas County for the purpose of study/conceptual development and preliminary engineering (phase I) for transportation improvements to the Dallas County 6th Call Major Capital Improvement Project (MCIP) 10228 Park Lane from Greenville to Abrams Road, and Fair Oaks Avenue from Ridgecrest Road to Walnut Hill Lane. City Council also authorized a professional engineering services contract with Civil Associates, Inc. to design roadway modifications, improved connectivity to the SoPac and White Rock trails, and to design reconstruction of water and wastewater infrastructure in the project area.

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

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

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

Including the estimated 2022 increment, the Vickery Meadow TIF District NPV collections are \$20.5 million (63.7% of the goal) and \$29.6 million in total collections (56.9% of the goal). There are five more years of increment collections until TIF District termination.

Year-End Summary of Meetings

The Vickery Meadow TIF Board can consist of up to seven members, including six City of Dallas appointees and one from Dallas County. The Board, which met one time during the fiscal year, on January 11, 2022, consisted of the following members:

- John Hazelton (Interim Chair) – City Representative (attended 1 of 1 meeting)
- Kevin Griffeth – City Representative (attended 1 of 1 meeting)
- Elsie Thurman – City Representative (attended 1 of 1 meeting)
- Jordan Wynn – City Representative (attended 1 of 1 meeting)
- Annette Anderson – Dallas County Representative (attended 1 of 1 meeting)

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

On February 23, 2022, City Council approved Resolution Number 22-0384, accepting the FY 2020-2021 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Nine (Vickery Meadow TIF District or District), submitted by the Vickery Meadow TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

City Council also approved the following items indirectly related to the TIF District:

On March 9, 2022, City Council approved Resolution Number 20- 0450, authorizing a Project Specific Funding Agreement with Dallas County, Transportation - Major Capital Improvement Projects (MCIP) (Project No.10228) in the amount of \$355,000.00 reduced by \$40,000.00 for County in-house project delivery costs for a total of \$315,000.00,

for the purpose of study/conceptual development and preliminary engineering (Phase I) for transportation improvements to the Dallas County 6th Call MCIP Project 10228 Park Lane from Greenville Avenue to Abrams Road, and Fair Oaks Avenue from Ridgecrest Road to Walnut Hill Lane; (2) the establishment of appropriations in an amount not to exceed \$315,000.00 in the Transportation Special Projects Fund; (3) the receipt and deposit of funds in an amount not to exceed \$315,000.00 from Dallas County for the County's share of the preliminary design cost in the Transportation Special Projects Fund; and (3) the disbursement of funds in an amount not to exceed \$315,000.00 from the Transportation Special Projects Fund - Total amount \$315,000.00 - Financing: Transportation Special Project Fund an increase to the construction services contract with Turner Construction Company for the construction of the Vickery Park Branch Library located at 8333 Park Lane - Not to exceed \$71,909.60, from \$6,611,511.12, to \$6,683,420.72 - Financing: Library Facilities Fund (2003 General Obligation Bond Funds).

On March 9, 2022, the City Council approved Resolution Number 20- 0451, authorizing a professional engineering services contract to design roadway modifications of Park Lane from Greenville Avenue to Hemlock Avenue, Hemlock Avenue to Abrams Road, and along Fair Oaks Avenue from Ridgecrest Road to Walnut Hill Lane including improved connectivity to the SoPac and White Rock trails; and to design reconstruction of water and wastewater infrastructure in the area - Civil Associates, Inc., most qualified proposer of six - Not to exceed \$1,052,055.30 - Financing: Transportation Special Projects Fund (\$315,000.00), Water Capital Improvement Fund F (\$83,828.21), Wastewater Capital Improvement Fund G (\$83,828.21), and Park Lane-Vickery Meadows Fund (\$569,398.88).

On May 11, 2022, City Council approved Resolution Number 22-0723 to authorize (1) a public hearing to be held on June 8, 2022, to receive comments concerning the renewal of the Midtown Improvement District (the District), in accordance with Chapter 372 of the Texas Local Government Code (the Act), for the specified area of the District, for the purpose of providing supplemental public services, to be funded by an assessment on real property and real property improvements in the District; and, at the close of the public hearing; (2) approval of a resolution renewing the District for a period of ten years; (3) approval of the District's Service Plan for 2023-2032 for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; and (4) approval of a management contract with Vickery Meadows Management Corporation DBA Midtown Management Corporation, a Texas nonprofit corporation as the management entity for the District - Financing: This action has no cost consideration to the City.

On June 8, 2022, City Council held a public hearing to receive comments concerning the renewal of the Midtown Improvement District (the District), in accordance with Chapter 372 of the Texas Local Government Code (the Act), for the specified area of the District, to provide supplemental public services to be funded by assessments on real property and real property improvements in the District; and, at the close of the public hearing, authorized: (1) approval of resolution 22-0900, renewing the District for a period of ten years, from 2023 to 2032; (2) approval of the District's Service Plan for 2023-2032 to provide supplemental public services, to be funded by assessments on real property and

real property improvements in the District; and (3) a management contract with Vickery Meadows Management Corporation d/b/a MID Management Corporation, a Texas nonprofit corporation as the management entity for the District - Financing: This action has no cost consideration to the City.

On August 10, 2022, City Council held a public hearing to receive comments concerning: (1) the proposed levy of assessment for the Midtown Improvement District (the "District"), in accordance with Chapter 372, Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing: (2) authorized ordinance 32283 approving and adopting the final 2023 Service Plan, the final 2022 Assessment Plan, the 2022 Assessment Roll (to be kept on file with the City Secretary), 2023 Notice of Obligation to Pay Improvement District Assessment (to be filed with Dallas County); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District for services and improvements to be provided in the District during 2023; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2022 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Midtown Management Corporation; (10) authorizing amendments to the District's adopted 2022 Service Plan in accordance with the Act; (11) requiring City staff to file a copy of the amended service plan and notice with the Dallas county clerk; and (12) providing for an effective date - Not to exceed actual collections estimated at \$1,401,278.00 - Financing: Midtown Improvement District Fund (subject to appropriations).

On August 24, 2022, City Council authorized a public hearing to be held on August 24, 2022, to receive comments concerning: (1) the proposed levy of assessment for the Midtown Improvement District (the "District") in accordance with Chapter 372, Texas Local Government Code for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing (2) consider approval of an ordinance (a) levying a special assessment on property in the District for services and improvements to be provided during 2023; (b) fixing charges and liens against the property in the District and against the property owners thereof; (c) providing for the collection of the 2022 assessment; (d) requiring City staff to, not later than seven days after City Council's approval of the ordinance and service plan, file a copy of the approved service plan with the Dallas county clerk; and (e) providing an effective date - Financing: This action has no cost consideration to the City.

Pending TIF District Items

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

- Approval of the FY 2021-2022 Annual Report

Budget and Spending Status

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

Vickery Meadow TIF District Project Plan Budget			
Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget (Actual) ¹	Allocated & Spent ²	Remaining Balance
"Park Lane" Project: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs	\$33,198,520	\$33,198,520	\$0
Five-Points Area Improvements: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs	\$16,599,260	\$0	\$16,599,260
Administration and implementation³	\$3,643,704	\$655,343	\$3,025,373
Total	\$53,441,484	\$33,853,863	\$19,624,633
¹ Budget shown above in total dollars; Project Plan shows the budget in net present value.			
² Allocated amount includes the total amount of principal and interest estimated to accrue on this project.			
³ Administration and Implementation amount shown are expended or committed through FY 2021-2022 and includes \$50,000 for District audits through 2012 and \$2,500 for consultant fees.			

Vickery Meadow TIF District Project Plan Budget (NPV Values)	
Category	TIF Budget (NPV)*
"Park Lane" Project: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, enhanced pedestrian area design & acquisition, engineering & design, non-project costs	\$20,000,000
Five-Points Area Improvements: - Environmental remediation, interior/exterior demolition, street/utility improvements & relocation, streetscape improvements, land acquisition, park/plaza design & acquisition, DART related improvements, engineering & design, non-project costs	\$10,000,000
Administration and implementation	\$2,195,100
Total	\$32,195,100
* As approved in the Project Plan and Reinvestment Zone Financing Plan in 2006 dollars.	

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

FY 2022-2023 Work Program

The FY 2022-2023 work program for the Vickery Meadow TIF District is as follows:

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

Appendix A – Financials

City of Dallas, Texas
Vickery Meadow Tax Increment Financing District Fund (0048)
Balance Sheet as of September 30, 2022 (Unaudited)
With Comparative Totals for September 30, 2021, 2020, 2019, and 2018 (Audited)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Assets:					
Pooled cash and cash equivalents	\$284,467	\$141,696	\$138,078	\$810,981	\$756,522
Interest receivable	\$468	\$29	\$134	\$3,799	\$7,259
Total assets	<u>\$284,935</u>	<u>\$141,724</u>	<u>\$138,212</u>	<u>\$814,780</u>	<u>\$763,781</u>
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$175,393	\$138,381	\$75,122	\$36,060	\$0
Total liabilities	<u>\$175,393</u>	<u>\$138,381</u>	<u>\$75,122</u>	<u>\$36,060</u>	<u>\$0</u>
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$109,542	\$3,343	\$63,090	\$778,720	\$763,781
Total Liabilities and Fund Equity	<u>\$284,935</u>	<u>\$141,724</u>	<u>\$138,212</u>	<u>\$814,780</u>	<u>\$763,781</u>

City of Dallas, Texas
Vickery Meadow Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the Period September 30, 2022 (Unaudited)
With Comparative Totals for September 30, 2021, 2020, 2019, and 2018 (Audited)

	<u>ITD</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Tax increment-Governmental	\$21,779,117	\$2,472,054	\$2,482,535	\$2,264,495	\$2,228,900	\$2,003,520
Tax increment-Intergovernmental	\$4,493,085	\$477,878	\$525,193	\$480,181	\$474,672	\$429,438
Interest income	\$172,737	\$3,886	\$1,653	\$9,324	\$27,702	\$26,370
Affordable housing payment	\$1,000,000	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	(\$5,733)	(\$5,682)	(\$272)	(\$735)	\$13,575	(\$11,337)
Total revenues	<u>\$27,439,206</u>	<u>\$2,948,136</u>	<u>\$3,009,108</u>	<u>\$2,753,264</u>	<u>\$2,744,850</u>	<u>\$2,447,991</u>
Expenditures:						
Administrative expenses	\$566,783	\$37,012	\$61,415	\$75,122	\$36,840	\$0
Non-Capital Outlay	\$1,170,361	\$0	\$0	\$649,097	\$0	\$1,919
Capital outlay	\$0	\$0	\$0	\$0	\$0	\$0
Principal reimbursement	\$13,053,231	\$2,017,975	\$2,329,779	\$1,997,295	\$1,940,195	\$1,394,298
Interest and fiscal charges reimbursement	\$12,539,289	\$786,949	\$677,662	\$747,380	\$752,876	\$1,009,702
Total expenditures	<u>\$27,329,664</u>	<u>\$2,841,937</u>	<u>\$3,068,856</u>	<u>\$3,468,894</u>	<u>\$2,729,911</u>	<u>\$2,405,919</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$109,542</u>	<u>\$106,199</u>	<u>(\$59,747)</u>	<u>(\$715,630)</u>	<u>\$14,939</u>	<u>\$42,072</u>
Fund balance (Deficit) at beginning of year						
as previously reported	\$0	\$3,343	\$63,090	\$778,720	\$763,781	\$721,709
Fund balance (Deficit) at beginning of year, as restated						
	\$0	\$3,343	\$63,090	\$778,720	\$763,781	\$721,709
Fund balance (deficit) at end of year						
	<u>\$109,542</u>	<u>\$109,542</u>	<u>\$3,343</u>	<u>\$63,090</u>	<u>\$778,720</u>	<u>\$763,781</u>

Note: Fiscal year 2021-22 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

**City of Dallas, Texas
Vickery Meadow Tax Increment Financing District
Reinvestment Zone Number Nine
As of September 30, 2022**

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

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

(\$1,797) Interest Income	
\$0 Affordable housing payment	
<u>\$2,949,933</u> Ad Valorem Taxes (Collected in FY 2021-22 based on 2021 Final Tax Roll)	
<u>\$2,948,136</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$37,012 Administrative Expense - TIF admin cost for FY 2021-2022	
\$0 Non-Capital Outlay (1)	
\$2,017,975 Principal retirement (1)	
<u>\$786,949</u> Additional Subsidy in Form of Grant (in lieu of interest expense) (1)	
<u>\$2,841,937</u>	Total Expenditures

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

Prof.service fees	\$0
PNV design studio cost reimbursement to general fund	\$0
Transfer to Dallas Housing Trust Fund	\$0
Principal pymt for FY 2022 - Park Lane Project	\$2,017,975
Interest expense pymt for FY 2022 - Park Lane Project	<u>\$786,949</u>
Total	<u>\$2,804,925</u>

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

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

Vickery Meadow TIF District has incurred no bonded indebtedness as of September 30, 2022.

b. The zone has reimbursed the following contingent obligations from available TIF funds as of September 30, 2022:

<u>Developer</u>	<u>Project</u>	<u>Advance Principal</u>	<u>Accrued Add'l Subsidy (1)</u>	<u>Less Payments</u>	<u>Total Outstanding</u>
Northwood PL LLC	The Shops at Park Lane	\$20,000,000	\$12,620,344	(\$25,592,521)	\$7,027,824
Total		<u>\$20,000,000</u>	<u>\$12,620,344</u>	<u>(\$25,592,521)</u>	<u>\$7,027,824</u>

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

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

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

<u>Taxing Jurisdiction</u>	<u>Taxable Value 2022*</u>	<u>Base Year 2005 Value</u>	<u>Est. Captured Value 2022*</u>
City of Dallas	\$630,320,920	\$164,779,090	\$465,541,830
Dallas County	\$630,320,920	\$170,131,750	\$460,189,170

*2022 Taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

**Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2023.

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:

<u>Taxing Jurisdiction</u>	<u>Assessment Per \$100***</u>	<u>Amount of Estimated 2022 Increment***</u>
City of Dallas	0.59664	\$2,777,609
Dallas County	0.11987	\$551,630
Total for all Jurisdictions	<u>\$0.71651</u>	<u>\$3,329,239</u>

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

B. The total amount of estimated tax increment to be billed for the 2022 tax year is \$3,329,239. For the 2021 tax year, increment in the amount of \$2,949,933 was received.

City of Dallas, Texas
Vickery Meadow Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2022

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 TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
3. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
4. The Zone's Financing Plan permits expenditures not to exceed \$2,195,100 over the life of the TIF to reimburse the City for administrative costs. The Zone began reimbursing the general fund in fiscal year 2009-10. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. The Zone entered into a development agreement with a developer on December 14, 2005, to pay the developer for TIF eligible costs up to principal amount of \$20.0 million plus accrued interest thereon, at an interest rate of 4.86%, for the construction of the Shops at Park Lane Project. The developer satisfied all contingencies as required by the terms of the agreement and the liability for the principal amount of \$20.0 million plus the accrued interest was recorded in fiscal year 2008-09. The TIF District began paying the developer in fiscal year 2009-10. The developer obligation balance, including principal and accrued interest, outstanding on September 30, 2022, is \$7,027,824.
6. "Due to general fund" amount of \$175,393 on September 30, 2022, represents the Zone administration costs for the fiscal year 2018-2019 (\$41,205), fiscal year 2019-2020 (\$33,917), fiscal year 2020-2021 (\$63,259), and fiscal year 2021-2022 (\$37,012) 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.
7. All project costs resulting in capital improvements that are owned by the City are capitalized by the City.

Appendix B – Financial Obligations/Estimated Payoff

The Shops at Park Lane project is the only outstanding developer obligation. TIF District payment in the amount of \$20,000,000, plus interest, is underway. To date, \$25,592,521 has been paid.

Vickery Meadow TIF District Obligations		
Project Obligations	Anticipated Balance	Projected Year Payoff
Shops at Park Lane	\$7,027,824	2024

Appendix C – District-wide Set Aside Funds

Vickery Meadow TIF District Affordable Housing Set-Aside		
Budget*	Allocated	Balance
\$1,000,000	\$1,000,000	\$0

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