

EXHIBIT E

Fort Worth Avenue TIF District Increment Allocation Policy

This Tax Increment Financing (“TIF”) Allocation Policy provides for the distribution of revenue in the Fort Worth Avenue TIF District (“District”) fund (“TIF Fund”).

Definitions

Administrative Expenses – The City will first take a share of TIF revenue from the District for the amount it bills to the District for costs necessary for administration of the TIF District, which may include charges from other departments, each year.

Available Cash - Cash in the Fort Worth Avenue TIF District fund that is not already allocated, encumbered, or otherwise set aside for other purposes.

Developer – A person or entity that has completed all contractual requirements for a TIF Subsidy upon completion of a Project.

District-Wide Improvement Allocation – Beginning with the approval of this 2023 Amended and Restated Increment Allocation Policy (2023 increment collection), twenty percent of the Total Increment will be set aside for District-Wide improvements.

District-Wide Improvements – Improvements that the TIF board and City Council find benefit the District and that are not attributed to a Project, such as gateways, trails, open space, public facilities, or utility/streetscape improvements benefiting multiple properties or blocks. District-Wide Improvements will be reviewed by the TIF board annually based on updated financial projections and District needs.

Homeowner Stabilization, Home Repair, and Displacement Mitigation Allocation - Ten percent of the Total Increment will be set aside for Homeowner Stabilization, Home Repair, and Displacement Mitigation expenditures as defined in the Fort Worth Avenue TIF District Project Plan and Reinvestment Zone Financing Plan and herein.

Homeowner Stabilization, Home Repair, and Displacement Mitigation Program Expenditures – Support through existing programs administered by City’s Department of Housing and Neighborhood Revitalization (HNR) and/or to future HNR programs to stabilize residential neighborhoods in and adjacent to the Fort Worth Avenue TIF District including support for a) home improvement and repair programs, b) homebuyer assistance programs (ie. down payment assistance, closing cost assistance, principal reduction, interest rate reduction, term extension), and/or c) emergency assistance programs (for residents at risk of being displaced from fires, floods, tornadoes, other events).

Individual Increment – The portion of the Total Increment that a Project or Related Project adds to the TIF Fund each year.

Mixed-Income Project Leveraging Non-City Funds – A Project that provides market and affordable housing units and leverages Non-City (state or federal) funds; a Mixed-Income Project Leveraging Non-City Funds is considered a Project, defined herein, where applicable.

Mixed-Income Project Leveraging Non-City Funds Allocation – A Mixed-Income Project Leveraging Non-City Funds shall be eligible to receive seventy five percent (75%) of all Shared Increment until such Project is paid in full, in accordance with any Mixed-Income Project Leveraging Non-City Funds Development Agreement, if there are other eligible completed Projects.

Project – A development, redevelopment, or rehabilitation project that the TIF board and the City Council have determined meets all City policies and requirements and that has received a contractual commitment for a TIF Subsidy in accordance with this Allocation Policy.

Related Project/Developer – If a Developer or a Developer’s affiliate (as defined in a development agreement) has other development or redevelopment Projects in addition to a TIF eligible Project, in the District, Individual Increment from those Related Project(s) may be aggregated for purposes of calculating the Individual Increment for that Developer. A Developer of a TIF-eligible Project must have at least 50% ownership in any Related Project. These requirements will be further specified in a development agreement where applicable.

Related Projects must add new taxable real property value for the District based on the following criteria:

- New development on previously vacant land or demolished structures.
- Redevelopment or major modification of an existing building if this results in an increased taxable value of 50% or more of the original building.

Shared Increment – The Total Increment less (1) Administrative Expenses, (2) District-Wide Improvement Allocation, (3) Homeowner Stabilization, Home Repair, and Displacement Mitigation, and (4) the sum of the Individual Increments of all eligible Developers. Shared Increment may include Available Cash from Fort Worth Avenue TIF District not committed to Administrative Expenses, District-Wide Improvement Allocation, Homeowner Stabilization, Home Repair, and Displacement Mitigation, or otherwise committed, as defined.

TIF Subsidy – The total incentive committed to a Project per contract between the City and the developer to be paid from current or future available increment in the TIF fund during the term of the District.

Total Increment – The annual amount of tax increment funds deposited into the TIF fund from the participating jurisdictions.

Increment Allocation Procedure

Dallas Central Appraisal District (DCAD) certified values for each tax year will be the data source used to determine values for the increment allocation procedure. However, no distribution of TIF Funds will be made unless a total Project or specific phase as defined in a development agreement is completed by May 1st of a given year. The City’s Director of Economic Development will make the final determination in applying future available revenues in the TIF Fund among Projects.

Any Mixed-Income Project Leveraging Non-City Funds may be eligible for all Available Cash accrued and collected as of the approval date of this Allocation Policy, as amended, but such Available Cash shall not be held for any Mixed-Income Project Leveraging Non-City Funds if TIF funding approval and full execution of a development agreement has not occurred prior to February 28, 2021.

Annually, after the Total Increment has been deposited in the TIF Fund, the City will pay or set aside Administrative Expenses, a District Wide Improvement Allocation, and a Homeowner Stabilization, Home Repair, and Displacement Mitigation Allocation. After Administrative Expenses,

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the District-Wide Improvement Allocation, and Homeowner Stabilization, Home Repair, and Displacement Mitigation Allocation have been paid or set aside, Developers approved for TIF funding from the Fort Worth Avenue TIF District will be eligible to receive their Individual Increment.

For projects that meet the Mixed-Income Project Leveraging Non-City Funds definition, in addition to its Individual Increment, any eligible completed Mixed-Income Project Leveraging Non-City Funds will be eligible to receive 75% of the Shared Increment, as defined above.

For all other Projects, in addition to their Individual Increment, all eligible Developers will be able to receive the remaining portion of any Shared Increment not committed to a Mixed-Income Project Leveraging Non-City Funds. With the exception of Mixed-Income Project Leveraging Non-City Funds, the Shared Increment allotted to an eligible Developer shall be a ratio of an eligible Developer’s Individual Increment to the sum of the Individual Increments for all Projects eligible for payment for that year (the sum of the Individual Increment for this calculation removes the Individual Increment from any Mixed-Income Project Leveraging Non-City Funds). On an annual basis, all Shared Increment may be distributed to any Mixed-Income Project Leveraging Non-City Funds if there are no additional Projects to pay.

Thus, the fund will be allocated in the following order: Administrative Expenses, District-Wide Improvement Allocation, Homeowner Stabilization, Home Repair, and Displacement Mitigation, Individual Increment (for all eligible Projects), Mixed-Income Project Leveraging Non-City Funds Increment, pro-rata portions of Shared Increment for eligible Projects (excluding Mixed-Income Project Leveraging Non-City Funds).

The following is a sample illustration of the procedure in the case that there is one Mixed-Income Project Leveraging Non-City Funds and two additional eligible Projects:

Admin and Set-Aside Calculation:	Calculated Amount	Amount Distributed
Total Increment	\$4,000,000	
Total Administrative Expenses		\$100,000
District-Wide Improvements (20%)		\$800,000
Homeowner Stabilization, Home Repair, Displacement Mitigation (10%)		\$400,000
Individual Increment Calculation		
Mixed-Income Project Leveraging Non-City Funds		\$80,000
Individual Increment Project 2		\$60,000
Individual Increment Project 3		\$120,000
Shared Increment	\$2,440,000	
Mixed-Income Project Leveraging Non-City Funds Increment		\$1,830,000
Shared Increment Calculation	\$610,000	
Project 2 (\$60,000/\$180,000 = 33.3%)		\$203,333
Project 3 (\$120,000/\$180,000 = 66.6%)		\$406,667
Total TIF Funds Distributed		\$4,000,000

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Notes: 1. In general, the assignment of increment will be done annually, after each participating jurisdiction has deposited its annual increment into the TIF fund. However, upon completion of a Project, developers may apply for payment of their TIF Subsidy from Available Cash currently in the TIF fund, if any. Available Cash accrued and collected as of the approval date of this amended TIF District Allocation Policy shall be reserved for Mixed-Income Project Leveraging Non-City Funds, as defined.

2. If the appraised value of the remaining property in the TIF District decreases in value despite new development and as additional TIF Projects are approved and completed, the TIF subsidy for Projects that year may be reduced or unpaid. Similarly, if the sum of (1) Administrative Expenses and (2) the sum of the Individual Increments is greater than the Total Increment, then the Individual Increments shall be allotted on a proportional basis based on the ratio of each Developer's Individual Increment to the sum of the Individual Increments for that year. If there is no revenue available after administrative expenses, there will be no increment payments or funds for District-Wide Improvements or Homeowner Stabilization, Home Repair, and Displacement Mitigation that year.

3. Specific District-Wide Improvement Projects are to be determined and the amount of this set-aside will be reviewed annually based on updated financial projections and District needs. As needed, the Fort Worth Avenue TIF District TIF board may make modifications or corrections to this Policy to increase its effectiveness.