

**Exhibit A
Deep Ellum TIF District
FY 2024-2025 Annual Report**



Continental Gin Building



City of Dallas

Office of Economic Development
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Dallas, Texas 75201
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October 1, 2024 to September 30, 2025

Reinvestment Zone Number Twelve Deep Ellum Tax Increment Financing District

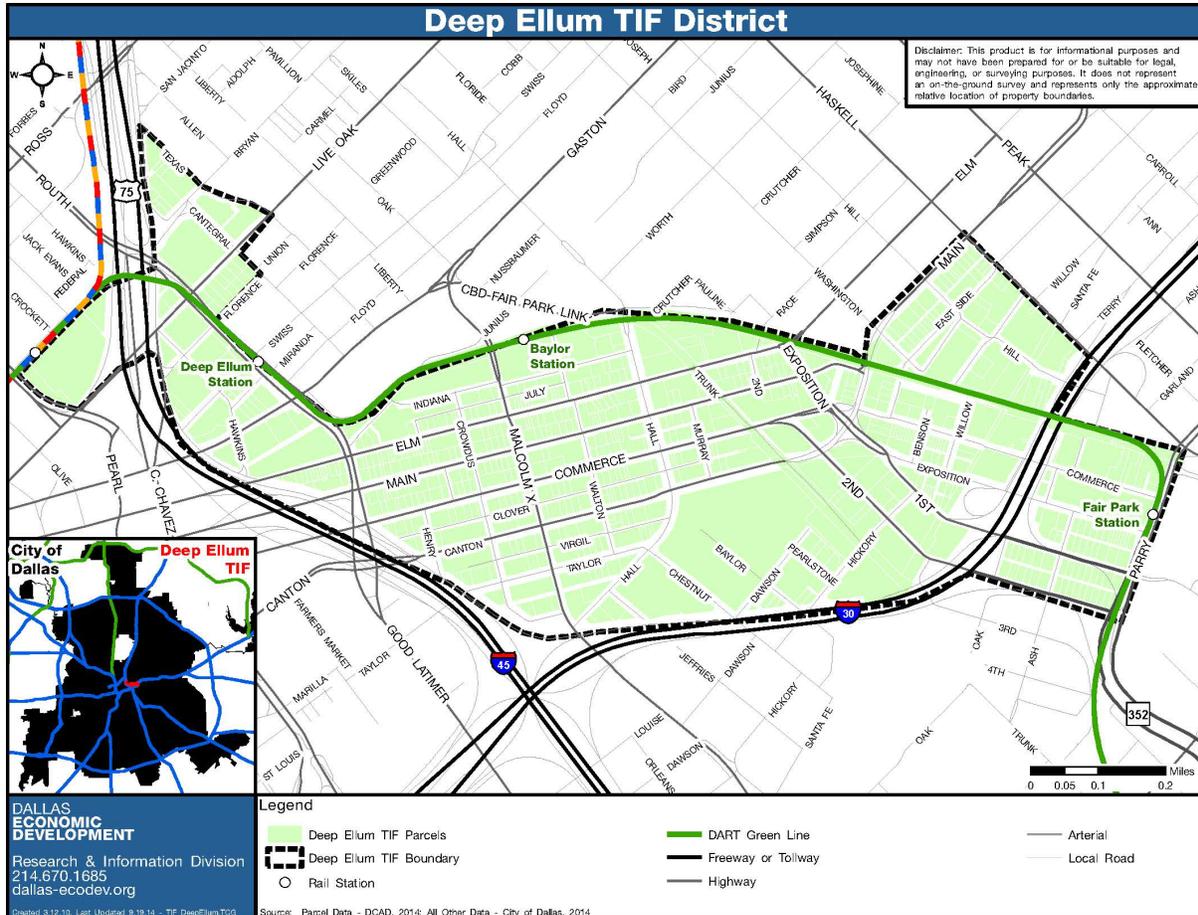


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Mission Statement

The mission of the Deep Ellum Tax Increment Financing District is to provide a source of funding for public investments anticipated to enhance the real estate market for the Deep Ellum TIF District area. The Deep Ellum Tax Increment Financing (TIF) District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping districts to take full advantage of the expanding DART light rail system, promote transit oriented development, improve the historic core area of Deep Ellum, implement appropriate urban design standards to differentiate and brand the area, and improve the quality of development east of Downtown.

The Deep Ellum TIF District ("TIF District") was established in June 2005 to assist in the transformation of the Deep Ellum area into a more diversified, pedestrian friendly, mixed-use neighborhood and improve the urban fabric and connections between Central Expressway and Fair Park. Strengths of the TIF District include a mix of unique and historic buildings that create an identifiable district, adjacency to three DART light rail stations and proximity to Downtown Dallas, the Arts District, Dallas Farmers Market, Baylor Medical Center, and Fair Park.

The City Council established the TIF District by Ordinance 26043 on June 22, 2005. The TIF District took effect on January 1, 2006 and is scheduled to 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 \$46.4 million (2006 dollars) has been collected. The TIF District Project Plan and Reinvestment Zone Financing Plan ("Plan") was amended in 2008, 2011, 2014, and 2024 (current amended Plan). The 2024 Plan amendment increased the TIF District's total budget to \$46.4 million net present value (NPV) as well as redefined and reallocated budget categories. The City's participation rate is 85% of incremental property taxes collected, and the County's participation rate was 55% (cap reached with 2022 increment collection).

TIF District Accomplishments

To date, 24 significant projects have been completed within the TIF District, resulting in \$1.1 billion in new taxable property value.

During FY 2011, DART completed construction of the SE-1 Corridor light rail line (Green Line), which included the Deep Ellum, Baylor, and Fair Park stations within the TIF District.

Redevelopment and reinvestment of consolidated property in the commercial core of Deep Ellum continue to expand dining and retail choices in the area. Projects by Asana Partners and Westdale Real Estate Investment and Management have provided additional commercial and retail opportunities in the TIF District.

The Old Dallas High School, added to the TIF District in 2014, was approved for TIF District funding in 2016 and was completed in 2018. The Case Building at Main Street

and Trunk Avenue and the Epic Project have brought additional residential units, office and retail space to the TIF District. The Epic, located at Elm and Good Latimer, includes 721,600 square feet of office space and 49,382 square feet of retail space. The Epic also includes The Hamilton, a 310 residential unit tower and The Pittman, a 164-key hotel in the historic Knights of Pythius Temple building.

The Continental Gin Redevelopment Project, approved for TIF District funding during fiscal year 2018-2019 and completed during fiscal year 2020-2021, improved 45,000 square feet of office space and 5,000 square feet of retail space in the historic building. The building houses Michelin star awarded Tatsu Dallas restaurant and Colossal Biosciences. The Continental Gin Project was awarded Dallas Business Journal's 2020 Best Real Estate Deals in the Rehab/Reuse category. In September 2022, the International Economic Development Council (IEDC) held its annual Excellence Awards in which the Office of Economic Development (OED) received a Gold Award in the Real Estate Redevelopment & Reuse category for its role in helping to facilitate the Continental Gin Redevelopment Project. The Continental Gin Building also won the 2024 Urban Land Institute (ULI) DFW Impact Award in the Innovation category.

The Stack Deep Ellum, a 16-story retail and office building, was approved for TIF District funding in fiscal year 2019-2020. Construction completed in fiscal year 2021-2022, and a long-term lease was announced with TRG for 101,808 square feet within the building.

In 2021, the American Cancer Society Gene and Jerry Jones Family Hope Lodge, in partnership with Baylor Scott & White Health, completed construction of a free 50-guest-suite lodging facility on Elm Street between Hall and Trunk Avenue for cancer patients receiving treatment and their caregivers (excluded from page 7 chart).

At the IEDC 2022 Excellence Awards, the OED received a Silver Award in the Neighborhood Development category for its role in managing the TIF District since its creation in 2005.

On June 30, 2023, the Deep Ellum Historic District was listed in the National Register of Historic Places (Reference Number 100009082), recognizing Deep Ellum as a place of historical and architectural significance.

On February 28, 2024, City Council approved a TIF District Plan amendment that increased the budget capacity of the TIF District while keeping the scheduled termination date unchanged. The Plan amendment was designed to provide additional funding capacity to support a) close-out projects within the TIF District, b) homeowner stabilization and mixed-income housing in and surrounding the Deep Ellum TIF District, c) areas of public assembly (i.e. parks/open space) in and out of the Deep Ellum TIF District, and d) infrastructure improvements in the Grand Park South neighborhoods.

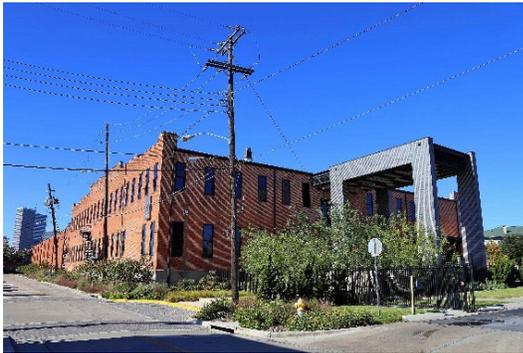
The chart that begins on page 7 is a comprehensive list of all TIF District-funded and significant non-TIF District-funded projects within the TIF District.



The Stack Deep Ellum



The Continental Gin Building



Reel FX



Novel Deep Ellum (Crescent)



Old Dallas High School



Case Building



City Lights Phase II Site



The Epic

Current Development Status in the TIF District

Deep Ellum TIF District Projects¹						
Projects and Potential Projects Within TIF District Utilizing TIF District Funding²						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value ³	TIF Investment
Olympia Arts	4000 East Side Ave / 3995 Benson St	2010	Complete	25,116 SF office, 4,040 SF commercial	\$2,421,330	\$595,000
Reel FX/ Crowdus & Indiana Streetscape Improvements ⁴	301 N Crowdus	2014	Complete	67,166 SF office, streetscape improvements	\$4,996,750	\$552,000
Westdale 2800 DE	2823 Main Street	2016	Complete	30,595 SF retail, open space	\$3,881,640	\$1,600,000
Old Dallas High School	2214 & 2218 Bryan	2017	Complete	114,272 SF office space	\$22,000,000	\$6,240,934
Continental Gin	3309 Elm Street	2021	Complete	45,000 SF office space, 5,000 SF retail	\$8,650,000	\$3,000,000
The Stack Deep Ellum	2700 Commerce Street	2021	Complete	200,000 SF office, 14,600 SF retail	\$78,000,000	\$2,576,125
SUBTOTAL	Complete: 451,554 SF Office and 54,235 SF Commercial/Retail				\$119,949,720	\$14,564,059
Projects Within TIF District Not Utilizing TIF District Funding¹						
Broadstone Ambrose	2901 Indiana St.	2007	Complete	338 multi-family residential units	\$61,260,000	\$0
Commerce Street Lofts	3701, 3703, 3705, 3707, 3709, 3711, 3713, & 3715 Commerce St.	2007	Complete	8 live/work multi-family residential units (approx. 18,000 SF)	\$4,168,110	\$0
Eastside Lofts	500, 502, 504, 506 1 st St.	2006	Complete	4 multi-family residential units (approx. 9,300 SF)	\$2,092,040	\$0
City Lights Phase I (aka Oak & Ellum)	2627 Live Oak St	2015	Complete	424 multi-family residential units	\$75,000,000	\$0
The Case Building	3131 Main	2018	Complete	337 multi-family residential units, 10,738 SF retail	\$82,384,720	\$0
Deep Ellum Crossroads	Main and Commerce Streets	2017	Complete	46,008 SF retail	\$3,835,620	\$0

The Crosby	400 S. Hall	2018	Complete	336 multi-family residential units	\$67,000,000	\$0
Epic (Phase I)	2550 Pacific	2019	Complete	251,600 SF office, 49,382 SF retail	95,000,000	\$0
The Hamilton and The Pittman - Epic (Phase I)	2525 Elm and 2500 Pacific	2020	Complete	310 multi-family residential units, 164 hotel rooms, 5,004 SF retail	\$248,000,000	\$0
Novel Deep Ellum (Crescent)	2900-2930 Canton	2020	Complete	231 multi-family residential units, 10,500 SF retail	\$56,980,830	\$0
The Gabriella (City Lights Phase II)	2727 Live Oak	2020	Complete	368 multi-family residential units, 56,625 SF grocery	\$96,840,090	\$0
The Galbraith	2400 Bryan	2021	Complete	217 multi-family residential units, 10,000 SF retail	\$0 (Dallas Housing Finance Corp owned)	\$0 TIF (PPP, Bond, HOME and CDBG funds)
Epic (Phase II)	2500 Pacific	2022	Complete	470,000 SF office; 19,299 retail	\$145,000,000	\$0
Mark Cuban Cost Plus Drug Facility	320 S. Walton (3015 Taylor)	2023	Complete	22,000 SF manufacturing	\$6,691,780	\$0
Elm Street Lofts (Good E)	Main and Elm at Good Latimer	2023	Complete	20,272 SF retail plus 28,645 SF retail/office	1,426,290	\$0
The Willow	3900 Commerce	2023	Complete	190 multi-family residential units	\$53,792,630	\$0
Goodsurf	317 S 2 nd Ave	2024	Complete	3,116 SF retail	\$2,000,000	\$0
2800 Taylor	2800 Taylor	2024	Complete	192 multi-family residential units	\$61,467,500	\$0
Larkspur Fair Park ⁵	3525 Ash Lane	2028	Planned	290 multi-family residential units	\$0	\$0

SUBTOTAL	Complete: 2,955 Multi-family Residential Units, 349,245 SF Office, 228,641 SF Commercial/Retail, 164 hotel rooms Planned: 290 Residential Units	\$1,002,939,610 complete	\$0
TOTAL PROJECTS WITHIN TIF DISTRICT UTILIZING AND NOT UTILIZING TIF DISTRICT FUNDS	Complete: 2,955 multi-family Residential Units, 800,799 SF Office 282,876 SF Commercial/Retail and 164 hotel rooms Planned: 290 Multi-family Residential Units	\$1,122,889,330 Complete	\$14,564,059
<p>¹ All information updated as of September 30, 2025; planned projects that have not started construction are not included unless City incentive has been approved</p> <p>² All TIF District funded projects.</p> <p>³ Based upon estimated market value at completion or of comparable projects for anticipated projects, investment amount, or 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.</p> <p>⁴ Reel FX was funded as part of a Streetscape project on Elm Street from Crowder Street to Indiana Street. Deep Ellum TIF District assisted with the costs, along with a Chapter 380 Economic Development Grant, Water Utilities Capital Improvement Funds, and 2006 Prop 8 Bonds.</p> <p>⁵ Larkspur Fair Park has received City Council approval for a Public Facility Corporation (PFC) partnership which will result in the property being tax exempt. The anticipated investment is \$70.3 million.</p>			

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, there are no residential units supported with site-specific TIF District funding.

The Galbraith (2400 Bryan Street) mixed-income, mixed-use project was completed in 2021 and includes 217 residential units, of which 111 are affordable. This project does not include TIF District funds but has a capital stack utilizing housing tax credits and other City-controlled funds (HOME, CDBG, Public/Private Partnership Funds, City Bond Funds), requiring 51% of the units to be set aside as affordable (60% or below area median family income).

The proposed Larkspur Fair Park (3525 Ash Lane) mixed-income project was approved as a Public Facility Corporation (PFC) project by the City Council on April 26, 2023. If constructed, the property will be tax-exempt and will produce 290 residential units, of which 146 units (50%) will be reserved for households earning 80% or below the area median family income.

Homeowner Stabilization, Home Repair, and Displacement Mitigation

Beginning with 2023 tax year (2024 calendar year) collections, twenty percent (20%) of each year’s annual increment (net of administrative costs) will be transferred to the City’s Office of Housing and Community Empowerment (HCE) to support homeowner

stabilization, home repair, homebuyer assistance, and displacement mitigation programs within the Grand Park South area. The total estimated TIF funding to be transferred is up to an estimated total of \$13,445,178 (not to exceed \$6,672,064 NPV).

On September 25, 2024, City Council approved Resolution No. 24-0401, which authorized the annual transfer of funds from the Deep Ellum TIF District to HCE to deploy pursuant to the Dallas Housing Policy 2033 (DHP33) and the Dallas Housing Resource Catalog. Specific programs identified for this funding include the Home Improvement & Preservation Program (HIPP) and the Dallas Homebuyer Assistance Program (DHAP).

Beginning with FY 2024-2025, all expenditures by HCE utilizing the transferred funds are reported in this annual report. As of the end of FY 2024-2025, the cumulative total of funds transferred from the Deep Ellum TIF District to HCE totals \$4,370,407.35. This cumulative total includes the FY 2024-2025 transfer amount of \$1,494,531.98.

At the end of FY 2024-2025, it was anticipated that HCE staff would be requesting City Council authorization in late 2025 to execute an agreement with a third-party vendor for the administration, management, and implementation of the Homeowner Improvement and Preservation Program and City Council authorization in early 2026 to execute an agreement with a third-party vendor for the administration, management, and implementation of the Homebuyer Assistance Program.

Value and Increment Revenue Summary

The Deep Ellum TIF District's adjust base year taxable value is \$189,162,613. The TIF District's certified assessed 2025 taxable value is \$1,492,909,363. This represents an increase of \$41,139,418 (2.8%) from the 2024 final value and an increase of \$1,303,746,750 (689.2%) from the base year value. The resulting total increment revenue anticipated to be collected in 2026 (from 2025 values) is approximately \$7,743,995 (Dallas County NPV participation cap was reached during 2022 increment collections).

Objectives, Programs, and Success Indicators

The Deep Ellum Project Plan and Reinvestment Zone Financing Plan ("Plan") was adopted on April 12, 2006 and was amended in 2008, 2011, 2014, and 2024. Among the goals of the Plan, as amended by the 2024 Plan amendment, are:

- To create additional taxable value attributed to new private investment in projects in the Deep Ellum TIF District exceeding \$1 billion.

Completed projects within the TIF District (those captured in the chart on pages 7-9) have contributed approximately \$1.1 billion in taxable value (112% of goal). The current taxable value of the TIF District is \$1.49 billion (149% of goal).

- To attract new private development in the Deep Ellum TIF District totaling approximately 650,000 square feet of retail space, 850,000 square feet of office space, 500 hotel rooms, and at least 3,500 new residential units including lofts, town homes and apartments.

Completed projects within the TIF District contributed approximately 282,876 square feet of retail (43.5% of goal), 800,799 square feet of office (94% of goal), 164 hotel rooms (33% of goal), and 2,955 residential units (84.4% of goal).

- To support the conversion of the Deep Ellum area to a mixed-use, transit-oriented neighborhood that complements Baylor Medical Center, Downtown Dallas, Latino Cultural Center and Fair Park.

Several significant construction projects, with Office of Economic Development input, are being planned to enhance connectivity between Deep Ellum and surrounding neighborhoods, including the I-345 Refined Hybrid Option and I-30 Canyon decking to Heritage Village. In order to coordinate and plan for a multitude of impactful downtown enhancements, the City of Dallas applied for and was awarded \$2,000,000 in FY 2023 Economic Development Initiative Community Project Funding (Grant No. B-23-CP-TX-1428) through the U.S. Department of Housing and Urban Development (HUD) to support planning studies in downtown Dallas and surrounding neighborhoods.

A Complete Street project for Commerce Street from Good Latimer to Exposition was approved in the 2017 Bond Program, and the construction contract was awarded on September 27, 2023 by Resolution No. 23-1324. The scope of the Commerce Street improvements is from Good Latimer Expressway to Exposition Avenue and will convert the existing five lanes of one-way traffic into a two-lane two-way street with on-street parking. The project will include converting Elm Street from Good Latimer Expressway to Exposition Avenue from one-way to two-way traffic to complement Commerce Street. The work is being implemented in two phases, Phase I on the north side of Commerce Street and Phase II on the south side. Construction is expected to be complete in November 2026.

During fiscal year 2023-2024, City Council approved Supplemental Agreement No. 7 to the professional services contract for additional engineering design services for the Central Business District Fair Park Link. Construction for the CBD Fair Park Link has been paused due to design changes requested by DART. Once DART reviews and approves the revisions submitted to them, construction is expected to resume. Phase I of the project is approximately 70% complete and has not yet been opened for public use.

North Central Texas Council of Governments (NCTCOG) hosted a public meeting during fiscal year 2024-2025, to collect input on the draft recommendations on the Main Street to Parry Avenue segment of the CBD Fair Park Link (Phase II) through a study of multimodal transportation links connecting Downtown Dallas through Deep Ellum to Fair Park. The study, led by NCTCOG in coordination with the Texas Department of Transportation (TxDOT) and the City of Dallas, takes into account how these areas are linked, considering new designs for IH-30 and IH-345.

- To generate approximately \$46.4 million (net present value) in increment over 20 years of collections.

The TIF District has generated \$30.2 million NPV (65% of the goal), with two years remaining until the expiration of the TIF District.

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

In 2015, City Council approved the redevelopment of multiple buildings and parking lots along Main and Elm Streets for the Westdale 2800 DE project which added 30,595 square feet of retail and restaurant space along with the creation of 13,740 square feet of open space. The Westdale 2800 DE Project was completed in fiscal year 2017 and paid in full in fiscal year 2018.

The adaptive reuse of the historic Continental Gin building was completed during fiscal year 2021 and includes co-working office space, a coffee shop and is anchored by Tatsu Dallas restaurant. Additionally, The Stack Deep Ellum added 14,600 square feet of ground floor commercial space within the TIF District in fiscal year 2021. Several non-TIF District-funded projects have added to the diversification of retail and commercial uses in the District, including the Good E Project in the 2500 block of Elm Street.

- To encourage the redevelopment of the property located on Live Oak Street north of the Latino Cultural Center including the sale of some City-owned property in the area and some street abandonment to create a more usable site.

In 2008, the boundaries of the TIF District were amended to include the City of Dallas Latino Cultural Center and the site of the City Lights Project. These two sites comprise 10.2 acres. This boundary amendment was initiated to promote new development and increased urban density near the Latino Cultural Center and nearby the Deep Ellum DART Light Rail station. On August 10, 2016, City Council authorized amendments to deed restrictions placed on the property, including the requirement of a \$100,000 donation to the Latino Cultural Center to be made pursuant to the City Lights projects, prior to the issuance of a Certificate of Occupancy. During fiscal year 2019-2020, the Latino Cultural Center accepted and received a donation of \$100,000 to satisfy the related deed restriction requirement.

- To implement mixed-income housing in and surrounding the Deep Ellum TIF District and to promote homeowner stabilization.

On September 25, 2024, City Council approved Resolution No. 24-0401, which authorized the transfer of funds, as approved by the 2024 Deep Ellum TIF District amended Plan, to Office of Housing and Community Empowerment (OHCE) to deploy pursuant to the Dallas Housing Policy 2033 (DHP33). The 2024 Plan amendment created a budget category to support mixed-income housing projects and homeowner stabilization efforts. Beginning with 2023 tax year (2024 calendar year) collections, twenty percent (20%) of each year's annual increment (net of administrative costs) will be transferred to OHCE to support homeowner stabilization, home repair, homebuyer assistance, and displacement mitigation programs within the Grand Park South area. The balance of the funds to be transferred to HOU as of the end of FY 2024-2025 totals \$4,370,407.35.

- To implement district-wide improvements including cultural identification initiatives within the Deep Ellum TIF District.

The 2024 Plan amendment created a District-Wide budget category, and funding from this category may be used for improvements to the Latino Cultural Center as a place of public assembly, for cultural markers, and/or a cultural trail. Beginning with 2023 increment collections, twenty-five percent (25%) of the annual increment collections are intended to be used for the District-Wide budget category.

- To provide funding for areas of public assembly (ie. parks/open space) in and out of the TIF District.

This goal was added with the 2024 Plan amendment and staff is working make progress to achieve this goal.

- To assist neighborhoods adjacent to the Deep Ellum TIF District to the south by improving infrastructure and reconnecting neighborhoods.

This goal was added with the 2024 Plan amendment. Staff is working with the City's Department of Public Works and Transportation, Deep Ellum Foundation, Downtown Dallas, Inc., and TxDOT, to improve connectivity initiatives.

Year-End Summary of Meetings

During the period from October 1, 2024 through September 30, 2025, the Deep Ellum TIF District Board did not meet due to a lack of a minimum number of appointed Board members to conduct business.

During FY 2024-2025, the City Council considered four items directly related to the TIF District:

On January 22, 2025, the City Council approved Resolution No. 25-0206 authorizing a professional engineering services contract with LJA Engineering, Inc., most highly qualified proposer of two, to develop preliminary engineering (design schematic, right-of-way, environmental documents, and public involvement), plans, specifications, and estimates for the construction of new sidewalks, Americans with Disabilities Act ramps, curb extensions, pedestrian lighting, and upgrades to traffic signals from Live Oak Street to the north, Hall Street to the east, Interstate Highway 30 to the south, and Cesar Chavez Boulevard to the west in the city of Dallas for CSJ 0918-47-362.

On February 26, 2025, the City Council approved Resolution No. 25-0374, accepting the FY 2023-2024 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twelve (Deep Ellum 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 26, 2025, the City Council approved Resolution No. 25-0455, authorizing (1) acquisition by the Dallas Housing Finance Corporation (DHFC) of Oak & Ellum, an existing market-rate multifamily development located at 2627 Live Oak Street, Dallas, Texas 75204 for development of affordable housing; and (2) receipt and deposit of \$1,489,361.00 from Waterford Property Company, LLC (Applicant) into the Tax Increment Financing Reinvestment Zone Number Twelve (Deep Ellum TIF District or TIF District) Fund as a one-time payment in lieu of annual tax increment for tax years 2025, 2026, and 2027 - Estimated Revenue Foregone: \$9,502,325.00 to the City General Fund \$8,012,964.00 (estimated taxes over 15-year period).

On May 28, 2025, City Council approved Resolution No. 25-0869, authorizing the renewal and expansion of the Deep Ellum Public Improvement District (the "District"), in accordance with Chapter 372 of the Texas Local Government Code 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, authorize: (1) approval of a resolution renewing the District for a period of ten years, from 2026 to 2035; (2) approval of the District's Service Plan for 2026-2035 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 Deep

Ellum Foundation, a Texas nonprofit corporation, as the management entity for the District.

Pending City Council TIF District Items

Consideration of the FY 2024-2025 TIF District Annual Report and a recommendation to the City Council for approval.

Budget and Spending Status

Each TIF district establishes a budget for the public investment necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The TIF District was established in June 2005 and was amended in 2008, 2011, 2014, and 2024. The current budget for the TIF District is below.

Deep Ellum TIF District Project Plan Budget Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget ¹	Allocated ²	Balance
Water, Wastewater, Storm & Off-site Utility Replacement	\$3,005,338	\$1,813,183	\$1,192,155
Paving Streetscape & Lighting	\$6,010,675	\$2,309,759	\$3,700,916
District-Wide Improvements (Open Space, Trails & Areas of Public Assembly including Cultural Area or Facility Improvements); Public Parking	\$30,053,376	\$122,998	\$29,930,378
Façade Restoration/Environmental Remediation & Demolition	\$11,019,571	\$10,167,824	\$851,747
Affordable Housing	\$11,548,415	\$0	\$11,548,415
Transfer to Housing Department for Affordable Housing, including Homeowner Stabilization, Home Repair and Displacement Mitigation for Grand Park South area ⁴	\$13,367,870	\$4,370,407	\$8,997,463
Set Aside for Infrastructure Improvements and Areas of Public Assembly in Grand Park South area	\$13,367,870	\$0	\$13,367,870
Administration & Implementation ⁵	\$4,608,184	\$877,994	\$3,730,190
Total Project Costs (excluding interest)	\$92,981,299	\$19,662,165	\$73,319,134
¹ Budget shown above in current dollar; TIF Plan shows the budget in net present value. ² Project and Administrative costs are allocated as increment collection began in FY 2008 ³ Includes \$775,000 Grant under Façade Restoration/Environmental/Remediation/Demolition ⁴ .The allocated amount was available and authorized to be transferred to the Housing Department during FY 2024-2025 ⁵ TIF District administration costs shown are expended or committed through FY 2024-2025			

Deep Ellum TIF District Project Plan Budget	
Category	TIF Budget*
Water, Wastewater, Storm & Off-site Utility Replacement	\$1,500,000
Paving Streetscape & Lighting	\$3,000,000
District-Wide Improvements (Open Space, Trails & Areas of Public Assembly including Cultural Area or Facility Improvements); Public Parking	\$15,000,000
Façade Restoration/Environmental Remediation & Demolition	\$5,500,000
Affordable Housing	\$5,763,952
Transfer to Housing Department for Affordable Housing, including Homeowner Stabilization, Home Repair and Displacement Mitigation for Grand Park South area	\$6,672,064
Set Aside for Infrastructure Improvements and Areas of Public Assembly in Grand Park South area	\$6,672,064
Administration and Implementation	\$2,300,000
Total Project Costs (excluding interest)	\$46,408,080
* As approved in the Project Plan and Reinvestment Zone Financing Plan (amended February 28, 2024)	
Note: TIF District Board may amend Project Plan budget only with City Council approval	

Prior to June 2025, all TIF District-funded projects were required to follow the City’s adopted Business Inclusion and Development (BID) Policy and make good faith efforts to include certified Minority and Women-Owned Business (M/WBE) participation in TIF District-supported projects. The initial BID Plan goal for the projects listed below was 25 percent (25%) M/WBE participation in construction costs. During fiscal year 2020-2021, City Council increased the BID Plan goal for construction costs to 32 percent (32%). On June 25, 2025, the City of Dallas ceased enforcing its BID Policy, including M/WBE subcontracting goals, by City Council Resolution No. 25-1081. The chart below captures projects that completed construction or were approved by City Council and started construction prior to June 2025.

Deep Ellum TIF M/WBE Participation				
Project	Contractor	Total Contract Award Amount	Total MWBE Amount	Percentage Minority Participation
Olympia Arts	Elstonaire	\$1,200,000	\$360,000	30%
Reel FX*	N/A	N/A	N/A	N/A
Westdale 2800 DE	CS1 Group, Inc	\$1,988,975	\$557,510	28.03%
Old Dallas High School	Balfour Beatty	\$17,054,775	\$4,104,694	23.54%
Continental Gin	Hill & Wilkinson	\$17,397,431	\$5,810,749	33.40%
The Stack Deep Ellum	Whiting-Turner	\$59,352,634	\$15,638,154	26.35%
* TIF District funds for streetscape work				

FY 2025-2026 Work Program

The FY 2025-2026 work program for the TIF District includes:

- Examine potential District-Wide Improvements that could provide impactful close-out to the TIF District.
- Explore possible improvements to the pedestrian environment through sidewalk enhancements, landscaping, lighting and design standards.
- Explore possible upgrades to basic infrastructure including storm drainage, water/wastewater lines, and burial of overhead utilities to support redevelopment in the TIF District.
- Coordinate linkages with the three DART light rail stations located in the TIF District by extending streetscape improvements between stations to create an extended pedestrian area to destinations such as the Latino Cultural Center, the Baylor Hospital Campus, the Old Dallas High School site, and Fair Park.
- Work with City's Department of Public Works and Transportation, Deep Ellum Foundation, Downtown Dallas, Inc., and TxDOT, as applicable, on public right-of-way improvements and connectivity initiatives, particularly I-345 Refined Hybrid Option and I-30 Canyon decking, to support the Deep Ellum neighborhood and to assist in connecting Deep Ellum with other downtown neighborhoods.
- Participate in Reimagining Downtown Study funded through HUD grant as it relates to Deep Ellum and its connectivity to surrounding neighborhoods.
- Encourage development of new mixed-income residential projects.
- Assist in coordination of Commerce Street improvements.
- Support examination of possible redevelopment of current City Central Service Center located at 3202 Canton Street.
- Where relevant, assist in implementation of the Deep Ellum Foundation's Strategic Plan.

Appendix A: Financials

City of Dallas, Texas
Deep Ellum Tax Increment Financing District Fund
Balance Sheet as of September 30, 2025 (Unaudited)
With Comparative Totals for September 30, 2024, 2023, 2022, and 2021 (Audited)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Assets:					
Pooled cash and cash equivalents	\$31,497,797	\$24,453,655	\$18,829,557	\$13,899,969	\$7,562,654
Interest receivable	\$474,948	\$347,144	\$99,446	\$22,875	\$1,567
Total assets	\$31,972,746	\$24,800,800	\$18,929,003	\$13,922,844	\$7,564,221
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$214,347	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Accrued interest	\$0	\$0	\$0	\$0	\$0
Accrued liability	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$306,471	\$359,621	\$285,338	\$216,917	\$169,710
Total liabilities	\$306,471	\$359,621	\$499,686	\$216,917	\$169,710
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$31,552,776	\$24,401,254	\$18,429,318	\$13,705,927	\$7,394,511
Total Liabilities and Fund Equity	\$31,859,248	\$24,760,875	\$18,929,003	\$13,922,844	\$7,564,221

Deep Ellum Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
For the period September 30, 2025 (Unaudited)
With Comparative Totals for September 30, 2024, 2023, 2022, and 2021 (Audited)

	<u>ITD</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenues:						
Tax increment-Governmental	\$44,110,380	\$7,546,943	\$7,549,668	\$7,023,130	\$5,599,227	\$4,253,507
Tax increment-Intergovernmental	\$4,302,491	\$0.00	\$0.00	\$0	\$973,146	\$834,116
Interest income	\$2,746,064	\$1,026,628	\$913,692	\$471,850	\$63,838	\$21,893
Developer contribution	\$53,491	\$0	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	\$200,874	\$134,375	\$459,376	(\$127,044)	(\$277,588)	(\$8,873)
Total revenues	\$51,413,300	\$8,707,945	\$8,922,736	\$7,367,936	\$6,358,623	\$5,100,643
Expenditures:						
Administrative expenses	\$877,994	\$61,891	\$74,283	\$68,421	\$47,207	\$45,722
Non-Capital Outlay	\$14,478,970	\$1,494,532	\$2,876,518	\$1,645,500	\$0	\$1,750,000
Capital outlay	\$4,503,560	\$0	\$0	\$930,625	\$0	\$1,250,000
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$19,860,524	\$1,556,423	\$2,950,801	\$2,644,546	\$47,207	\$3,045,722
Excess (Deficiency) of Revenues over Expenditures	\$31,552,776	\$7,151,523	\$5,971,936	\$4,723,391	\$6,311,416	\$2,054,920
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$24,401,254	\$18,429,318	\$13,705,927	\$7,394,511	\$5,339,591
Fund balance (Deficit) at beginning of year, as restated	\$0	\$24,401,254	\$18,429,318	\$13,705,927	\$7,394,511	\$5,339,591
Fund balance (deficit) at end of year	\$31,552,776	\$31,552,776	\$24,401,254	\$18,429,318	\$13,705,927	\$7,394,511

Note: Fiscal year 2024-25 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
Deep Ellum Tax Increment Financing District Fund
Reinvestment Zone Number Twelve
As of September 30, 2025

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:

\$1,161,003 Interest Income & Net increase (decrease) in fair value of investments
\$7,546,943 Ad Valorem Taxes (Collected in FY 2024-25 based on 2024 Final Tax Roll)
\$8,707,945 **Total Revenue**

2. Amount and purpose of expenditures from the fund:

\$61,891 TIF Administrative Expenses for FY 2024-25
\$1,494,532 Non-Capital Outlay (Transfer to the City's Housing and Community Development Department)
\$0 Capital Outlay
\$0 Additional Subsidy in Form of Grant (in lieu of interest expense)
\$1,556,423 **Total Expenditures**

3. TIF Administration Costs:

The Zone continued to reimburse the General Fund for administrative costs incurred during the fiscal year.

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

Deep Ellum TIF District has incurred no bonded indebtedness as of September 30, 2025.

b. The Zone entered into a development agreement with Westdale Properties America I, Ltd. for the redevelopment of Westdale 2800 DE Project in an amount not to exceed \$1,600,000. The Zone fully disbursed the TIF funds to the developer in fiscal year 2018.

<u>Project</u>	<u>Principal</u>	Accrued	Less	Total (P & I)
		<u>Add'l Subsidy (1)</u>	<u>Payments (2)</u>	<u>Outstanding</u>
Westdale 2800 DE Project	\$1,600,000	\$0	\$1,600,000	\$0
Total	\$1,600,000	\$0	\$1,600,000	\$0

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

(2) Westdale 2800 DE Project expenditures were accrued in the fiscal year 2017, and disbursement of TIF funds occurred in the fiscal year 2018.

c. The Zone entered into a Development Agreement dated May 23, 2017 with MSW Crozier Tech, LP for the redevelopment of the Old Dallas High School Project in an amount not to exceed \$6,240,934 of which up to \$200,898 may be payable in the form of a Grant as defined in the Development Agreement. Disbursement of TIF funds was fully complete in fiscal year 2020.

<u>Project</u>	<u>Principal</u>	Accrued	Less	Total (P & I)
		<u>Add'l Subsidy (1)</u>	<u>Payments (2)</u>	<u>Outstanding</u>
Matthews Holdings Southwest, Inc.	\$3,500,260	\$0	\$3,500,260	\$0
Total	\$3,500,260	\$0	\$3,500,260	\$0

d. Development agreement with 42 Deep Ellum, LP for the development of Deep Ellum Crossroads Project was not executed as a result of the Developer unable to perform the Development Agreement's stated requirements (2018 termination).

e. The Zone entered into an agreement on January 22, 2020 with HW Commerce Office LP in an amount not to exceed \$2,576,125 payable from current or future Deep Ellum TIF District Funds in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street; final disbursement of TIF funds was made in fiscal year 2022-2023.

<u>Project</u>	<u>Principal</u>	Accrued	Less	Total (P & I)
		<u>Add'l Subsidy (1)</u>	<u>Payments (2)</u>	<u>Outstanding</u>
HW Commerce Office LP	\$2,576,125	\$0	\$2,576,125	\$0
Total	\$2,576,125	\$0	\$2,576,125	\$0

f. The Zone entered into an agreement on April 10, 2019 with 3309 Elm TIF, Inc., in an amount not to exceed \$3,000,000 payable from current or future Deep Ellum TIF District Funds in consideration of the Continental Gin Redevelopment Project on property currently addressed at 3309 Elm Street. The Zone fully disbursed the TIF funds in fiscal year 2021.

<u>Project</u>	<u>Principal</u>	Accrued	Less	Total (P & I)
		<u>Add'l Subsidy (1)</u>	<u>Payments (2)</u>	<u>Outstanding</u>
3309 Elm TIF, Inc.,	\$3,000,000	\$0	\$3,000,000	\$0
Total	\$3,000,000	\$0	\$3,000,000	\$0

g. On September 25, 2024, City Council approved transferring an estimated amount of \$13,445,178.00 (not to exceed NPV \$6,672,064.00) from the Deep Ellum TIF District Fund to the Housing and Community Development Department for homeowner stabilization, home repair, and displacement mitigation programs over the remaining term of of the Deep Ellum TIF District. For the fiscal year 2023-2024, \$2,875,875.37, and for the fiscal year 2024-2025, \$1,494,531.98 were transferred to the Housing and Community Development Department

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

Taxing Jurisdiction	Taxable Value 2025*	Base Year 2008 Value	Est. Captured Value 2025**
City of Dallas	\$1,492,909,363	\$189,162,613	\$1,303,746,750
Dallas County	\$1,494,359,412	\$189,363,589	\$1,304,995,823

* 2025 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 Certified Taxable Values. Final values will be determined on February 01, 2026.

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 2025 Increment****
City of Dallas	0.59398	\$7,743,995
Dallas County	0.11853	\$0 *****
Total for all Jurisdictions	\$0.71251	\$7,743,995

***Participation rates for City of Dallas and Dallas County are 85% and 55% respectively.

****The District began collecting increment in fiscal year 2008-09.

***** Actual Dallas County collections reached the budget cap during fiscal year 2022.

B. The total amount of estimated tax increment to be billed for the 2025 tax year is \$7,743,995. For 2024 tax year, increment in the amount of \$7,546,943 was received.

City of Dallas, Texas
Deep Ellum Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2025

1. The measurement focus used for the Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The Zone's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financing Plan permits expenditures not to exceed \$4,608,184 (in current dollars) over the life of the Zone 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. "Due to general fund" amount of \$306,471 on September 30, 2025 represents the Zone's administration expenses for fiscal year 2020-2021 (\$54,669), fiscal year 2021-2022 (\$47,207), fiscal year 2022-2023 (\$68,422), and fiscal year 2023-2024 (\$74,283), and fiscal year 2024-2025 (\$61,891) that have been earned but will be reimbursed to the City's General Fund based on the availability of future Zone funds.
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

There are no outstanding financial obligations.

Appendix C – Set-Aside Funds

District-Wide Improvements

The TIF District Increment Allocation Policy adopted by the Deep Ellum TIF District Board of Directors currently provides for twenty five percent (25%) of annual District increment collected, after administrative expenses, to be set aside for District-Wide Improvements. Prior to 2023, the District wide set-aside was five percent (5%).

The district-wide set-aside balance as of the end of FY 2024-2025 totals \$4,436,183.38. There are no commitments at this time.

Potential uses for District-Wide Improvements include the development of open space, public plazas, trails or other related District-Wide Improvements (including areas of public assembly which may include public facilities) in the Deep Ellum TIF District. District-Wide Funds may be used for improvements to the Latino Cultural Center as a place of public assembly, for cultural markers, and/or a cultural trail. District-Wide Improvements may include public parking projects that benefit the TIF District.

Infrastructure and Areas of Public Assembly Set-Aside to support Grand Park South area

Twenty percent (20%) of each year's annual increment (net of administrative costs) beginning with 2023 collections through TIF District termination will be dedicated to the Grand Park South area to support infrastructure improvements and areas of public assembly (i.e. parks/open space).

The balance as of the end of fiscal year 2024-2025 totals \$4,370,407.35. There are no commitments at this time.