

MEETING RECORD

**REINVESTMENT ZONE NUMBER FIVE, CITY OF DALLAS, TEXAS
(CITY CENTER TAX INCREMENT FINANCING DISTRICT)
AND
REINVESTMENT ZONE NUMBER ELEVEN, CITY OF DALLAS, TEXAS
(DOWNTOWN CONNECTION TAX INCREMENT FINANCING DISTRICT)
AND
DOWNTOWN DALLAS DEVELOPMENT AUTHORITY (DDDA)**

The City Center and Downtown Connection TIF Districts meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Office of Economic Development, Staff at 214-671-8043 or 214-670-1221.

Meeting Date: January 16, 2025

Meeting Start Time: 1:00 pm

City Center TIF District Board Members Present: Joseph Pitchford (Chair), John Perry, Billy Prewitt, Nick Seaman, Luis Tamayo (Dallas County), Ben Magill (Dallas College)

Downtown TIF Connection Board Members Present: Joseph Pitchford (Chair), John Perry, Billy Prewitt, Nick Seaman, Luis Tamayo (Dallas County)

Downtown Dallas Development Authority Board Members Present: Billy Prewitt (Vice President), John Perry, Joseph Pitchford, Nick Seaman

Board Members Not in Attendance: Orlando Alameda (Dallas Independent School District, City Center TIF District only)

Others in Attendance: Claudia Vargas (Dallas County); Michael Gaffney (Woodall Rodgers Park Foundation); Plamedie Ifasso (Dallas Business Journal joined meeting late)

Staff in Attendance: Tamara L. Leak, Dorcy Clark, Teralandur Kasturi, Natalia Johnson, Ileana Estrada, Leslyn Blake, Tanitia Marvels, Ravi Nigudkar (Office of Economic Development); Lisa Mares (CAO)

AGENDA:

1. **Call to Order and declare a quorum is established.**
 - a. Chair Joseph Pitchford called the City Center TIF District meeting to order at 1:03 pm and declared a quorum established
 - b. Chair Joseph Pitchford called the Downtown Connection TIF District meeting to order at 1:03 pm and declared a quorum established
 - c. Vice Chair Billy Prewit called the DDDA meeting to order at 1:03 pm and declared a quorum established
2. **Motion of Chairs to preside over the Special Called Meeting.**

Board: City Center TIF District, Downtown Connection TIF District, and DDDA

Action Taken: Approved

Motion made by: Mr. Tamayo	Motion seconded by: Mr. Prewitt
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

3. **Introduction of meeting participants.**

The meeting participants were introduced.

4. **Public comments pertaining to agenda items 5 through 10.**

There were no public comments.

5. **Review and consider the Meeting Record of the August 29, 2024 special called joint meeting of the Downtown Connection TIF District Board of Directors and the Downtown Dallas Development Authority Board of Directors.**

Presenter(s): Tamara L. Leak, Assistant Director (I), Office of Economic Development

Board(s): Downtown Connection TIF District and DDDA

Action Taken: Approved, with Mr. Tamayo abstaining

Motion made by: Mr. Prewitt	Motion seconded by: Mr. Seaman
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

6. **Review and consider the Meeting Record of the November 19, 2024 special called City Center TIF District Board of Directors.**

Presenter(s): Dorcy Clark, Senior Manager, Office of Economic Development

Board(s): City Center TIF District

Action Taken: Approved

Motion made by: Mr. Tamayo	Motion seconded by: Mr. Seaman
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

7. **Review and consider an extension of all project deadlines previously authorized by City Council Resolution No. 21-1147 on June 23, 2021, and previously extended by 12-months on September 26, 2022 pursuant to Section 6.J of Resolution No. 21-1147, for the Phase 2 expansion of Klyde Warren Park project ("KWP2") and, in consideration, amend Section 6.1 to increase the good faith effort goal from 25% to 32% for Minority/Women-owned Business Enterprise ("M/WBE") participation for construction work in which the Woodall Rodgers Park Foundation ("Foundation") is the contracting entity.**

Presenter(s): Dorcy Clark, Senior Manager, Office of Economic Development

Board(s): City Center TIF District

Action Taken: Approved

Motion made by: Mr. Prewitt	Motion seconded by: Mr. Tamayo
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

8. **Review and consider the Downtown Connection TIF District Annual Report for FY 2023-2024.**

Presenter(s): Tamara L. Leak, Assistant Director (I), Office of Economic Development

Board(s): Downtown Connection TIF District

Action Taken: Approval of the Downtown Connection TIF District Annual Report for FY 2023-2024 and forwarded a recommendation of approval to the City Council.

Motion made by: Mr. Prewitt	Motion seconded by: Mr. Seaman
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

Follow-up (if necessary): The TIF Board's approval of the annual report was with the understanding that minor modifications may be made to the document, as needed.

9. **Review and consider the City Center TIF District Annual Report for FY 2023-2024.**

Presenter(s): Dorcy Clark, Senior Manager, Office of Economic Development

Board(s): City Center TIF District

Action Taken: Approval of the City Center TIF District Annual Report for FY 2023-2024 and forwarded a recommendation of approval to the City Council.

Motion made by: Mr. Tamayo	Motion seconded by: Mr. Perry
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

Follow-up (if necessary): The TIF Board's approval of the annual report was with the understanding that minor modifications may be made to the document, as needed.

10. **Review and consider a quarterly joint meeting schedule for the City Center TIF District Board of Directors, Downtown Connection TIF District Board of Directors, and the Downtown Dallas Development Authority Board of Directors for calendar year 2025.**

Presenter(s): Tamara L. Leak, Assistant Director (I), Office of Economic Development

Board(s): City Center TIF District, Downtown Connection TIF District and Downtown Dallas Development Authority

Action Taken: Approval of a quarterly joint meeting schedule of the second Thursday of the first month of each quarter at 1:00 pm.

Motion made by: Mr. Seaman	Motion seconded by: Mr. Pitchford
Item passed unanimously: X	Item passed on a divided vote:
Item failed unanimously:	Item failed on a divided vote:

Special Called Meeting

Joint Board of Directors Meeting of City Center TIF District, Downtown Connection TIF District, and DDDA

January 16, 2025

11. Adjournment

- a. Chair Joseph Pitchford adjourned the City Center TIF District and Downtown Connection TIF District at 2:06 pm
- b. Vice Chair Billy Prewitt adjourned the DDDA at 2:06 pm

I attest that these are an accurate reflection of the business conducted by the City Center and Downtown Connection TIF Districts' Board of Directors' and Downtown Dallas Development Authority meeting on this date.

Meeting Chair Signature
City Center & Downtown Connection TIF Districts

Date _____

Vice President Signature
Downtown Dallas Development Authority

Date _____

Board Coordinator Signature

Date _____



City of Dallas

Downtown Connection TIF District Plan Amendment & Fire Station No. 18 Relocation Project

**Downtown Connection TIF Board Meeting
April 1, 2025**

Tamara L. Leak, EDFP, HDFP
Assistant Director [Interim]
Office of Economic Development (OED)

Overview



- Background - Downtown Connection TIF District
- Background – Fire Station No. 18
- Proposed Fire Station No. 18 Relocation Project
- Proposed Downtown Connection TIF District Plan Amendment
- Staff Recommendation for:
 - Downtown Connection TIF District Plan Amendment
 - Fire Station No. 18 Relocation Project
- Next Steps
- Appendices



Background: Downtown Connection TIF District



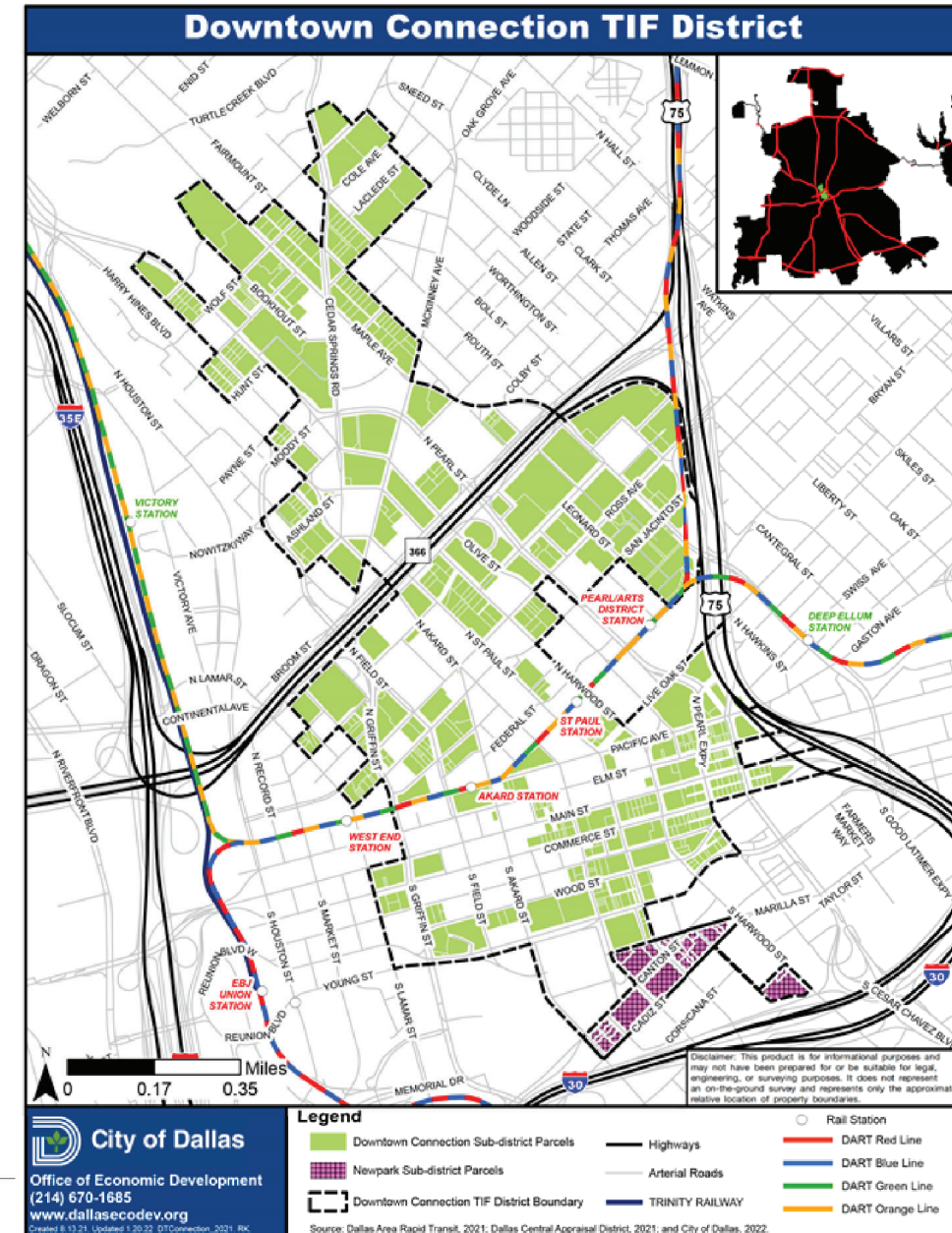
Initiated in 2005 by property owner petition to:

- Create a fund for public capital improvements in the core of downtown essential for redevelopment of vacant/historic buildings, underutilized vacant and surface parking lots
- Create a downtown neighborhood with more residents, greater density and critical mass of development

Downtown Dallas Development Authority (DDDA), a Local Government Corporation, was also created in 2005 to:

- Support implementation of the Downtown Connection TIF District's Project Plan and Reinvestment Zone Financing Plan
- Issue two series of tax increment contract revenue bonds to support the District's catalyst project – the Mercantile Block, Lone Star Gas Lofts Complex, and Continental building
- See **Appendix A** for more information on DDDA bond sales and repayment

District expires on December 31, 2035 or when \$402.9 million Net Present Value (approximately \$1 billion total dollars) is collected



Background: Downtown Connection TIF District



- June 2022: City Council approved various Plan amendments:
 - Increased the geographic area of the District to create two sub-districts:
 - Downtown Connection Sub-district: boundary of the TIF District prior to 2022 amendment
 - Newpark Sub-district: new 14.2-acre sub-district created to support Newpark Dallas, a multi-phased, mixed-use development just south of City Hall
 - Increased and restructured the District's budget to create a separate budget for each sub-district to support:
 - Newpark Dallas
 - Continued growth of underutilized parts of downtown
 - Redevelopment of existing building supply, vacant and surface parking lots
 - Development of additional mixed-income housing
 - Upgrade of public infrastructure needed to support future development projects
 - **Replacement of two antiquated Dallas Fire Rescue stations in downtown (Fire Stations 18 and 4)**
 - Established a termination date for the Newpark Sub-district: 12/31/2052
 - Term of Downtown Connection Sub-district was not changed



Background: Fire Station No. 18



- **Address:** 660 N. Griffin Street
- **Property Size:** 1.09 acres (47,673 square feet)
- **Year Constructed:** 1975
- **Building Size:** 12,330 square feet
- **Number of Bays:** 5 (accessed by backing in from Griffin Street)
- **Number of Personnel per Shift:** 14
- **As-is Appraised Value of Site:** \$5,198,310



Background: Fire Station No. 18 Existing Conditions



- Fire Station No. 18 is 50 years old, well past it's useful life and unable to adequately address current and future fire safety needs of development existing and planned in downtown Dallas
- Current Conditions include:
 - Increased maintenance and repair requests for deteriorating mechanical systems
 - Over the past 5 years, 357 maintenance/service requests have been submitted
 - To date, 83 requests remain “open” (most frequent issues involve Electrical, HVAC, Plumbing, and Overhead Doors)
 - Open sleeping area with 14 beds and no privacy
 - Co-located showers and restrooms with no gender separation
 - Fire apparatus have to be backed in from Griffin Street causing traffic hazards for DFR staff and the public
 - Workout room is located in the apparatus bays
 - Laundry room is also located in the apparatus bays



Background: Fire Station No. 18 Existing Conditions



Apparatus Bay



Apparatus Bay



Restrooms & Showers



Open Sleeping Area



Proposed Solution



- Reprogram TIF funds within the Downtown Connection Sub-district budget to increase allocation to the Public Safety Building line item
- Enter into a Public/Private Partnership with a fee developer to use TIF funds generated in the Downtown Connection Sub-district to acquire a new site for the fire station and reimburse costs to construct a new Fire Station No. 18 building
- Directed sale of the current Fire Station No. 18 site





Fire Station No. 18 Relocation Project

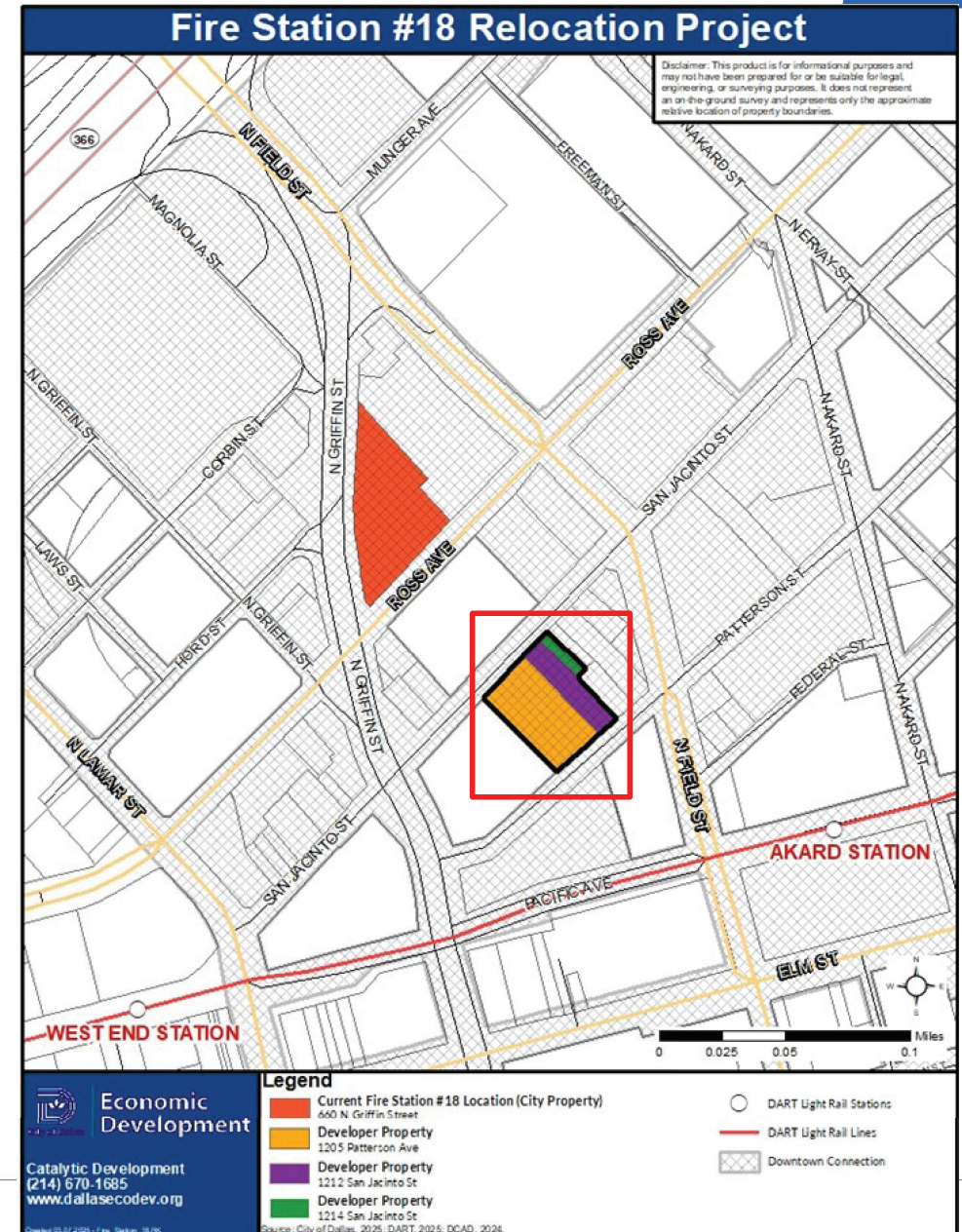
a Public/Private Partnership project



Background: Proposed Station Location



- 0.967 acre (42,109 square feet) three vacant properties (“Developer Property”) addressed as (shown in red box):
 - 1205 Patterson Avenue
 - 1212 San Jacinto Street
 - 1214 San Jacinto Street
- currently located in the Downtown Connection Sub-district of the Downtown Connection TIF District
- City Council District 14
- As-Is Appraised Value: \$5,475,000
- Property Owner: Tango North RF, LLC



Proposed Project: Summary



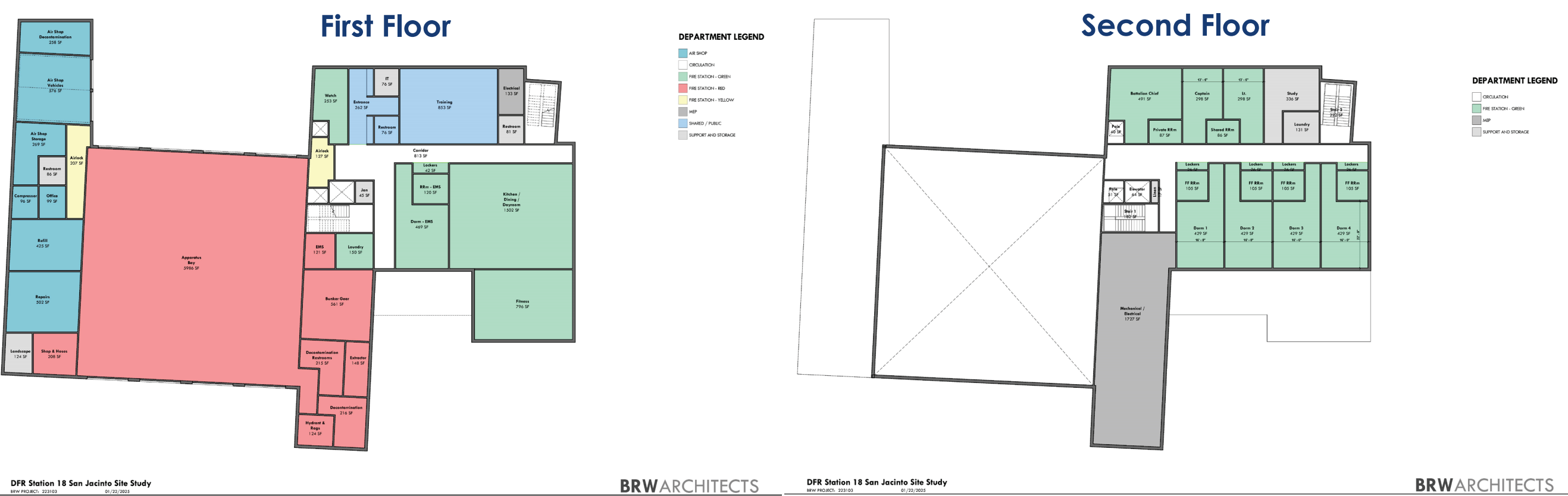
- **Project Developer:** Tango North RF, LLC and/or an affiliate (“Developer”) will design, fund, and construct The Fire Station No. 18 Relocation Project (“Project”)
- **Project Summary:** construction of a new fire station facility on Developer Property to meet the current and future needs of Dallas Fire Rescue by providing:
 - a building approximately 23,000 square feet in size that can accommodate space that does not exist at the current station
 - an area for cleaning personnel protective equipment, portable equipment, and other clothing that is properly ventilated with lighting and drainage connected to a sanitary sewer system
 - a decontamination area for cleaning and disinfecting emergency medical equipment
 - a transition zone located between the apparatus area and the “house” living space
 - private sleeping rooms with and accompanying shower and restroom
 - at least 4 pull through bays that can accommodate storage of 2 apparatus in each bay
- **Estimated Total Project Cost:** \$29,399,487
- **Construction Start Date:** December 31, 2026
- **Substantial Completion Date:** December 31, 2028



Proposed Project: Preliminary Floor Plan



- Design is subject to change.



Proposed Project: Estimated Budget



- Project Costs are subject to change. Final total project cost will be based on final design and bidding of the project.

Fire Station No. 18 Development Budget		
HARD COSTS:		
General Requirements	\$	470,290
Existing Conditions	\$	752,605
Earthwork	\$	220,280
Exterior Improvements (includes off-site improvements)	\$	1,927,121
Utilities (includes off-site improvements)	\$	887,750
Concrete	\$	785,936
Masonry	\$	1,062,191
Metals	\$	1,114,949
Wood, Plastics, and Composites	\$	443,228
Thermal and Moisture Protection	\$	768,759
Openings	\$	1,151,548
Finishes	\$	1,118,330
Specialties	\$	172,645
Equipment	\$	187,050
Furnishings	\$	30,000
Conveying Equipment	\$	185,000
Fire Suppression	\$	138,270
Plumbing	\$	712,811
Heating, Ventilating, and Air-Conditioning (HVAC)	\$	919,446
Integrated Automation	\$	146,597
Electrical	\$	1,249,130
Communications	\$	389,886
Electronic Safety and Security	\$	258,223
GC General Conditions & Overhead (12%)	\$	1,811,045
GC Contingency (3%)	\$	507,093
GC Fee (4%)	\$	696,407
Construction Administration (2% - paid to third party)	\$	362,132
Hard Cost Escalation/Contingency (6%)	\$	1,108,123
TOTAL ESTIMATED HARD COSTS	\$	19,576,845
SOFT COSTS:		
Architecture & Design	\$	2,093,196
Civil Engineering	\$	523,299
Surveys	\$	125,000
Commissioning	\$	250,000
Materials Testing & Inspection	\$	366,105
Building Permit & Impact Fees	\$	87,347
City Bond Office Plan Review	\$	100,000
City Facilities and Real Estate Management Fees	\$	20,000
Utility Company Fees	\$	393,182
Developer Legal & Accounting	\$	50,000
Financing Fees	\$	4,194,858
Soft Cost Contingency (10%)	\$	388,813
Developer Fee (4%)	\$	954,151
Soft Costs Total	\$	9,545,952
Total Probable Costs for Fire Station 18	\$	29,122,797
Difference in Appraised Land Value due to Developer	\$	276,690
Total Project Costs	\$	29,399,487



Staff Recommendation – TIF Plan Amendments



- Staff recommends amending the Downtown Connection TIF District Project Plan and Reinvestment Zone Plan (“Plan”) to:
 - add a provision to the Plan for a directed sale of the current location of Fire Station No. 18, as-is, to the Developer eliminating the public bidding requirement for City-owned property in accordance with Chapter 311 of the and Chapter 272 of the Texas Local Code (See **Appendix B**)
 - shift funds within the Downtown Connection TIF Sub-district’s budget to increase the Public Safety Building line to support relocation and development of Fire Station No. 18

Downtown Connection TIF District Current Projected Increment Revenues to Retire TIF Fund Obligations						
Category	Current 2006 NPV Budget	Proposed Amended NPV Budget	Difference	Current Est. Total Dollar Budget	Amended Est. Total Dollar Budget	Difference
Catalyst Projects: - Environmental remediation, demolition, historic façade, restoration, street/utility improvements & streetscape improvements, land acquisition, and non project costs, including, but not limited to machinery, equipment, materials and supplies	\$68,000,000	\$68,000,000	\$0	\$68,000,000	\$68,000,000	\$0
Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots - Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing	\$239,255,247	\$232,274,645	(\$6,980,602)	\$722,117,430	\$704,555,914	(\$17,561,516)
Uptown/Downtown connection improvements	\$0	\$0	\$0	\$0	\$0	\$0
Park and plaza design and acquisition	\$1,500,000	\$1,500,000	\$0	\$3,834,480	\$3,834,480	\$0
Affordable Housing ²	\$3,000,000	\$3,000,000	\$0	\$3,000,000	\$3,000,000	\$0
Retail Initiative/Streetscape Improvements	\$1,985,000	\$1,985,000	\$0	\$1,985,000	\$1,985,000	\$0
Downtown Area Plan	\$515,000	\$515,000	\$0	\$515,000	\$515,000	\$0
Public Safety Building (replace Fire Station #18)	\$5,146,398	\$12,127,000	\$6,980,602	\$13,438,980	\$31,000,496	\$17,561,516
Administration and Implementation	\$3,940,386	\$3,940,386	\$0	\$10,072,889	\$10,072,889	\$0
Debt Service (Principal and Interest)	\$79,555,857	\$79,555,857	\$0	\$206,972,265	\$206,972,265	\$0
Total Project Costs	\$402,897,888	\$402,897,888	\$0	\$1,029,936,044	\$1,029,936,044	\$0



Staff Recommendation: TIF Subsidy



- Staff recommends authorization of a development agreement with Tango North RF, LLC and/or an affiliate in an amount not to exceed \$29,399,487 for (1) acquisition of three vacant properties addressed as 1205 Patterson Avenue, 1212 San Jacinto Street and 1214 San Jacinto Street totaling approximately 0.967 acre in size, the proposed new location of the Fire Station No. 18 facility; and (2) reimbursement of development costs associated with construction of a new fire station building.
- The TIF Subsidy shall be payable upon completion of the Project, simultaneous conveyance of property ownership between the City and Developer and Developer's satisfaction of all terms and conditions of the development agreement.
- The budget shown below outlines the recommended TIF Subsidy for the Project in accordance with the established budget for the Downtown Connection Sub-district. No interest shall accrue on any portion of the TIF Subsidy.

Budget Category	Amount
Public Safety Building (replace Fire Station #18)	\$29,399,487
Total Proposed TIF Subsidy	\$29,399,487

Note: Total TIF Subsidy paid may be less if actual, City verified project costs are less.



Staff Recommendation: TIF Subsidy Conditions



Minimum Investment. Developer shall invest (or cause to be invested) and provide documentation to the OED Director ("Director") evidencing a minimum of \$21,000,000 in investment expenditures for delivery of the Project, including construction costs, construction-related softs costs, developer's fee, and professional fees (e.g., architecture, engineering, landscape architecture, interior design, surveying, environmental remediation) associated with the Project ("Minimum Investment") by December 31, 2027.

Construction management costs may be included in the Minimum Investment calculation if the construction management services are directly related to ensuring the quality of the construction of the Project and are performed by an independent and unaffiliated third-party. Construction management costs must be evidenced by invoices with detailed descriptions of services performed. Developer legal fees, marketing fees, carrying costs and other similar costs shall not be considered an eligible investment expenditure. With the exception of professional fees and other eligible due diligence costs for the Project, no expenditures made by Developer prior to execution of the LOI shall count towards the Minimum Investment calculation.

Developer's Fee. Developer's fee for the Project shall not exceed 4% of the total Project cost (not including developer's fee, financing fees, and payments made by OED directly to the City's Office of Bond & Construction Management and to the City's Facilities and Real Estate Management Department).



Staff Recommendation: TIF Subsidy Conditions



Required Project Components. The Project shall include the following Required Project Components (“Required Project Components”):

- ground-up construction of a new fire station facility of at least 22,000 square feet in size
- fire station facility shall have at least four (4) pull-through bays for apparatus storage; and
- minimum of 28 on-site parking spaces and a minimum of 8 off-site parking spaces; and
- on-site and off-site improvements (public and private) necessary to complete the Project (e.g. utilities; demolition/reconstruction of surface parking lot; lighting; landscaping; signage; streetscape; traffic signals).

Environmental Site Assessment. Developer shall commission an Environmental Site Assessment for Developer’s Property and provide a copy of the report to the Director for review prior to City Council consideration of the Project and TIF Subsidy.

Building Permit Deadline. Developer shall obtain a building permit for the Project by December 31, 2026. A grading permit does not constitute meeting this requirement.

Review of Preliminary Design Plans. Developer shall submit draft preliminary plans (site plan, landscape plan, elevations, floor plans, etc.) for the design of the Project to the Director of the Office of Economic Development (“Director”) and the Chief of Dallas Fire Rescue (“Chief”) for review, comments (if any) and approval.



Staff Recommendation: TIF Subsidy Conditions



Review of Construction Drawings. Developer shall submit construction drawings for the Project at 20% and 90% completion levels to the Director and Chief for review, comments (if any) and approval prior to submitting an application and 100% construction drawings to the City for a building permit for the Project.

Performance Bond. Developer shall provide evidence of a Performance Bond and Payment Bond by the Developer's General Contractor prior to beginning construction of the Project.

Replat Project Site. Prior to conveyance of the Project and Project Site to the City, the Developer shall prepare the required documents and complete the replatting process for the Project Site.

Substantial Completion Deadline. Construction of the Project, including any associated public improvements, shall be complete, and all portions of the building shall be occupiable by December 31, 2028, as evidenced by certificate(s) of occupancy, letter(s) of acceptance, certificate(s) of completion, and/or similar documentation issued by the City ("Substantial Completion"). Developer shall also obtain final acceptance of any public infrastructure improvements associated with the construction of the Required Project Components described in Section F.4, as evidenced by a letter(s) of acceptance or similar documentation issued by the City, by June 30, 2029.



Staff Recommendation: TIF Subsidy Conditions



M/WBE Inclusion in Construction of Project. Developer shall make a good faith effort to comply with a goal of forty percent (40%) participation by certified Minority/Women-owned Business Enterprises (“M/WBE”) for all hard construction expenditures (public and private improvements) for the Project and meet all process and reporting requirements of the City’s Business Inclusion and Development (“BID”) program. Compliance shall be coordinated with the City’s Office of Procurement Services.

Quarterly Reporting. Until all Required Project Components have passed final building inspection and Developer has submitted all required paperwork documenting Substantial Completion to the OED Director, Developer shall submit to OED quarterly status reports for ongoing work on the Project. Such status reports shall be due within thirty (30) calendar days following the end of each calendar quarter after the City Council authorization of the Agreement.

Project Modifications. Director, after review, approval and recommendation by the Chief, may authorize modifications to the Project and an extension of the Project’s material dates and deadlines by up to twelve (12) months for just cause except as provided under Force Majeure.

Excess Project Costs. All hard construction costs in excess of \$19,576,845, including those costs incurred as a result of change orders and claims, shall be paid by Developer, and Developer shall not look to the City for any reimbursement of such excess costs unless such costs are related to a City’s directive. The Director and/or Chief reserve the right to review and approve all change orders for the Project. City reserves the right to perform inspections, measurements or verifications of the estimates of work quantities as are necessary. City also reserves the right to conduct a reasonable audit of the construction contractor’s books, records and other data related to any proposed change order.



Staff Recommendation: TIF Subsidy Conditions



Legal/Accounting Fees. Developer may submit documentation for reimbursement up to \$50,000 for legal/accounting fees incurred as part of securing financing and constructing the Project. Costs may be reimbursed upon completion of the Project and review and approval of all receipts and invoices by the City, including City Attorney's Office and at the City's discretion. Approval of reimbursement of legal/accounting fees not exceeding the cumulative total limit of \$50,000 shall not be unreasonably withheld.

Post Construction Audit and Conveyance. Upon completion of construction and a City-conducted post-construction audit, the Developer shall convey the land (at no cost) and all building improvements on the Project Site to the City, and the City shall simultaneously convey the City Property (at no cost) and all building improvements on the City Property to Developer. City agrees to make a good faith effort to complete the post-construction audit no later than 90 calendar days after the City's receipt of all necessary supporting documents, subject to the completeness of the documentation provided by Developer to City. Developer shall pay all contractors, subcontractors, and liens on the Project and Project Site prior to conveyance to City.

TIF District Plan Amendment. Prior to City's execution of the Agreement, approval by the TIF District Board and City Council of an amendment of the TIF District Plan to (1) provide for the directed land sale of the City Property to the Developer; and (2) shift funds between the Downtown Connection Sub-district budget's line items to increase the amount of funds allocated to the Public Safety Building line item. Staff shall prepare and recommend approval of the necessary TIF District Plan Amendments



Staff Recommendation: TIF Subsidy Conditions



Deed Restrictions for Mixed-Income Housing. Prior to closing the directed land sale of the City Property to the Developer, the Developer shall execute deed restrictions, upon approval as to form by the City Attorney, to secure compliance with the Downtown Connection TIF District Mixed-Income Housing Guidelines for any future residential development on formerly City-owned property in the TIF District. Specifically, the guidelines require a minimum of thirty percent (30%) of all residential units constructed on City-owned land purchased by a private developer to be rented at a reduced rental rate to households earning at or below eighty percent (80%) of the area median family income for the Dallas Metro Area. The deed restrictions shall be recorded in the Real Property Records of Dallas County.

Force Majeure. Notwithstanding any other provision of this LOI to the contrary, in the event the Director determines the Project has been delayed as a result of force majeure, after being provided written notice by Developer, Developer shall have additional time to complete the Project, as may be required in the event of force majeure, defined herein, so long as Developer is diligently, and faithfully pursuing completion of the Project as determined by the Director and/or Chief.. “Force Majeure” shall mean any contingency or cause beyond the reasonable control of Developer, as determined by the Director including, without limitation, acts of nature or the public enemy, war, riot, civil commotion, insurrection, state, federal or municipal government, or de facto governmental action (unless caused by acts or omissions of Developer), fires, explosions, floods, and strikes. In the event of Force Majeure, Developer shall be excused from doing or performing the same during such period of delay, so that the completion dates applicable to such performance, or to the construction requirement shall be extended for a period equal to the period of time Developer was delayed. Extension of Project deadlines as a result of Force Majeure shall not require City Council approval.



Staff Recommendation: TIF Subsidy Conditions



Successors and Assigns. Until completion of the Project and conveyance to the City, an assignment of the Developer's duties and obligations under the Agreement shall only be allowed to a direct affiliate of Developer with the prior written approval of the OED Director, not to be unreasonably withheld, conditioned, or delayed.

After completion of the Project, Developer may assign its rights or obligations under the Agreement to any entity provided the assignee expressly assumes all of the obligations of the Developer under the Agreement for the balance of the term of such Agreement.

Any receivables due under the Agreement may be assigned by Developer or assignee upon providing the OED Director with written notice within thirty (30) calendar days of such assignment. Developer and assignee have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, interest under the Agreement for the benefit of their respective lenders without the consent of, but with written notice to, the OED Director. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate the lender to perform any obligations or incur any liability under the Agreement unless the lender agrees in writing to perform such obligations or incur such liability.



Next Steps



April 7, 2025: A briefing on the proposed Plan amendments and Fire Station No. 18 Relocation Project will be presented to the Economic Development Committee

April 23, 2025: City Council will call a public hearing to be held on May 14, 2025 to consider the proposed Plan amendment

May 14, 2025: City Council will conduct a public hearing to receive citizen comments on the proposed Plan amendments and, at the close of the public hearing, consider approval of the Plan amendment

May 14, 2025: If the proposed Plan amendments are approved, City Council will, at the same meeting, consider a development agreement and TIF Subsidy for the Fire Station No. 18 Relocation Project





Appendix



Appendix



Appendix A: DDDA Background and TIF Bonds Repayment Status

Appendix B: Excerpts from Chapter 311 of the Texas Tax Code and Chapter 272 of the Texas Local Government Code



Appendix A: DDDA Background & TIF Bonds Repayment Status



- June 8, 2005, City Council:
 - Created the Downtown Connection TIF District (TIRZ Eleven) by Ordinance No. 26020
 - Established the DDDA to aid, assist and act on behalf of the City in the performance of the City's governmental and proprietary functions with respect to TIRZ Eleven and the City Center TIF District (TIRZ Five) under Chapter 431 of the Texas Transportation Code
 - Approved the DDDA's Articles of Incorporation and authorized the City Manager to file the articles with the Secretary of State
 - Approved the DDDA's by-laws by Resolution No. 05-1755
- August 29, 2005, City Council:
 - Authorized the execution of a Tri-Party Agreement by and among the City, TIRZ Eleven, and the DDDA, effective as of March 8, 2006 by Resolution No. 05-2545
 - In the agreement the City delegated to the DDDA certain duties and responsibilities with respect to TIRZ Eleven, including, but not limited to, the power to issue, sell or deliver its bonds, notes or other obligations in accordance with the terms of the Tri-Party Agreement
 - Adopted the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 26096
 - Adopted a Chapter 380 Program whereby the City may make economic development loans or grants from City general funds or from tax increment revenues to TIRZ Eleven or to the DDDA in furtherance of implementing the Project and Financing Plan
 - Authorized a Development Agreement with Forest City for the Mercantile Complex, the Continental Building and the Atmos Complex by Resolution No. 05-2545



Appendix A: DDDA Background & TIF Bonds Repayment Status (Continued)



- March 8, 2006, City Council:
 - Authorized the issuance and sale of up to \$51,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements;
 - Approved the Preliminary Official Statement, Trust Indenture and Bond Resolution; and,
 - Enacted other relating provisions by Resolution No. 06-0873
- October 10, 2007, City Council:
 - Authorized the issuance and sale of up to \$30,000,000 in Downtown Dallas Development Authority Contract Tax Increment Revenue Bonds for the Mercantile project improvements;
 - Approved the Preliminary Official Statement and Bond Resolution; and
 - Enacted other relating provisions by Resolution No. 07-2993
- For both issuances, the issuer was DDDA and the Credit Pledge was:
 - Downtown Connection TIF District increment; or
 - City of Dallas General Fund annual appropriation, if increment accrual is insufficient

Downtown Connection TIF Tax Increment Financing District Fund
Status of DDDA Bonds and Repayment
As of September 30, 2024

Project	Bond Sales	Principal & Interest	Total Paid (P & I)	Balance Due
Mercantile	Series 2006 (\$50,605,343)	\$139,671,210	\$57,028,793	\$82,642,417
Mercantile	Series 2007 (\$28,950,514)	\$67,301,055	\$38,402,670	\$28,898,385
Total		\$206,972,265	\$95,431,463	\$111,540,802



Appendix B: Chapter 311 Texas Tax Code

Chapter 272 Texas Local Government Code



- **Chapter 311 Tax Increment Financing Act**

- Sec. 311.008. POWERS OF MUNICIPALITY OR COUNTY

- (b) A municipality or county may exercise any power necessary and convenient to carry out this chapter, including the power to:

- (2) acquire real property by purchase, condemnation, or other means and sell real property, on the terms and conditions and in the manner it considers advisable, to implement project plans;

- **Chapter 272 Sale or Lease of Property by Municipalities, Counties , and Certain Other Local Governments**

- Sec. 272.001. NOTICE OF SALE OR EXCHANGE OF LAND BY POLITICAL SUBDIVISION; EXCEPTIONS

- (b) The notice and bidding requirements of Subsection (a) do not apply to the types of land and real property interests described by this subsection and owned by a political subdivision.

- (6) a municipality's land that is located in a reinvestment zone designated as provided by law and that the municipality desires to have developed under a project plan adopted by the municipality for the zone;





City of Dallas

Downtown Connection TIF District Plan Amendments & Fire Station No. 18 Relocation Project

**Downtown Connection TIF Board
April 1, 2025**

Tamara L. Leak, EDFP, HDFP
Assistant Director [Interim]
Office of Economic Development