

**Grant Program Guidelines
University TIF District
(Tax Increment Reinvestment Zone Number Twenty-One)
Adopted June 2022**

The City of Dallas hereby establishes an economic development grant program ("Grant Program") pursuant to Chapter 311 of the Texas Tax Code as necessary or convenient to implement the Project Plan and Reinvestment Zone Financing Plan ("Plan") for the University TIF District ("District").

Under the Grant Program, the City has the authority to make a grant of District funds ("Grant") for the public purpose of: (1) development and diversification of the economy, (2) elimination of unemployment or underemployment, and (3) development or expansion of transportation, business, and commercial activity within District.

The focus of the Grant Program will be to support projects and development in the University Hills Sub-District given its location in the underserved southern area of Dallas. The aggregate of all Grants from the District's tax increment fund shall not exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District. No tax increment produced by Dallas County can be used to pay for grants; however, tax increment produced by Dallas County can be used as a direct pledge for TIF-eligible project costs.

Use of Funds:

All Grant awards must be recommended by the District's Board of Directors and approved by City Council. Nothing contained herein shall obligate the City to provide Grant awards as this Grant Program does not constitute an entitlement.

Projects seeking Grant funds must demonstrate that the project is not financially feasible *but for* the Grant.

Grants may be considered to offset the costs needed to develop vacant properties, redevelop obsolete properties, or accommodate mixed-use, higher density projects including structured parking. Grants may be considered to attract diverse commercial tenants that may not be accommodated under other TIF budget categories. Grants may be considered to offset the cost of providing mixed-income housing in residential developments within the District. Grants may also be considered to offset a developer's financial cost (i.e. interest on principal) of obligations incurred to provide a large-scale horizontal public infrastructure project that is necessary to make properties shovel-ready for vertical development.

Payment of Funds:

All Grants shall require a written agreement between the City and grantee to ensure that the predominant purpose of the Grant is to accomplish a public purpose and not to benefit private parties. The agreement shall place sufficient controls on the Grant funding to ensure that the public purposes are accomplished, the District's Plan achieves its

purpose, the City's investment is protected, and the City receives a return benefit. The agreement shall condition payment of the Grant funding upon specific performance of the grantee (e.g. the creation of jobs, construction of improvements, continued operations in the City for a stated period, or some other public consideration per these Grant Program Guidelines). Accordingly, no Grant funding shall be disbursed until all conditions of the agreement have been fulfilled. Grants are only payable during the term of the District, and the City's obligation to pay Grants expires with the expiration of the term of the District.

Eligible types of projects:

- Catalyst developments
- Housing developments that support the needs of students and staff at the University of North Texas-Dallas
- High volume retail anchors
- Mixed-use, transit-oriented developments
- Mixed-income housing developments
- Neighborhood serving commercial developments

Eligibility criteria:

A project's eligibility for Grant funding will be determined based on factors such as:

- The project's level of private investment creates sufficient tax increment to support the Grant amount
- The project creates jobs
- The project stimulates other investment in the District or leverages other funding sources for the District
- The project provides linkages with or improvements to alternative forms of transportation, including DART light rail
- The project accommodates higher density in an urban form
- The project mixes land uses vertically
- The project provides public parks, plazas, open space, trails, or pedestrian connections
- The project incorporates land uses that provide significant ground floor activation and pedestrian activity at the street level
- The project exerts a regional market influence and a competitive advantage for the City of Dallas over surrounding municipalities
- The project provides for public improvements that benefit the District as a whole

General requirements:

For projects with residential components, grantee must comply with mixed-income housing requirements of the District and any related City requirements

- Grantee must follow the City's M/WBE Business Inclusion and Development Plan (BID) Policy
- Grantee must promote hiring of local/neighborhood residents for any new jobs created
- Grantee must comply with established Design Guidelines for the District and the design review process

University TIF District Grant Program Area

