

ORDINANCE NO. _____

AN ORDINANCE AMENDING ORDINANCE NO. 21466, PREVIOUSLY APPROVED BY CITY COUNCIL ON NOVEMBER 11, 1992, AS AMENDED, AND ORDINANCE NO. 23033 PREVIOUSLY APPROVED BY CITY COUNCIL ON FEBRUARY 12, 1997, AS AMENDED, TO (1) INCREASE THE GEOGRAPHIC AREA OF TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER THREE, CITY OF DALLAS, TEXAS ("OAK CLIFF GATEWAY TIF DISTRICT" OR "TIF DISTRICT" OR "ZONE") BY APPROXIMATELY 244 ACRES INCLUDING: (a) EXPANDING THE BISHOP/JEFFERSON SUB-DISTRICT BY APPROXIMATELY 96 ACRES AND (b) ADDING THE CLARENDON/BECKLEY/KIEST SUB-DISTRICT WITH APPROXIMATELY 148 ACRES; (2) ESTABLISH A TERMINATION DATE FOR THE CLARENDON/BECKLEY/KIEST SUB-DISTRICT OF DECEMBER 31, 2052; (3) ESTABLISH THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY THE CITY OF DALLAS DURING THE TERM OF THE CLARENDON/BECKLEY/KIEST SUB-DISTRICT AT 90%; (4) AUTHORIZE AN AMENDMENT TO THE PARTICIPATION AGREEMENT WITH DALLAS COUNTY TO REQUEST THE COUNTY'S PARTICIPATION IN THE CLARENDON/BECKLEY/KIEST SUB-DISTRICT; (5) CREATE A NEW BUDGET CATEGORY FOR THE CLARENDON/BECKLEY/KIEST SUB-DISTRICT; (6) CREATE A NEW BUDGET CATEGORY FOR THE TIF DISTRICT FOR HOMEOWNER STABILIZATION, HOME REPAIR, AND DISPLACEMENT MITIGATION; (7) EXTEND THE TERMINATION DATE OF THE OAK CLIFF GATEWAY SUB-DISTRICT FROM DECEMBER 31, 2027 TO DECEMBER 31, 2044 AND REDUCE THE CITY'S PARTICIPATION RATE FROM 85% TO 50% DURING THE EXTENDED TERM; (8) INCREASE THE TOTAL BUDGET OF THE TIF DISTRICT FROM \$28,621,027 NET PRESENT VALUE (APPROXIMATELY \$76,665,998 TOTAL DOLLARS) TO \$99,381,853 NET PRESENT VALUE (APPROXIMATELY \$352,993,541 IN TOTAL DOLLARS); (9) INCREASE THE BUDGET CAPACITY OF THE OAK CLIFF GATEWAY SUB-DISTRICT AND BISHOP/JEFFERSON SUB-DISTRICT TO RETAIN A PORTION OF FUTURE INCREMENT FOR PROJECT FUNDING AND ANNUALLY TRANSFER A PORTION OF FUTURE TAX INCREMENT TO THE FOLLOWING NEW BUDGET CATEGORIES: (a) HOMEOWNER STABILIZATION, HOME REPAIR, AND DISPLACEMENT MITIGATION AND (b) CLARENDON/BECKLEY/KIEST SUB-DISTRICT; AND (10) MAKE CORRESPONDING MODIFICATIONS TO THE PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN ("PLAN"); ESTABLISHING AN EFFECTIVE DATE; PROVIDING A SEVERABILITY CLAUSE; AND ENACTING OTHER MATTERS RELATED THERETO.

WHEREAS, City of Dallas ("City") recognizes the importance of its role in local economic development; and

WHEREAS, on November 11, 1992, City Council authorized the designation of Tax Increment Financing Reinvestment Zone Number Three (the “Oak Cliff Gateway TIF District” or “TIF District” or “Zone”) in accordance with the Tax Increment Financing Act, as amended, V.T.C.A Texas Tax Code, Chapter 311 (the “Act”) to promote orderly redevelopment in the TIF District that would not occur solely through private investment in the reasonably foreseeable future by Resolution No. 92-3946; Ordinance No. 21466, as amended; and

WHEREAS, on February 12, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan (the “TIF District Plan” or “Plan”) for the Oak Cliff Gateway TIF District by Resolution No. 97-0483; Ordinance No. 23033, as amended; and

WHEREAS, the Act requires that, if an amendment proposes to reduce or increase the geographic area of the zone, increase the amount of bonded indebtedness to be incurred, increase or decrease the percentage of a tax increment to be contributed by a taxing unit, increase the total estimated project costs, or designate additional property in the zone to be acquired by the municipality, the approval must be by ordinance after the City holds a public hearing on such amendments and provides interested persons the opportunity to speak and present evidence for or against such amendment(s); and

WHEREAS, the City desires, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located within the Oak Cliff Gateway TIF District, any other taxing districts, and any other interested persons to speak for or against the amendment; and

WHEREAS, on September 26, 2022, the Oak Cliff Gateway TIF District Board of Directors (the “TIF District Board”) unanimously passed a motion adopting and recommending City Council approval of the following amendments to the Oak Cliff Gateway TIF District’s Project Plan and Reinvestment Zone Financing Plan: (1) increase the geographic area of the TIF District by approximately 244 acres including: (a) expanding the Bishop/Jefferson Sub-District by approximately 96 acres in an area generally along Jefferson Boulevard from Storey Street to 6th Street west of IH-35 and (b) adding the Clarendon/Beckley/Kiest Sub-District with approximately 148 acres in an area including the future Southern Gateway Deck Park at IH-35 between Marsalis Avenue and Ewing Avenue and generally along Clarendon Drive from Moore Street to Beckley Avenue and along Beckley Avenue from Clarendon Drive to just north of Kiest Boulevard; (2) establish a termination date for the Clarendon/Beckley/Kiest Sub-District of December 31, 2052; (3) establish the percentage of tax increment contributed by the City of Dallas during the term of the Clarendon/Beckley/Kiest Sub-District at 90%; (4) authorize an amendment to the participation agreement with Dallas County to request the County’s participation in the Clarendon/Beckley/Kiest Sub-District; (5) create a new budget category for the Clarendon/Beckley/Kiest Sub-District; (6) create a new budget category for the TIF District for homeowner stabilization, home repair, and displacement mitigation; (7) extend the termination date of the Oak Cliff Gateway Sub-District from December 31, 2027 to December 31, 2044 and reduce the City’s participation rate from 85% to 50% during the extended term;

(8) increase the total budget for the TIF District from \$28,621,027.00 net present value (approximately \$76,665,998.00 in total dollars) to \$99,381,853.00 net present value (approximately \$352,993,541.00 in total dollars); (9) increase the budget capacity of the Oak Cliff Gateway Sub-District and the Bishop/Jefferson Sub-District to retain a portion of future tax increment to support future applications for project funding and annually transfer a portion of future tax increment to the following new budget categories: (a) budget line item for homeowner stabilization, home repair, and displacement mitigation programs and (b) Clarendon/Beckley/Kiest Sub-District; (10) make corresponding modifications to the TIF District's boundary, budget, and Plan, and (11) include findings that: (a) the unimproved and underutilized property in the proposed expansion area substantially arrests or impairs the sound growth of the City, (b) development or redevelopment in the proposed expansion area will not occur solely through private investment in the foreseeable future, and (c) inclusion of the proposed expansion area will have an overall benefit to, and further the purposes of, the TIF District.

WHEREAS, on October 26, 2022, City Council authorized a public hearing to be held on November 9, 2022, to hear public comments regarding the proposed amendments in accordance with the Tax Increment Financing Act, codified as Texas Tax Code, Chapter 311. The public hearing was held on November 9, 2022 and was subsequently closed.

WHEREAS, the Act requires the City to publish notice of the public hearing in a newspaper having general circulation in the City, and, in compliance with the Act, notice of the public hearing was published in Dallas Morning News, a daily newspaper of general circulation in the City, at least seven days before the date of the public hearing.

Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Ordinance No. 21466, as amended, previously approved on November 11, 1992, and Ordinance No. 23033, as amended, previously approved on February 12, 1997, are hereby further amended to: (1) increase the geographic area of the TIF District by approximately 244 acres including: (a) expanding the Bishop/Jefferson Sub-District by approximately 96 acres in an area generally along Jefferson Boulevard from Storey Street to 6th Street west of IH-35 and (b) adding the Clarendon/Beckley/Kiest Sub-District with approximately 148 acres in an area including the future Southern Gateway Deck Park at IH-35 between Marsalis Avenue and Ewing Avenue and generally along Clarendon Drive from Moore Street to Beckley Avenue and along Beckley Avenue from Clarendon Drive to just north of Kiest Boulevard; (2) establish a termination date for the Clarendon/Beckley/Kiest Sub-District of December 31, 2052; (3) establish the percentage of tax increment contributed by the City of Dallas during the term of the Clarendon/Beckley/Kiest Sub-District at 90%; (4) authorize an amendment to the participation agreement with Dallas County to request the County's participation in the Clarendon/Beckley/Kiest Sub-District; (5) create a new budget category for the Clarendon/Beckley/Kiest Sub-District;

(6) create a new budget category for the TIF District for homeowner stabilization, home repair, and displacement mitigation; (7) extend the termination date of the Oak Cliff Gateway Sub-District from December 31, 2027 to December 31, 2044 and reduce the City's participation rate from 85% to 50% during the extended term; (8) increase the total budget of the TIF District from \$28,621,027.00 net present value (approximately \$76,665,998.00 in total dollars) to \$99,381,853.00 net present value (approximately \$352,993,541.00 in total dollars); (9) increase the budget capacity of the Oak Cliff Gateway Sub-District and the Bishop/Jefferson Sub-District to retain a portion of future tax increment to support future applications for project funding and annually transfer a portion of future tax increment to the following new budget categories: (a) budget line item for homeowner stabilization, home repair, and displacement mitigation programs and (b) Clarendon/Beckley/Kiest Sub-District; and (10) make corresponding modifications to the TIF District's boundary, budget, and Plan attached hereto as **Exhibit B**.

SECTION 2. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 3. That the amendments to the Plan will result in benefits to the City and the property included in the TIF District.

SECTION 4. That the addition of the 244 acres will not result in more than thirty percent of the property in the TIF District being used for residential purposes pursuant to the Act.

SECTION 5. That the unimproved and underutilized property in the proposed expansion area substantially arrests or impairs the sound growth of the City, and improvements in the TIF District will significantly enhance the value of all the taxable real property in the TIF District, development or redevelopment in the proposed expansion area would not occur solely through private investment in the foreseeable future, and its inclusion will have an overall benefit to the TIF District and the City.

SECTION 6. That the proposed expansion will permit future improvements that will significantly enhance the value of all taxable real property in the TIF District and will be of general benefit to the City.

SECTION 7. That the tax increment base for the expansion area, which is the total appraised value of all taxable real property located in the expansion area, is to be determined as of January 1, 2022, the year in which the TIF District was amended to include the expansion area.

SECTION 8. That the Clarendon/Beckley/Kiest Sub-District shall take effect on January 1, 2023, and the termination of the Clarendon/Beckley/Kiest Sub-District shall occur on December 31, 2052 (including collection of the 2052 tax year increment in calendar year 2053 and any related matters to be concluded in 2053) or at an earlier time designated by subsequent ordinance of the City Council.

SECTION 9. That **Exhibit A** of Ordinance No. 21466, as amended, shall be completely deleted and the new attached **Exhibit A** shall be substituted.

SECTION 10. That **Exhibit A** and **Exhibit B** of Ordinance No. 23033, as amended, shall be completely deleted and the new attached **Exhibit A** and **Exhibit B** shall be substituted.

SECTION 11. That Ordinance No. 21466, as amended, and Ordinance No. 23033, as amended will remain in full force and effect, save and except as amended by this ordinance.

SECTION 12. That if any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or un-enforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 13. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney

BY: _____
Assistant City Attorney

Passed and correctly enrolled _____