

October 13, 2020

WHEREAS, the City recognizes the importance of its role in local economic development; and

WHEREAS, on June 22, 2005, City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twelve (the "Deep Ellum TIF District") in accordance with the Tax Increment Financing Act, as amended (V.T.C.A. Tax Code, Chapter 311, hereafter the "Act") to promote development and redevelopment in the Deep Ellum area through the use of tax increment financing by Resolution No. 05-1971; Ordinance No. 26043, as amended; and

WHEREAS, on April 12, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Resolution No. 06-1077; Ordinance No. 26304, as amended; and

WHEREAS, on September 10, 2014, City Council held a public hearing and amended the Project Plan and Reinvestment Zone Financing Plan for the Deep Ellum TIF District by Resolution No. 14-1519; Ordinance No. 29469; and

WHEREAS, to further implement the Deep Ellum District TIF District Project Plan and Reinvestment Zone Financing Plan, the City desires to enter into a development agreement with HW Commerce Office LP and/or its affiliates, in an amount not to exceed \$2,576,125.00, payable from current and future Deep Ellum District TIF District Funds ("TIF Subsidy"), in consideration of The Stack Deep Ellum Project on property currently addressed at 2700, 2712, and 2718 Commerce Street; and

WHEREAS, on January 22, 2020, City Council authorized a development agreement with HW Commerce Office LP and/or its affiliates ("Developer") to provide TIF funding in consideration of The Stack Deep Ellum Project ("Project") on property currently addressed at 2700, 2712, and 2718 Commerce Street in Tax Increment Financing Reinvestment Zone Number Twelve ("Deep Ellum TIF District"), thereby confirming the Deep Ellum TIF District Board of Director's recommendation of the dedication of future tax increment revenues, in an amount not to exceed \$2,576,125.00, by Resolution No. 20-0225; and

WHEREAS, on September 29, 2020, the Deep Ellum TIF District Board of Directors reviewed and recommended approval of the proposed amendments to the Project to refine the private investment allowances and, in consideration, increase the minimum required private investment and minimum required total square footage; and

WHEREAS, on October 5, 2020, the Economic Development Committee will receive information regarding the proposed amendments to Resolution No. 20-0225.

October 13, 2020

Now, Therefore,

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

SECTION 1. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 2. That the City Manager is hereby authorized to amend Section 7. A, B and C of Resolution No. 20-0225, approved as to form by the City Attorney, as follows:

SECTION 7.

- A. Developer shall invest and document a minimum of ~~\$73,800,000~~ \$75,500,000.00 in private improvements in the Project, including site acquisition/contribution, site preparation (on-site infrastructure, off-site infrastructure, utilities, paving, grading, environmental remediation), and construction hard costs (foundation, interior and exterior building improvements, structures, lighting, landscaping, contractor fees, and the cost of equipment, supplies, materials, and construction labor associated with such site preparation and development), tenant improvements (including tenant improvement allowances paid by Developer and any tenant improvement expenditures in excess or in lieu of such allowances), and professional fees (architectural, engineering, surveying, interior design, environmental remediation) but {excluding site acquisition/contribution, developer fees and soft costs for legal, financing, leasing, and marketing} (Amended **Exhibit D**). The Developer shall provide verification of all expenditures utilized to satisfy the minimum private investment requirement. Costs incurred prior to November 15, 2019, the final execution date of the Letter of Intent, shall not be eligible to count toward the minimum private investment.
- B. The Project shall include a minimum of ~~495,000~~ 200,000 square feet of office space, of which a minimum of 50% must be occupied prior to TIF payment.
- C. The Project shall include a minimum of ~~45,000~~ 14,600 square feet of leasable retail space, of which a minimum of 50% must be occupied prior to TIF payment.

SECTION 3. That all other terms and conditions as set forth in Resolution No. 20-0225, shall remain in full force and effect, except as specifically outlined in Section 2 above.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.