

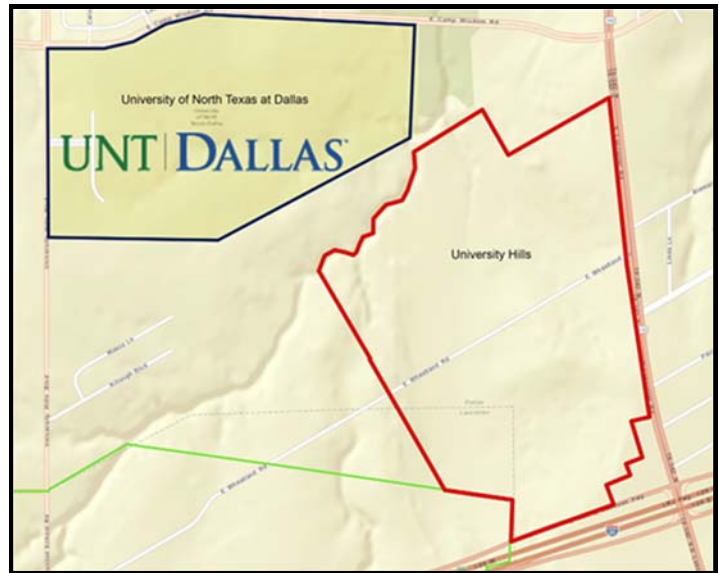
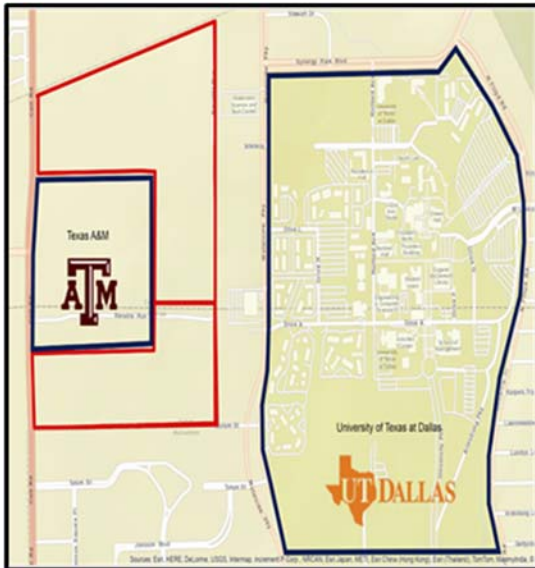
Exhibit A

UNIVERSITY

TAX INCREMENT FINANCING DISTRICT

(Tax Increment Reinvestment Zone No. 21)

**COMPRISING TWO SUB-DISTRICTS: UNIVERSITY CENTER IN NORTHERN DALLAS
AND UNIVERSITY HILLS IN SOUTHERN DALLAS**



PROJECT PLAN

&

REINVESTMENT ZONE FINANCING PLAN

December 9, 2020



City of Dallas

Acknowledgements

The University TIF District Project Plan and Reinvestment Zone Financing Plan was prepared by the City of Dallas, Office of Economic Development based on an initial document prepared by David Pettit Economic Development, LLC. The Office of Economic Development wishes to acknowledge the efforts of everyone who contributed to the development of this plan, including the following individuals:

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District 4 – Carolyn King Arnold
District 5 - Jaime Resendez
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Section 1: Project Plan

Background

The University Tax Increment Financing (“TIF”) District (“University TIF District” or “District”) represents the City of Dallas’ effort to encourage the sustainable development of properties in close proximity to three major North Texas Universities while taking advantage of each area’s strategic regional location at the crossroads of key transportation corridors. The District is comprised of two noncontiguous sub-districts - the University Center Sub-District in northern Dallas and the University Hills Sub-District in southern Dallas. Both sub-districts are located within the corporate limits of the City of Dallas.

The University TIF District was designated a reinvestment zone in December 2017 pursuant to a petition submitted to the City by owners of property constituting at least 50% of the appraised value of the property in the District in accordance with Chapter 311.005(a)(4) of the Texas Tax Increment Financing Act (the “Act”). Centurion American Development Group (“CADG”) represents the owners in the District.

The objective in creating a noncontiguous District linking northern and southern Dallas is to allow increment sharing that will provide subsidies for the public infrastructure in the underserved University Hills area that would not otherwise occur. With the assistance of the University TIF District, quality development such as, public open space and transit connections, will be greater than without the District. Further, by overseeing the development in the University Hills area, the City can best protect City resources and ensure that public subsidies are used appropriately.

Pursuant to the Act, the Dallas City Council (the “City Council”) designated the District by Ordinance No. 30733 on December 13, 2017:

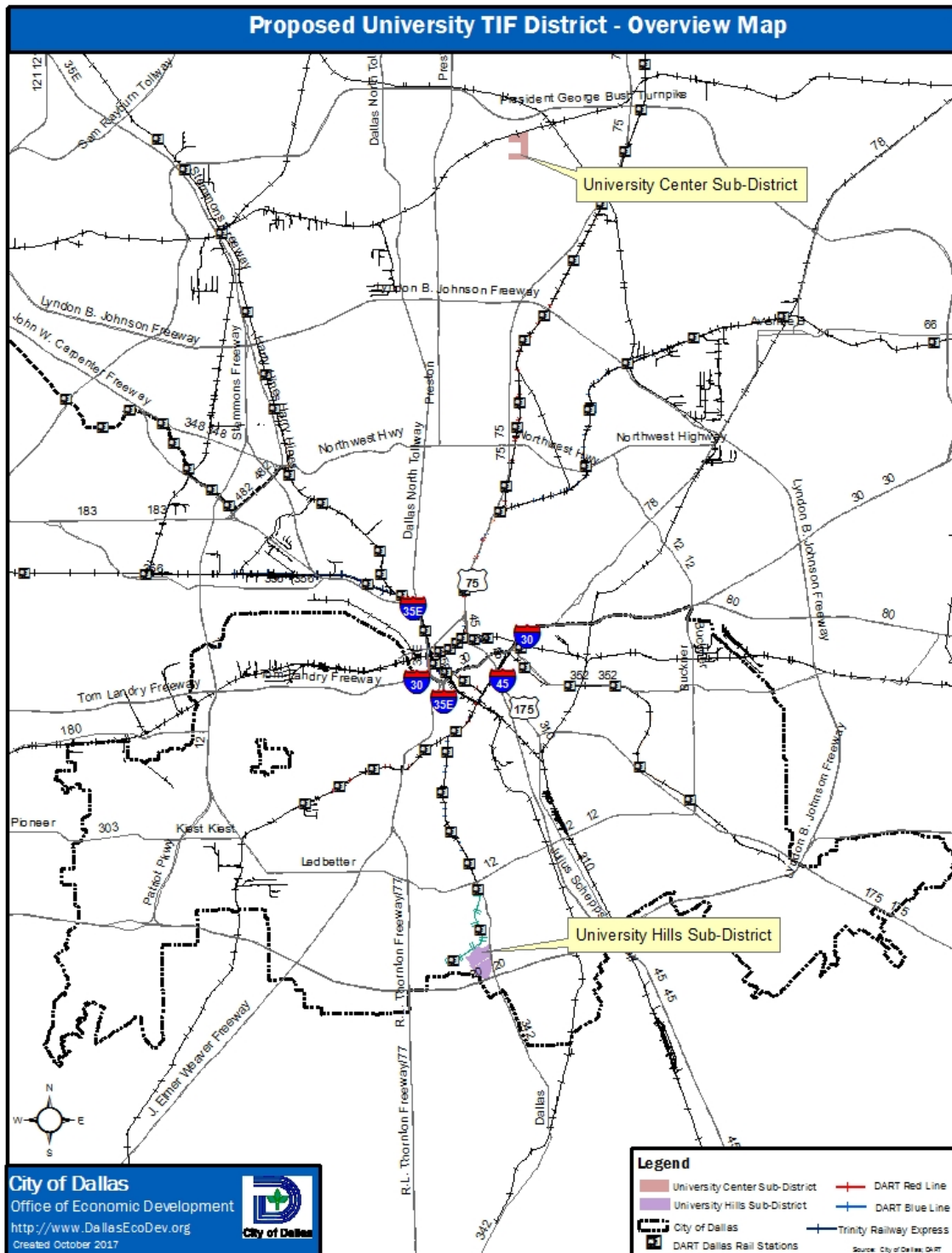
- Designating Tax Increment Financing Reinvestment Zone Number Twenty-One (the University TIF District);
- Establishing the original boundaries for the University TIF District;
- Adopting a preliminary project and financing plan; and
- Establishing a Board of Directors for the University TIF District.

The total 2017 taxable appraised value of real property within the University TIF District was \$49,774,442. This amount is the tax increment base value for the District as may be adjusted in the future to reflect tax roll corrections, that affect the 2017 valuation of properties within the District.

The duration of the University TIF District is 30 years. The District’s base year is 2017. Year 1 of the District began on January 1, 2018, and the District is scheduled to terminate December 31, 2047 (including collection of the 2047 tax year increment in calendar year 2048 and any related matters to be concluded in 2048). TIF collections will terminate once the TIF budget has been collected or December 31, 2047, whichever occurs first. The City’s participation is proposed to be 90% from 2018 through 2047. A potential scenario for Dallas County participation for the University Hills Sub-District only has been presented in

this Plan that forecasts participation at 65% for 20-years in tax years 2025-2044. Due to the economic uncertainty resulting from the pandemic that began in early 2020, formal discussions with Dallas County are likely to be postponed for at least a year.

Exhibit A



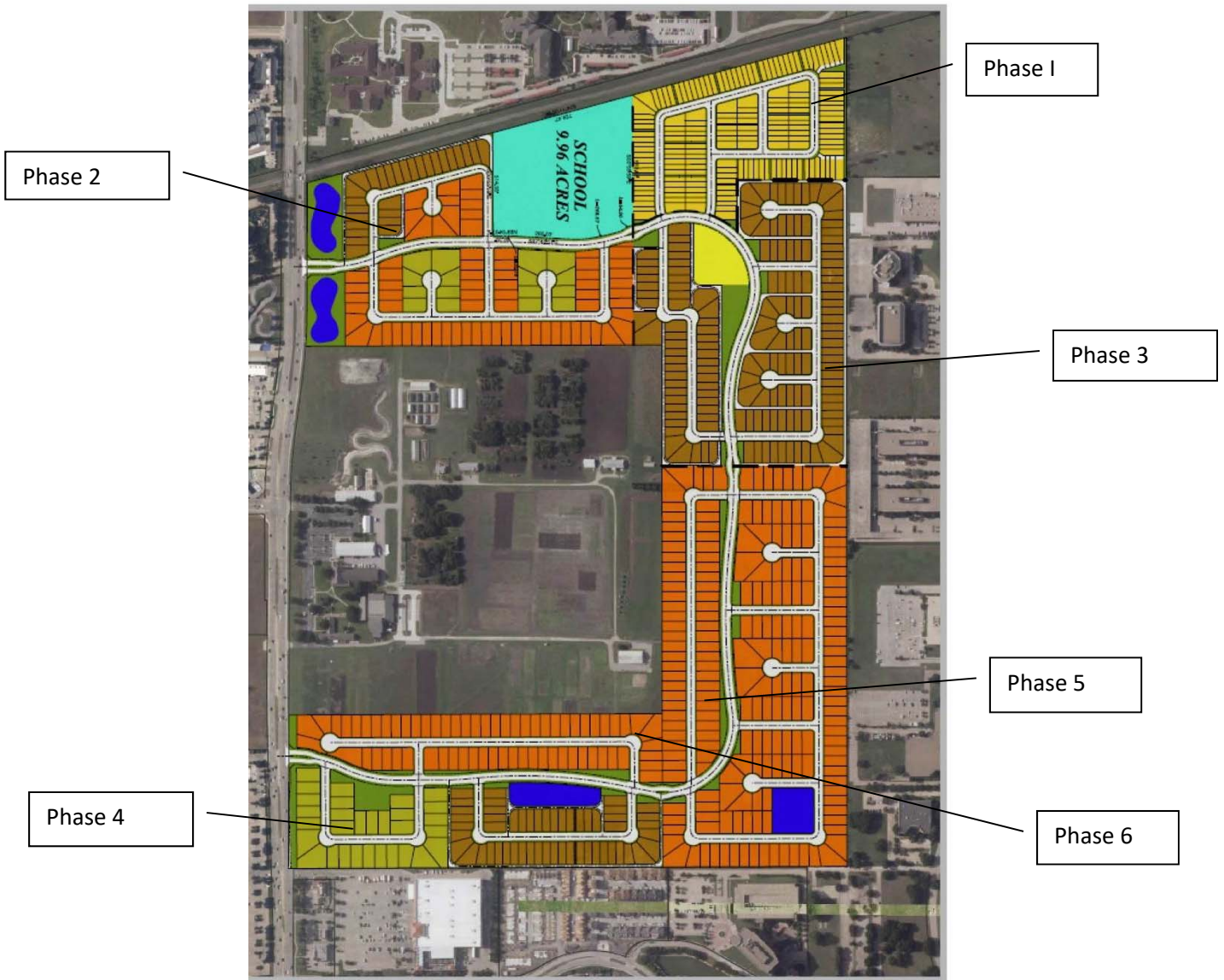
University Center Sub-District

Located to the east of Coit Road with Reveille Run passing through the middle, the University Center Sub-District is situated to the west of the University of Texas at Dallas' campus in Richardson, Texas spanning both Dallas and Collin Counties. The future Cotton Belt (Silver Line) of the DART Rail System will connect along the northern portion of the University Center Sub-District, providing additional transportation to the area.

The University Center Sub-District offers a prime location for development with its proximity to the University of Texas at Dallas, as well as Texas A&M's AgriLife Research and Extension Center at Dallas. The Sub-District is located in proximity to two major thoroughfares: President George Bush Turnpike to the north and US Highway 75 to the east. The area is located 30 minutes from Dallas Fort Worth International Airport and Dallas Love Field Airport. The University Center Sub-District contains 161.08 acres, with 102.8 acres located in Collin County and 59 acres in Dallas County.

The proposed development for the University Center Sub-District (as shown in Exhibit B) for the area is a residential development with an amenity center. In accordance with the forwardDallas! Comprehensive Plan Vision, the University Center Sub-District will increase opportunities for owner-occupied housing. Based on public research and community workshops, the Dallas community identified an unmet demand for home ownership, including traditional single-family homes that were in close proximity to mixed-use areas. With the future Cotton Belt (Silver Line) of the DART Rail System, this development will have access to transit.

Exhibit B University Center Proposed Development Plan



LEGEND	
	26' x 105' LOTS
	40' x 110' LOTS
	50' x 115'-120' LOTS
	60' x 120' LOTS
	LANDSCAPE
	DETENTION
	AMENITY CENTER
	SCHOOL

Existing Conditions

At the time that the City Council designated the University TIF District in 2017, the University Center Sub-District was undeveloped. Although it was anticipated that residential development would occur without TIF incentives; open space and transit connections are more likely to occur in a comprehensive manner with public assistance and oversight.

DART's planned expansion of the light rail system along the Cotton Belt (Silver Line) is anticipated to be a potential asset for the University Center Sub-District. See Exhibit C for a map of existing conditions in the Sub-District.

Existing Zoning and Existing Land Uses

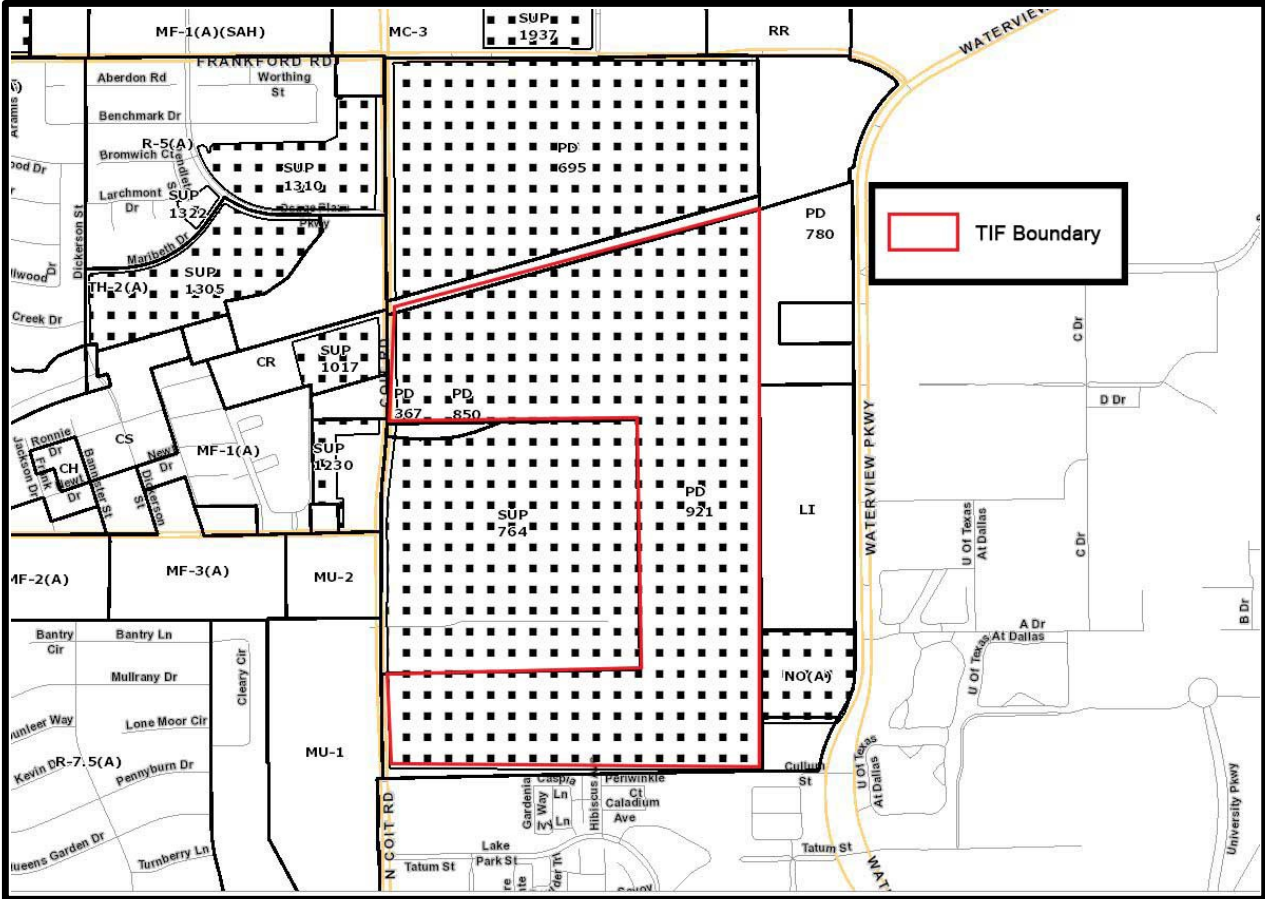
The University Center Sub-District is currently zoned as PD-921. See Exhibit D for a map of existing zoning in the Sub-District.

Pursuant to Ordinance No. 30733 approved December 13, 2017, designating the University TIF District, the City Council cited specific findings that the University Center area was unproductive and underdeveloped, substantially impaired the sound growth of the municipality, and had a severe lack of parks and open spaces. The University Center Sub-District is consistent with the City's forwardDallas! Comprehensive Plan and will serve as a long-term tool to implement the shared vision for the area by further leveraging the regulatory standards already in place to encourage new private development in proximity to employment and transit.

Exhibit C
Existing Conditions Images
(as of 2017)
University Center Sub-District



Exhibit D **Existing Zoning** **University Center Sub-District**

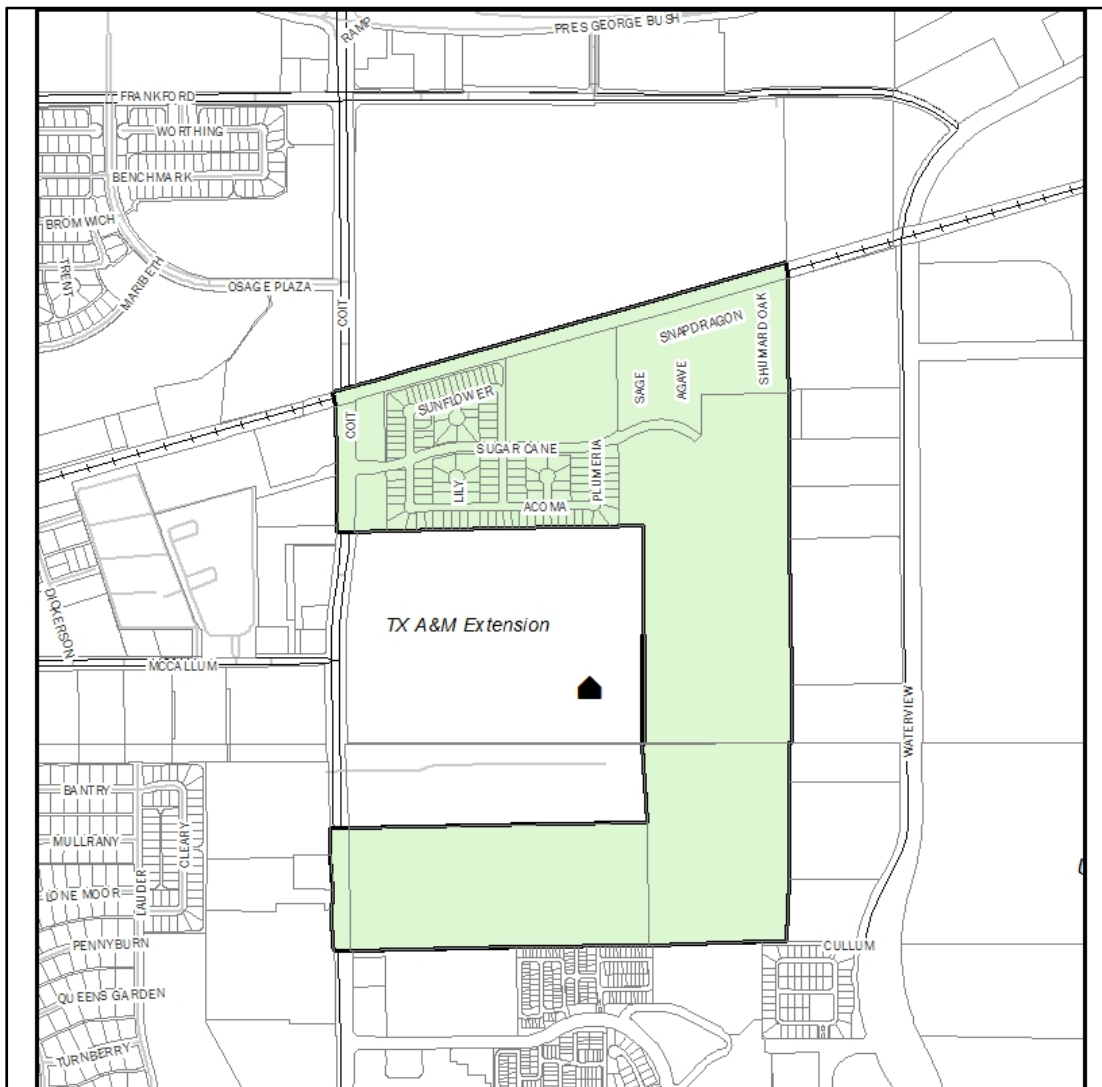


Description of the University Center Sub-District

As depicted by the map in Exhibit E, the University Center Sub-District is generally located east of Coit Road, west of Waterview Parkway, and south of the Dallas Area Rapid Transit (“DART”) rail line (future Cotton Belt Silver Line of the DART Rail System). The Sub-District encompasses approximately 161 acres, not including rights-of-way.

Based on the 2017 certified tax roll from the Dallas Central Appraisal District (“DCAD”) and Collin County Appraisal District (“CCAD”), the total appraised value of taxable real property (161.08 acres) in the Sub-District was \$44.5 million. The base value may be adjusted in the future for any tax roll corrections.

Exhibit E University Center Sub-District Map



University Hills Sub-District

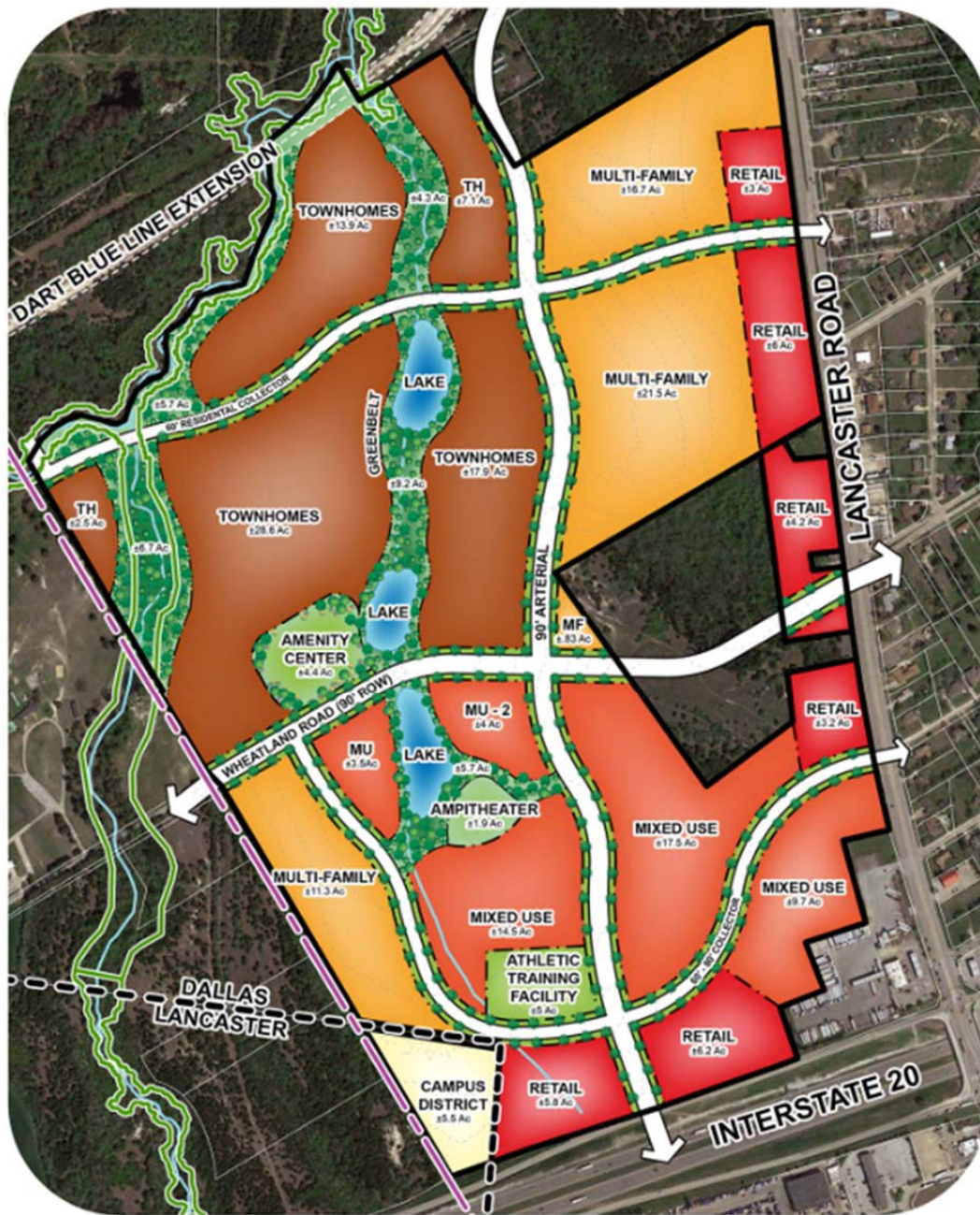
Located in southern Dallas, the University Hills Sub-District is in close proximity to the University of North Texas at Dallas. The proposed development projects in the Sub-District are planned to feature a variety of residential options, including villas, townhomes, single family residences and multi-family developments. Additional planned development includes retail, restaurants and entertainment venues.

The Blue Line Extension project by DART, which provides a station at the UNT Dallas campus, broke ground in October 2014 and was completed in 2016. The completion of this station provides additional transportation options for the University Hills area.

The University Hills Sub-District is located within southern Dallas which has been a priority for economic development initiatives including the past GrowSouth campaign and the Dallas Office of Economic Development 2013 Strategic Engagement Plan.

TIF-subsidized development in the University Hills Sub-District will increase the outcomes anticipated by the forwardDallas! Comprehensive Plan Vision and UNT – Dallas Area Plan by bringing jobs to the area, offering convenient transportation, and providing diverse housing and recreational activities. The University Hills Sub-District will create strong and healthy neighborhoods, enhance transportation systems due to its location on DART's Blue Line extension, and make quality housing more accessible.

Exhibit F University Hills Area Development Concept



*Land Use Concept is preliminary and shown for illustrative purposes only and subject to change. Final design may be affected by zoning and market-driven conditions.

a conceptual development plan for
UNIVERSITY HILLS
Dallas, Texas



Existing Conditions

The University Hills Sub-District is undeveloped and lacks public infrastructure. The District's "TIF fund" or "tax increment fund" shall be defined as all taxes paid into the City's tax increment fund for the University TIF District by each participating taxing entity. TIF funding support is needed to stimulate private investment in the area to occur earlier, to a higher quality, and to a greater extent than would occur solely through private investment in the reasonably foreseeable future. See Exhibit G for a map of existing conditions in the Sub-District.

Existing Zoning and Existing Land Uses

The University Hills Sub-District currently includes the following types of zoning: PD- 624, MF-2, LO-1, TH-2 and CR. See Exhibit H for a map of existing zoning in the Sub- District.

Pursuant to Ordinance No. 30733 approved December 13, 2017, designating the University TIF District, the City Council cited specific findings that the University Hills area is unproductive and underdeveloped and substantially impairs the sound growth of Dallas, retards the provision of housing accommodations, constitutes an economic and social liability, and severely lacks infrastructure as well as parks and open spaces. The Sub-District is consistent with the City's adopted Area Plan and will serve as a long-term tool to implement the shared vision for the area by further leveraging the regulatory standards already in place. The public improvement program of the Sub-District will encourage new private redevelopment that is not likely to occur solely through private investment, thereby offering employment and quality living for the people of Dallas for years to come.

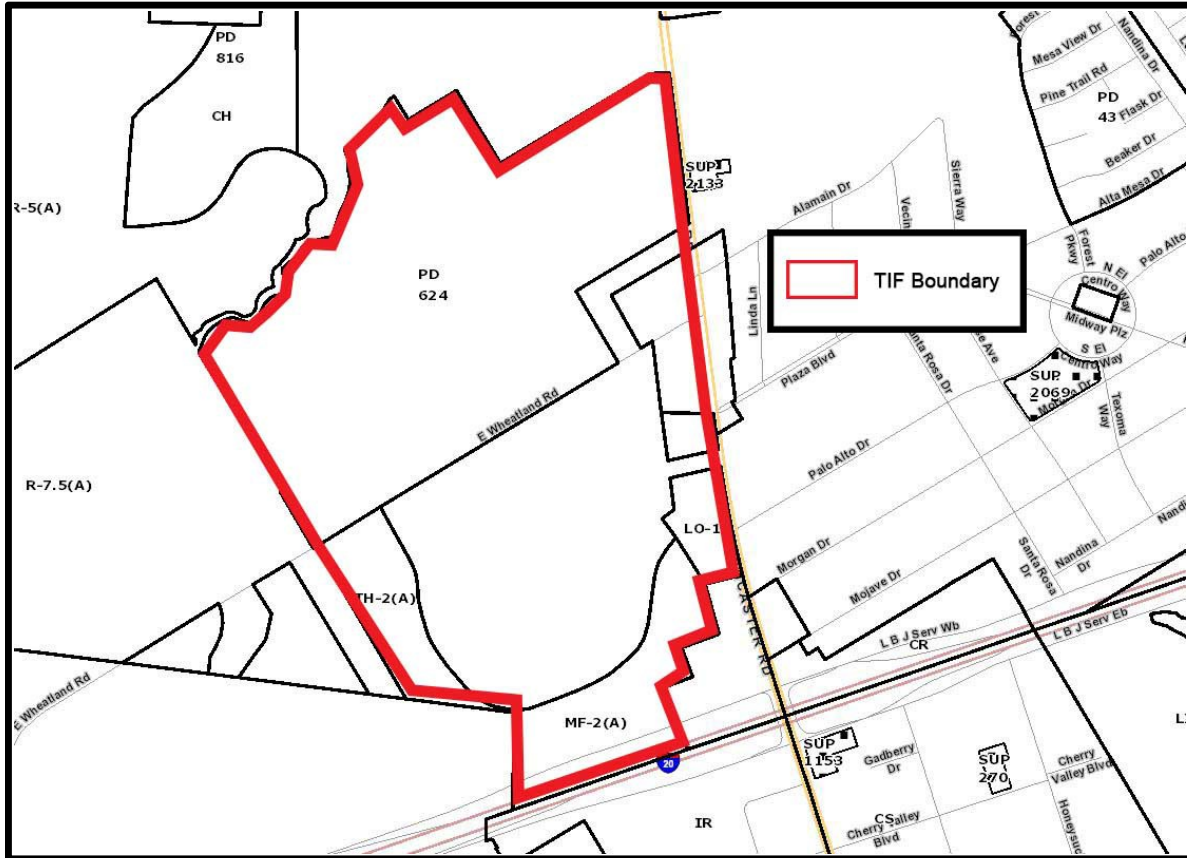
Exhibit G
Existing Conditions Images
(as of 2017)
University Hills Sub-District



Exhibit H

Existing Zoning

University Hills Sub-District

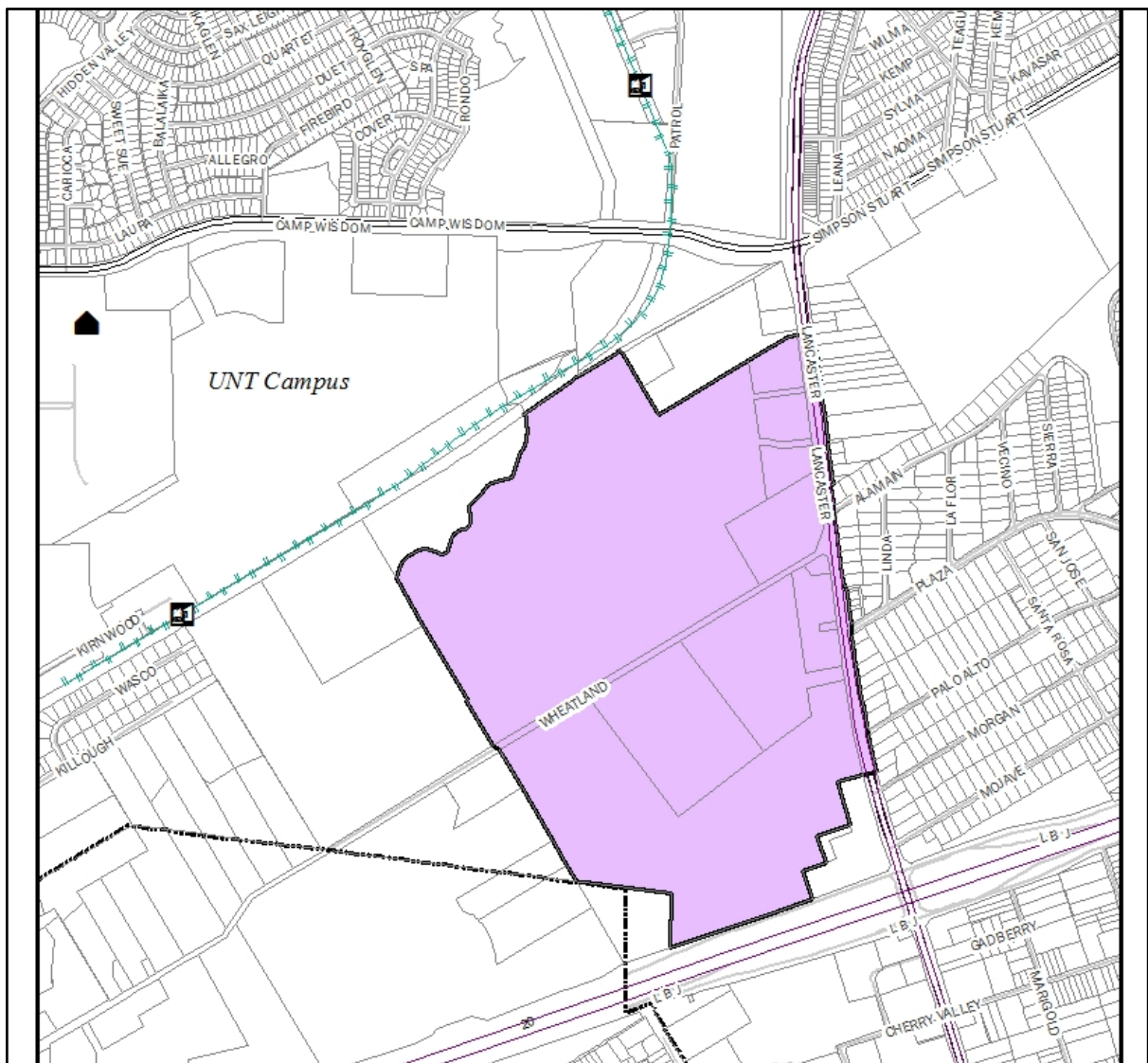


Description of the University Hills Sub-District

As depicted on the map in Exhibit I, the University Hills Sub-District is generally located north of Interstate Highway 20 (Lyndon B. Johnson Freeway), west of Lancaster Road, and south of the DART rail line. The Sub-District encompasses approximately 297 acres, not including rights-of-way.

Based on the 2017 certified tax roll from DCAD, the total appraised value of taxable real property in the University Hills Sub-District was \$5,251,337. The base value may be adjusted in the future to reflect any tax roll corrections.

Exhibit I University Hills Sub-District Map



General Considerations

At the time the City Council designated the University TIF District, the total appraised value of the proposed zone and other existing reinvestment zones was approximately 11.7% of the total appraised value of taxable real property in the City of Dallas (based on the 2017 certified tax roll from DCAD and CCAD).

Pursuant to limitations in the City's Financial Management Performance Criteria ("FMPC"), no reinvestment zone can be created if the total real property tax base of all active tax increment reinvestment zones plus the total real property and business personal property tax base of all tax abatement reinvestment zones exceeds 15% of the total tax base (all real and business personal property) of the City. At the time the University Hills TIF District was designated, the total real property tax base of all active tax increment reinvestment zones plus the total real property and business personal property tax base of all tax abatement reinvestment zones was approximately 10.3% of the total tax base (all real and business personal property) of the City (based on the 2017 certified tax roll from DCAD and CCAD).

All real property accounts known to be within the District boundary, based on DCAD's 2017 certified tax roll, are listed in Appendix A. The base value of the District is the total appraised value of all taxable real property in the zone, as determined by DCAD. Note: The base value of the District may be adjusted to reflect any corrections from DCAD. Inclusion of property in the District does not change tax rates for any property in the District. Tax rates remain the same as tax rates outside the District, given a constant set of taxing jurisdictions.

TIF funds will be disbursed annually, subject to the availability of funds, and according to development agreements or securities obligations approved by the City Council.

All payments to the TIF fund will terminate upon the occurrence of any of the following events:

1. The District budget of approximately \$55.9 million (NPV) has been collected, or December 31, 2047 (including collection of the 2047 tax year increment in calendar year 2048 and any related matters to be concluded in 2048), whichever occurs first.
2. All financial obligations of the District have been satisfied.
3. If private investment of at least \$100 million has not occurred in the District within five years of the adoption of the final Project Plan and Reinvestment Zone Financing Plan, the City Council may specify an earlier termination date by ordinance to dissolve the District, subject to the satisfaction of all outstanding financial obligations of the tax increment fund.

The District TIF fund may pay for Project Costs and other expenses permitted by law, including financing costs of the public improvements and administrative costs for the TIF program incurred by the City. The TIF fund may pay a developer, a developer's assignees, or another entity for Project Costs approved by the City pursuant to written agreement.

Development Goals and Objectives

The following development goals address the specific needs of the proposed District:

- Goal 1: To create additional taxable value attributed to new private investment in projects in the University TIF District totaling approximately \$685 million in total dollars over the 30-year life of the District.
- Goal 2: To attract new private development in the University Center Sub-District totaling approximately 795 new residential units.
- Goal 3: To diversify retail, residential, and commercial uses in the District.
- Goal 4: To create an over 250-acre mixed-use development in the University Hills Sub-District.
- Goal 5: To encourage the development of properties in close proximity to mass transit and institutions of higher education.
- Goal 6: To generate approximately \$55.9 million (NPV) (estimated \$133 million in total dollars, to be adjusted annually) in TIF fund revenues over the 30-year life of the District.

The following specific objectives set the framework for the planned public improvements within the District:

- Provide funding to build a street and circulation network in the District to enhance traffic flow, reduce congestion, provide greater accessibility, and disaggregate the existing greenfield parcels into a pedestrian-scaled environment that can develop incrementally.
- Improve existing and construct new infrastructure (on-site and off-site) for the District, including roadways, storm water drainage, water distribution/wastewater collection lines, and other utilities to support development.
- Improve the pedestrian environment in the District through sidewalk, landscaping, lighting and other related streetscape features.
- Increase recreational opportunities and connections to trails and open space in the District.
- Encourage creation of new residential, retail, office, and mixed-use developments to complement the District.
- Blend traditional multi-family and single-family neighborhoods with commercial and retail areas (in accordance with design guidelines to ensure quality and excellence

while emphasizing aesthetics, human comfort and the creation of a sense of place).

Market Feasibility and Planned Development

The predominant land use development pattern in the planned 30-year University TIF District development program is mixed-use and Traditional Neighborhood Development, including a range of residential housing types, commercial space, and pedestrian-oriented retail space.

Over the 30-year life of the District, the planned private development program includes:

- up to 2,482 new residential units
- up to 87,500 square feet of retail space
- up to 162,000 square feet of entertainment/commercial space

Market analysis suggests that these developments are feasible and would likely not occur or occur in the same extent in the reasonably foreseeable future without the creation and implementation of this District to assist in the funding of project plan improvements in the District.

TIF District Policy Considerations

City policy for creation of new TIF Districts requires that newly created TIF District plans include public objectives, such as a provision for mixed-income housing, development of design guidelines that promote the high quality design of structures and infrastructure within the TIF District, utilization of minority- and women-owned businesses in new construction, promotion of jobs for neighborhood residents, and resolution of issues related to the relocation of area residents displaced by new development. These issues are addressed specifically below.

Mixed-Income Housing Guidelines. Successful and sustainable development efforts support a variety of housing options. Accordingly, twenty percent (20%) of all housing units in projects receiving TIF funded subsidies will be subject to the City's and the County's established criteria for mixed-income housing. Affordable housing units are those which are affordable to a household earning 80% or less of the median family income for the Dallas metropolitan area. Affordable rental rates will be adjusted annually according to the affordable housing schedule produced annually by the City's Housing Department (pursuant to the U.S. Department of Housing and Urban Development). Updates to the City's housing policies may modify these requirements. A developer will also be required to submit an Affirmative Fair Housing Marketing Plan to the City's Fair Housing and Human Rights Office for approval. A developer may, subject to City Council and County approval, propose an alternative means of fulfilling the City's and County's mixed-income housing requirements.

In the University Hills Sub-District area, the real estate sub-market has been challenging (i.e. generally characterized by misperceptions and a lack of properties leasing/selling at levels close to the market rates in other Dallas sub-markets). Much of the existing housing in the surrounding area could already be considered affordable. As such, it is anticipated that the intent of the mixed-income housing guidelines for the University Hills Sub-District will be to encourage the development of housing units that successfully establish rental/sales levels that are closer to the market rates in other stronger Dallas sub-markets. Providing for-sale housing for moderate income households may require TIF funded assistance.

Design Guidelines. High quality urban design, utilizing a traditional neighborhood design ("TND") approach, is an objective for the University TIF District. The City's TIF program utilizes a set of master design guidelines that may be updated by the TIF Board of Directors with specific considerations for this District within five years after designation of the District. Development projects receiving TIF funds will be required to comply with the approved guidelines. The City's Urban Design Peer Review Panel (UDPRP), supported by City's Planning and Urban Design Department staff, will oversee this process. The expectation is that TIF-funded projects set a standard for future development in the City of Dallas.

The design guidelines will emphasize a network of paths, streets and lanes suitable for pedestrians as well as vehicles which provides residents the option of walking, biking or driving to places within their neighborhood and will provide for architectural guidelines to ensure quality and excellence emphasizing aesthetics, human comfort and the creation of a sense of place.

Business Inclusion and Development (“BID”) Policy. All TIF-funded projects will follow the City’s adopted Business Inclusion and Development Policy. This policy outlines goals for certified Minority- and Women-Owned Business (M/WBE) participation in publicly funded infrastructure projects. The BID Plan goal, as amended by City Council on September 23, 2020, is 32% for construction of public improvements (subject to future modification by City Council). The goal for private improvements is negotiated in the development agreement. The process for BID compliance and City oversight will be negotiated with City staff and included in the development agreement for each individual project.

Promotion of Jobs for Neighborhood Residents. Applicants for TIF funds must agree to sponsor job fairs or other programs to attract neighborhood residents to any permanent jobs created in the developments within the District.

Educational/Job Training Programs. While the plan for this District does not contemplate Project Costs for such programs, as the residential base is developed there may be opportunities for collaboration on special programming with nearby universities.

Existing Resident Displacement. The Act requires that existing resident displacement be minimized. Since the land within the TIF District was undeveloped at the time of the District’s designation by City Council, there is no resident displacement to be considered or minimized.

Section 2: Project Plan Improvements

Public Improvement Plan

The improvements enumerated in the Project Plan provide for approximately \$55.9 million for the public improvement categories listed below (see Exhibit N in Section 3 for a budget of proposed public improvements grouped by related sub-districts). “Project Costs” are defined herein as expenditures made and monetary obligations incurred that are listed in the Project Plan as costs of public works, public improvements, programs, or other projects benefitting the zone and that have been secured by a development agreement with the City, interdepartmental coordination within the City, or through other public agency agreements.

Public Infrastructure Improvements

This category includes, but is not limited to, TIF-eligible expenditures for design, engineering, and construction of infrastructure and utility improvements; water and wastewater infrastructure improvements; roadway paving improvements; intersection improvements (including signalization improvements); improvements for medians and parkways; and storm water drainage and management. Utility improvements also include, but are not limited to, the relocation/burial and eligible upgrade of electric, gas, cable television, and telephone/telecommunication infrastructure throughout the District. This category also includes design, engineering, and construction of streetscape improvements, including lighting, sidewalk, bike/pedestrian improvements; street furnishings; landscaping and irrigation of public areas; wayfinding and signage to improve pedestrian and vehicular circulation and continuity in the District; and other streetscape features related to specific projects. The City may consider acquiring property, using eminent domain as necessary and to the extent permitted by law, to implement the TIF Plan. Potential land acquisitions may include but are not limited to properties needed for pedestrian safety and accessibility, and transportation infrastructure.

Landscape, Parks, Open Space, and Trails

Public open space, pedestrian connectivity and recreational areas are important amenities for the District. Funding would be provided for design, improvements, and land acquisition as necessary for implementation.

Affordable Housing

This category includes TIF-eligible expenditures for the provision of affordable for-sale and rental housing projects within the District and potentially outside of the boundaries of the District.

Economic Development Grants

Pursuant to State law, the University TIF District Board of Directors may provide for a program to make economic development loans or grants of TIF funds in an aggregate amount not to exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District as necessary or convenient to implement this Plan. Projects receiving such loans or grants must be consistent with the goals and objectives of the University TIF District Project Plan and Reinvestment Zone Financing Plan and would be subject to specific project agreements and City Council approval of the loans or grants program and the project agreements.

Administration and Implementation

Administrative costs, including reasonable charges for the time spent by employees of the municipality and/or employees associated with any non-profit groups established to assist with implementation within the TIF District will be eligible for payment as Project Costs, in connection with the implementation of the University TIF District Project Plan and Reinvestment Zone Financing Plan. Other related administrative expenses including legal fees and consulting fees of the City (including but not limited to bond counsel and financial advisor fees), management expenses, meeting expenditures and equipment are included in this category.

Non-Project Costs

Non-Project costs are estimated at \$552,389,155 based on the anticipated private development that is not included in the project plan costs shown in **Exhibit N**.

Planned Private Development

The private development that is anticipated to occur within the University TIF District is listed in the table below. Due to market conditions, the actual velocity, timing, size, volume, uses, values, and other attributes for the listed development projects may differ. Some of the development projects may not occur or may be replaced by other potential projects.

Exhibit J Anticipated Development

University Center Sub-District

Project/Subdivison(County)	Complete by Jan 1	Residential Units	Retail SF	Other SF	Estimated New Taxable Value
Single-Family Homes - University Place Addition Phase 3 (Collin)	2018-2020	146			\$54,837,159
Single-Family Homes - University Place Addition Phase 3 (Collin)	2021-2022	30			\$11,267,909
Single-Family Homes - University Place Addition Phase 3 (Collin)	2022-2023	28			\$10,832,217
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2019-2020	37			\$16,969,712
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2021-2022	8			\$3,296,000
Single-Family Homes - University Place Addition Phase 3 (Dallas)	2022-2023	2			\$848,720
Single-Family Homes - University Place Addition Phase 4 (Dallas)	2019-2020	96			\$46,011,122
Single-Family Homes - University Place Addition Phase 4 (Dallas)	2021-2022	15			\$6,348,000
Single-Family Homes - University Place Addition Phase 2 (Collin)	2018-2020	96			\$39,017,850
Single-Family Homes - University Place Addition Phase 2 (Collin)	2021-2022	5			\$2,032,180
Single-Family Homes - University Place Addition Phase 2 (Collin)	2022-2023	13			\$5,442,177
Townhomes - University Place Addition Phase I (Collin)	2018-2020	122			\$36,069,989
Townhomes - University Place Addition Phase I (Collin)	2021-2022	49			\$14,660,800
Single-Family Homes - University Place Addition Phase 5 (Collin and Dallas)	2022-2023	60			\$26,203,200
Single-Family Homes - University Place Addition Phase 5 (Collin and Dallas)	2023-2024	52			\$23,986,976
Single-Family Homes - University Place Addition Phase 6 (Dallas)	2024-2025	36			\$17,063,424
		795			\$314,887,435

University Hills Sub-District

Project	Complete by Jan 1	Residential Units	Retail SF	Other SF	Estimated New Value
Phase I					
Multi-family	2024	150			\$12,720,000
Multi-family	2025	362			\$28,960,000
Townhomes	2024-2030	286			\$59,460,000
Villas	2026-2031	65			\$16,550,000
Commercial/entertainment/retail	2026-2028		60,500	162,000	\$30,587,500
Phase I subtotal		863	60,500	162,000	\$148,277,500
Phase II					
Townhomes	2025-2044	646			\$160,515,000
Villas	2032-2044	178			\$55,350,000
Retail	2030-2032		27,000		\$6,345,000
Phase II subtotal		824	27,000		\$222,210,000
Grand Total		1,687	87,500	162,000	\$370,487,500

Exhibit K - Conceptual Residential Development

Townhomes (Alley & Front-loaded)



Villas on 50's (Alley & Front Loaded)



Villas on 40's (Alley & Front Loaded)



Cluster Homes



Row Homes



Exhibit L - Conceptual Amenity Center

Amenity Center

Note- This exhibit to be used for display purposes only. It does not explicitly represent materials or methods and shall not be used for construction or bidding.



AMENITY CENTER WITH SWIMMING POOL

Section 3: Financing Plan

TIF Financing Overview

Tax increment financing is a tool that local governments in Texas have used since 1986 to finance public improvements within defined areas that have unique challenges and opportunities for economic development. Public improvements strengthen existing communities and attract investment.

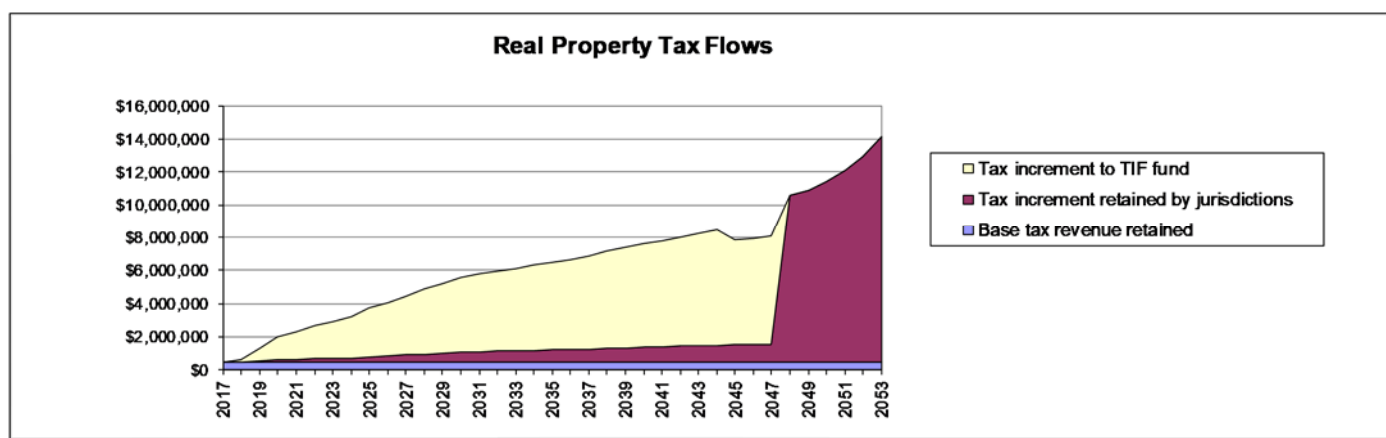
The governing body of a municipality may designate an area as a reinvestment zone if the City Council finds that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future.

Tax revenues paid into the TIF fund each year will be disbursed in accordance with the terms of development agreements executed for TIF projects approved by the TIF board and the City Council. In general, TIF funds may be applied only to expenditures inside the TIF district boundaries, but the Act allows TIF funds to be applied to expenditures outside of the TIF district for a few specified purposes, including places of public assembly, affordable housing, public infrastructure and other payments made at the discretion of the City Council that the City Council finds necessary or convenient to the creation of the District or to the implementation of the Project Plan for the District.

Exhibit M illustrates how increased tax revenues from real properties in the zone are projected to flow to the participating taxing jurisdictions' general fund (City and County) and to the TIF fund, based on the assumptions and projections in this Project Plan and Reinvestment Zone Financing Plan.

EXHIBIT M

Real Property Tax Flow with Tax Increment Financing



Inclusion of property in a TIF zone does not change tax rates for the property. Tax rates in a TIF zone are the same as tax rates outside of the zone and within the same set of taxing jurisdictions. Additionally, taxing jurisdictions are not restricted from raising tax rates during the life of the TIF zone.

Once the Project Plan is completed and paid for, the TIF zone is dissolved, and the full amount of the taxes collected in the area is retained by the taxing jurisdictions. In effect, the taxing jurisdictions are investing future earnings to receive the benefit of higher tax revenues from new development. The Reinvestment Zone Financing Plan provides for incremental financing and predicts revenues for the University TIF District.

A fundamental goal of this Financing Plan is to facilitate tax increment sharing from the University Center Sub-District to jump start new development in the University Hills Sub-District in the City's southern sector where development has lagged for many years and extensive infrastructure improvements are needed. In addition, 10% of the tax increment generated in the University Center Sub-District up to \$3.5 million (NPV) will be dedicated to an affordable housing budget item that may be utilized both within the District and potentially for city-wide affordable housing programs. The University Center Sub-District will retain a small portion of tax increment to fund public area landscape, open space, and/or trails. An Increment Allocation Policy for the University TIF District (including priorities for payment and a method of annually apportioning available increment) will be developed by City staff and recommended for adoption by the University TIF District Board of Directors within 2 years after City Council approval of this Project Plan and Reinvestment Zone Financing Plan.

Exhibit N: TIF District Project Plan Improvements Budget

Category	Estimated TIF Expenditure (2018 dollars)	Estimated TIF Expenditure (Total Dollars)
University Center Sub-District:	\$1,861,838	\$4,430,280
Landscape, Trails, Open Space		
University Hills Sub-District:	\$48,071,841	\$114,387,889
Public infrastructure improvements		
Public open space/parks		
Economic Development Grants		
Affordable Housing	\$3,527,909	\$8,394,728
Administration and implementation	\$2,500,000	\$5,948,799
Total Project Costs	\$55,961,588	\$133,161,696

** All values discounted to 2018 dollars at 5% annually. Actual expenditure value will depend on timing of project cost.*

All values in column are estimated expenditures based on annual Project Costs and debt service schedules. These values depend on timing of projects and will fluctuate. **An interest rate of 5% is used throughout the TIF term.

****Administrative costs are estimated at \$100,000 per year for the first 10 years and \$75,000 per year afterwards.*

Financing Process. Typically, a developer will apply and be authorized by the City Council for TIF improvements, then fund and build the improvements. Upon completion and acceptance of the work by the City, the developer will be paid with TIF funds if and when they are available. TIF payments are made based on available increment and other conditions set forth in project development agreements. Prior to 2005, public improvements were publicly bid with developers advancing funds for these improvements and earning applicable interest until the advance was repaid by the future cash flows to the TIF fund (if and when funds were available). However, based on legislative changes in 2005, TIF improvements are no longer required to have a public bid process and advance funds to the City; therefore, typically with most projects, no interest is pledged since funds are not advanced to the City for public improvements.

The City may negotiate with financial institutions to secure bonds or other obligations, or lines of credit, to aid in the funding of projects within the District, using any financial instrument, subject to City Council approval of the note or credit line or issuance of bonds or other obligations for eligible TIF expenditures. Any use of TIF bonds is subject to provisions of the City's Financial Management Performance Criteria ("FMPC").

The goal of the University TIF District is to leverage increment accrued to maximize development in the District. The City may establish and provide for the administration of one or more programs for the public purposes of developing and diversifying the economy of the District, eliminating unemployment and underemployment in the District, and developing or expanding transportation, business, and commercial activity in the District, including programs to make grants and loans from the tax increment fund of the District in an aggregate amount not to exceed the amount of the tax increment produced by the municipality and paid into the tax increment fund for the District.

Expected Revenues. **Exhibit J** is a list of development projects anticipated in the University TIF District. Some of the development projects may not occur or may be replaced by other potential development projects. This list represents the best estimate at this time for the District's anticipated development through 2047. The actual velocity, timing, size, volume, uses, values, and other attributes for the listed development projects may differ from the provided information.

Unit values supporting appraisal estimates in **Exhibit J** are based on observations of values assigned to comparable developments by the Dallas Central Appraisal District (DCAD). Actual construction costs or transactional prices may differ. Because tax increments are measured by DCAD values, these are the relevant measures of value for a TIF financing plan.

Annual Real Property Appraisals to the TIF Fund

Based on the development projects identified in **Exhibit J** and other stated assumptions, **Exhibit O-1** and **Exhibit O-2** forecast real property tax increment projections for the University Center Sub-District and University Hills Sub-District, respectively. **Exhibit O - 3** shows the real property tax increment projections for both sub-districts combined and annual percentages and amounts of the real property tax growth increment reinvested each year in the University TIF District fund. Cumulative increased real property value is expected to reach approximately \$934 million during the 30-year term of the TIF District.

Starting with tax year 2018 (Year 1 of the TIF zone), a portion of the real property taxes collected by the City will be transferred to the District's TIF fund. The TIF fund will pay Project Costs according to contractual commitments approved for the University TIF District. The City has approved a tax increment equal to 90% of the taxes levied and assessed by the City for the year on the captured appraised value of real property located in the District. The captured appraised value of real property taxable by a taxing unit for the year is the total taxable value of all real property taxable by the unit and located in the District for that year less the 2017 tax increment base value for the District.

Preliminary discussions were begun with Dallas County on potential participation in the University Hills Sub-District; however, due to post-pandemic economic uncertainty, formal consideration by the County Commissioners Court will be postponed until 2021. A potential scenario is included in plan projections that estimates the County may approve a tax increment equal to 65% of the real property taxes assessed and collected by the County on the captured appraised value of real property located only within the University Hills Sub-District for a period of 20-years. The captured appraised value for the County's increment shall be the total taxable value of all real property taxable by the County in the University Hills Sub-District for the year beginning January 1, 2025, through January 1, 2044, less the 2017 base value for the sub-district. Final terms of any future County contributions of tax increment shall be set forth in an interlocal participation agreement between the City and County.

Exhibit O-1

Annual Projection of Tax Increment to the TIF Fund

University Center Sub-District

Tax Year	Property Value Estimate City	Anticipated Devel	Total Value	Anticipated Captured Value City	Anticipated Increment Revenue	Anticipated Accumulated Revenue Unadjusted	Anticipated Accumulated Revenue (NPV) 5.00%	Participation Rate City	Tax Increment Revenue City (90%)	Tax Increment Revenue County (0%)
2017	\$44,523,105							0%		
2018	\$43,818,732	\$22,342,971	\$66,161,703	\$21,638,598	\$151,260	\$151,260	\$144,057	90%	\$151,260	\$0
2019	\$66,161,703	\$87,705,051	\$153,866,754	\$109,343,649	\$764,247	\$764,247	\$837,252	90%	\$764,247	\$0
2020	\$160,388,505	\$83,033,726	\$243,422,231	\$198,899,126	\$1,390,186	\$2,154,432	\$2,038,146	90%	\$1,390,186	\$0
2021	\$247,073,564	\$37,604,889	\$284,678,454	\$240,155,349	\$1,678,542	\$3,832,974	\$3,419,087	90%	\$1,678,542	\$0
2022	\$288,948,630	\$43,326,314	\$332,274,944	\$287,751,839	\$2,011,213	\$5,844,187	\$4,994,924	90%	\$2,011,213	\$0
2023	\$337,259,069	\$23,986,976	\$361,246,045	\$316,722,940	\$2,213,703	\$8,057,890	\$6,646,824	90%	\$2,213,703	\$0
2024	\$366,664,735	\$17,063,424	\$383,728,159	\$339,205,054	\$2,370,840	\$10,428,730	\$8,331,735	90%	\$2,370,840	\$0
2025	\$389,484,082	\$0	\$389,484,082	\$344,960,977	\$2,411,070	\$12,839,800	\$9,963,643	90%	\$2,411,070	\$0
2026	\$395,326,343	\$0	\$395,326,343	\$350,803,238	\$2,451,904	\$15,291,704	\$11,544,162	90%	\$2,451,904	\$0
2027	\$401,256,238	\$0	\$401,256,238	\$356,733,133	\$2,493,351	\$17,785,055	\$13,074,863	90%	\$2,493,351	\$0
2028	\$407,275,082	\$0	\$407,275,082	\$362,751,977	\$2,535,419	\$20,320,473	\$14,557,270	90%	\$2,535,419	\$0
2029	\$413,384,208	\$0	\$413,384,208	\$368,861,103	\$2,578,118	\$22,898,591	\$15,992,862	90%	\$2,578,118	\$0
2030	\$419,584,971	\$0	\$419,584,971	\$375,061,866	\$2,621,457	\$25,520,048	\$17,383,077	90%	\$2,621,457	\$0
2031	\$425,878,746	\$0	\$425,878,746	\$381,355,641	\$2,665,447	\$28,185,496	\$18,729,309	90%	\$2,665,447	\$0
2032	\$432,266,927	\$0	\$432,266,927	\$387,743,822	\$2,710,097	\$30,895,592	\$20,032,912	90%	\$2,710,097	\$0
2033	\$438,750,931	\$0	\$438,750,931	\$394,227,826	\$2,755,416	\$33,651,008	\$21,295,200	90%	\$2,755,416	\$0
2034	\$445,332,195	\$0	\$445,332,195	\$400,809,090	\$2,801,415	\$36,452,423	\$22,517,448	90%	\$2,801,415	\$0
2035	\$452,012,177	\$0	\$452,012,177	\$407,489,072	\$2,848,104	\$39,300,527	\$23,700,894	90%	\$2,848,104	\$0
2036	\$458,792,360	\$0	\$458,792,360	\$414,269,255	\$2,895,494	\$42,196,021	\$24,846,739	90%	\$2,895,494	\$0
2037	\$465,674,246	\$0	\$465,674,246	\$421,151,141	\$2,943,594	\$45,139,615	\$25,956,148	90%	\$2,943,594	\$0
2038	\$472,659,359	\$0	\$472,659,359	\$428,136,254	\$2,992,416	\$48,132,030	\$27,030,253	90%	\$2,992,416	\$0
2039	\$479,749,250	\$0	\$479,749,250	\$435,226,145	\$3,041,970	\$51,174,000	\$28,070,150	90%	\$3,041,970	\$0
2040	\$486,945,488	\$0	\$486,945,488	\$442,422,383	\$3,092,267	\$54,266,267	\$29,076,903	90%	\$3,092,267	\$0
2041	\$494,249,671	\$0	\$494,249,671	\$449,726,566	\$3,143,319	\$57,409,586	\$30,051,546	90%	\$3,143,319	\$0
2042	\$501,663,416	\$0	\$501,663,416	\$457,140,311	\$3,195,136	\$60,604,722	\$30,995,078	90%	\$3,195,136	\$0
2043	\$509,188,367	\$0	\$509,188,367	\$464,665,262	\$3,247,731	\$63,852,454	\$31,908,473	90%	\$3,247,731	\$0
2044	\$516,826,192	\$0	\$516,826,192	\$472,303,087	\$3,301,115	\$67,153,569	\$32,792,671	90%	\$3,301,115	\$0
2045	\$524,578,585	\$0	\$524,578,585	\$480,055,480	\$3,355,300	\$70,508,869	\$33,648,587	90%	\$3,355,300	\$0
2046	\$532,447,264	\$0	\$532,447,264	\$487,924,159	\$3,410,297	\$73,919,166	\$34,477,106	90%	\$3,410,297	\$0
2047	\$540,433,973	\$0	\$540,433,973	\$495,910,868	\$3,466,119	\$77,336,345	\$35,279,088	90%	\$3,466,119	\$0
		\$315,063,351			\$77,536,545				\$77,536,545	\$0

Exhibit O-2

Annual Projection of Tax Increment to the TIF Fund

University Hills Sub-District

Tax Year	Property Value Estimate City	Anticipated Devel	Total Value	Anticipated Captured Value City	Anticipated Increment Revenue	Anticipated Accumulated Revenue Unadjusted	Anticipated Accumulated Revenue (NPV) 5.00%	Participation Rate City	Tax Increment Revenue City (90%)	Tax Increment Revenue County (65%)
2017	\$5,251,337							0%		
2018	\$5,778,230	\$0	\$5,778,230	\$526,893	\$3,683	\$3,683	\$3,508	90%	\$3,683	\$0
2019	\$5,864,903	\$0	\$5,812,630	\$561,293	\$3,923	\$3,923	\$7,066	90%	\$3,923	\$0
2020	\$5,837,250	\$0	\$5,837,250	\$585,913	\$4,095	\$8,018	\$10,604	90%	\$4,095	\$0
2021	\$5,924,809	\$0	\$5,924,809	\$673,472	\$4,707	\$12,725	\$14,476	90%	\$4,707	\$0
2022	\$5,987,019	\$0	\$5,987,019	\$735,682	\$5,142	\$17,867	\$18,505	90%	\$5,142	\$0
2023	\$6,049,883	\$0	\$6,049,883	\$798,546	\$5,581	\$23,449	\$22,670	90%	\$5,581	\$0
2024	\$6,113,407	\$17,260,714	\$23,374,121	\$18,122,784	\$126,667	\$150,116	\$112,690	90%	\$126,667	\$0
2025	\$23,619,549	\$47,610,714	\$71,230,264	\$65,978,927	\$565,410	\$715,526	\$495,382	90%	\$461,153	\$104,257
2026	\$71,978,181	\$24,515,714	\$96,493,896	\$91,242,559	\$781,908	\$1,497,434	\$999,406	90%	\$637,731	\$144,177
2027	\$97,507,082	\$27,955,714	\$125,462,796	\$120,211,459	\$1,030,158	\$2,527,592	\$1,631,834	90%	\$840,206	\$189,952
2028	\$126,780,155	\$41,243,214	\$168,023,369	\$162,772,032	\$1,394,883	\$3,922,475	\$2,447,393	90%	\$1,137,679	\$257,204
2029	\$169,787,615	\$25,855,714	\$195,643,329	\$190,391,992	\$1,631,574	\$5,554,048	\$3,355,915	90%	\$1,330,726	\$300,848
2030	\$197,697,584	\$24,550,714	\$222,248,298	\$216,996,961	\$1,859,566	\$7,413,615	\$4,342,082	90%	\$1,516,679	\$342,888
2031	\$224,581,905	\$15,780,000	\$240,361,905	\$235,110,568	\$2,014,792	\$9,428,406	\$5,359,689	90%	\$1,643,282	\$371,510
2032	\$242,885,705	\$10,480,714	\$253,366,420	\$248,115,083	\$2,126,235	\$11,554,641	\$6,382,444	90%	\$1,734,176	\$392,059
2033	\$256,026,767	\$8,365,714	\$264,392,481	\$259,141,144	\$2,220,723	\$13,775,364	\$7,399,783	90%	\$1,811,241	\$409,482
2034	\$267,168,603	\$8,435,714	\$275,604,317	\$270,352,980	\$2,316,803	\$16,092,167	\$8,410,597	90%	\$1,889,605	\$427,198
2035	\$278,498,162	\$8,435,714	\$286,933,876	\$281,682,539	\$2,413,893	\$18,506,060	\$9,413,619	90%	\$1,968,792	\$445,101
2036	\$289,946,682	\$8,435,714	\$298,382,396	\$293,131,059	\$2,512,001	\$21,018,061	\$10,407,703	90%	\$2,048,810	\$463,191
2037	\$301,515,412	\$13,307,143	\$314,822,554	\$309,571,217	\$2,652,886	\$23,670,947	\$11,407,548	90%	\$2,163,717	\$489,169
2038	\$318,128,191	\$12,248,571	\$339,376,763	\$334,125,426	\$2,863,305	\$26,534,252	\$12,435,309	90%	\$2,335,336	\$527,968
2039	\$342,940,219	\$12,812,857	\$355,753,076	\$350,501,739	\$3,003,642	\$29,537,894	\$13,462,104	90%	\$2,449,797	\$553,845
2040	\$359,488,483	\$11,562,857	\$371,051,340	\$365,800,003	\$3,134,741	\$32,672,636	\$14,482,686	90%	\$2,556,723	\$578,019
2041	\$374,947,379	\$11,562,857	\$386,510,236	\$381,258,899	\$3,267,217	\$35,939,853	\$15,495,745	90%	\$2,664,771	\$602,446
2042	\$390,568,594	\$11,562,857	\$402,131,451	\$396,880,114	\$3,401,084	\$39,340,937	\$16,500,095	90%	\$2,773,954	\$627,130
2043	\$406,353,831	\$11,562,857	\$417,916,688	\$412,665,351	\$3,536,356	\$42,877,293	\$17,494,662	90%	\$2,884,283	\$652,073
2044	\$422,304,814	\$7,941,429	\$430,246,242	\$424,994,905	\$3,642,015	\$46,519,308	\$18,470,170	90%	\$2,970,459	\$671,556
2045	\$434,763,828	\$0	\$434,763,828	\$429,512,491	\$3,700,035	\$49,521,343	\$19,235,970	90%	\$3,002,035	
2046	\$439,328,848	\$0	\$439,328,848	\$434,077,511	\$3,733,941	\$52,555,284	\$19,973,055	90%	\$3,033,941	
2047	\$443,941,801	\$0	\$443,941,801	\$438,690,464	\$3,766,783	\$55,625,730	\$20,682,500	90%	\$3,066,183	
		\$370,487,500			\$55,625,150				\$47,075,077	\$8,550,073

Exhibit O-3

Annual Projection of Tax Increment to the TIF Fund

Sub-Districts Combined

Tax Year	Captured University Hills			City of Dallas				Dallas County (University Hills only)				TOTAL		CUMULATIVE	
	Appraised Value Sub-District	Captured University Hills	Appraised Value Sub-Districts Combined	Real Property Tax Increment	% of City to TIF Fund	City Tax Increment	City Cumulative to TIF Fund NPV (2018 dollars)	Real Property Tax Increment	% of County to TIF Fund	County Tax Increment	County Cumulative to TIF Fund NPV (2018 dollars)	City and County	City and County	Net Present Value (2018 dollars)	Annual Discount Rate
Base 2017	\$4,563,596	\$558,397	\$5,121,993	\$172,020	90%	\$15,682	\$15,682	\$148,238	0%	\$0	\$148,238	\$0	\$0	\$158,820	5%
1 2018	\$1,093,843,649	\$561,283	\$1,094,404,932	\$653,529	90%	\$788,170	\$803,859	\$845,021	0%	\$0	\$803,859	\$0	\$0	\$1,558,820	5%
2 2019	\$198,895,126	\$555,913	\$199,451,039	\$1,549,201	90%	\$1,394,281	\$2,049,453	\$2,049,453	0%	\$0	\$2,049,453	\$0	\$0	\$1,394,281	5%
3 2020	\$240,155,349	\$673,472	\$240,828,821	\$1,870,277	90%	\$1,683,249	\$3,434,266	\$3,434,266	0%	\$0	\$3,434,266	\$0	\$0	\$2,049,453	5%
4 2021	\$287,751,839	\$735,682	\$288,487,521	\$2,240,394	90%	\$2,016,355	\$5,014,132	\$5,014,132	0%	\$0	\$5,014,132	\$0	\$0	\$2,016,355	5%
5 2022	\$316,722,940	\$798,546	\$317,521,486	\$2,465,872	90%	\$2,219,285	\$6,670,137	\$6,670,137	0%	\$0	\$6,670,137	\$0	\$0	\$2,219,285	5%
6 2023	\$339,205,054	\$818,122,784	\$340,023,838	\$2,775,008	90%	\$2,487,507	\$8,445,129	\$8,445,129	0%	\$0	\$8,445,129	\$0	\$0	\$2,487,507	5%
7 2024	\$344,860,977	\$853,978,827	\$346,739,804	\$3,191,359	90%	\$2,872,223	\$10,388,162	\$10,388,162	65%	\$160,385	\$10,548,547	\$104,257	\$0	\$10,453,827	5%
8 2025	\$350,000,000	\$865,172,000	\$351,872,000	\$3,311,359	90%	\$3,000,000	\$13,388,162	\$13,388,162	65%	\$199,952	\$13,588,114	\$189,952	\$0	\$13,408,162	5%
9 2026	\$355,142,857	\$876,365,143	\$357,512,000	\$3,426,359	90%	\$3,111,359	\$16,422,283	\$16,422,283	65%	\$202,234	\$16,624,517	\$202,234	\$0	\$16,422,283	5%
10 2027	\$360,285,714	\$887,558,286	\$362,843,428	\$3,531,359	90%	\$3,222,359	\$19,456,442	\$19,456,442	65%	\$204,669	\$19,661,111	\$204,669	\$0	\$19,456,442	5%
11 2028	\$365,428,571	\$898,751,429	\$367,979,999	\$3,636,359	90%	\$3,333,359	\$22,490,601	\$22,490,601	65%	\$207,104	\$22,697,705	\$207,104	\$0	\$22,490,601	5%
12 2029	\$370,571,429	\$909,944,571	\$372,515,944	\$3,741,359	90%	\$3,444,359	\$25,524,960	\$25,524,960	65%	\$209,549	\$25,734,509	\$209,549	\$0	\$25,524,960	5%
13 2030	\$375,714,286	\$921,137,714	\$376,851,999	\$3,846,359	90%	\$3,555,359	\$28,559,319	\$28,559,319	65%	\$212,000	\$28,771,319	\$212,000	\$0	\$28,559,319	5%
14 2031	\$380,857,143	\$932,330,857	\$382,187,286	\$3,951,359	90%	\$3,666,359	\$31,593,678	\$31,593,678	65%	\$214,445	\$31,808,123	\$214,445	\$0	\$31,593,678	5%
15 2032	\$386,000,000	\$943,523,999	\$387,523,999	\$4,056,359	90%	\$3,777,359	\$34,628,032	\$34,628,032	65%	\$216,889	\$34,844,921	\$216,889	\$0	\$34,628,032	5%
16 2033	\$391,142,857	\$954,717,143	\$392,860,000	\$4,161,359	90%	\$3,888,359	\$37,662,391	\$37,662,391	65%	\$219,334	\$37,881,725	\$219,334	\$0	\$37,662,391	5%
17 2034	\$396,285,714	\$965,910,286	\$397,595,999	\$4,266,359	90%	\$3,999,359	\$40,696,750	\$40,696,750	65%	\$221,779	\$40,918,524	\$221,779	\$0	\$40,696,750	5%
18 2035	\$401,428,571	\$977,103,429	\$402,900,000	\$4,371,359	90%	\$4,100,359	\$43,731,109	\$43,731,109	65%	\$224,224	\$43,942,748	\$224,224	\$0	\$43,731,109	5%
19 2036	\$406,571,429	\$988,296,571	\$408,000,000	\$4,476,359	90%	\$4,211,359	\$46,765,468	\$46,765,468	65%	\$226,669	\$46,971,417	\$226,669	\$0	\$46,765,468	5%
20 2037	\$411,714,286	\$999,489,714	\$412,995,999	\$4,581,359	90%	\$4,322,359	\$49,799,827	\$49,799,827	65%	\$229,114	\$49,992,531	\$229,114	\$0	\$49,799,827	5%
21 2038	\$416,857,143	\$1,010,682,857	\$417,999,999	\$4,686,359	90%	\$4,433,359	\$52,834,186	\$52,834,186	65%	\$231,559	\$53,006,090	\$231,559	\$0	\$52,834,186	5%
22 2039	\$422,000,000	\$1,021,875,999	\$423,000,000	\$4,791,359	90%	\$4,544,359	\$55,868,545	\$55,868,545	65%	\$234,004	\$56,040,094	\$234,004	\$0	\$55,868,545	5%
23 2040	\$427,142,857	\$1,033,069,143	\$428,000,000	\$4,896,359	90%	\$4,655,359	\$58,902,904	\$58,902,904	65%	\$236,449	\$59,076,543	\$236,449	\$0	\$58,902,904	5%
24 2041	\$432,285,714	\$1,044,262,286	\$433,000,000	\$4,996,359	90%	\$4,766,359	\$61,937,263	\$61,937,263	65%	\$238,894	\$62,116,437	\$238,894	\$0	\$61,937,263	5%
25 2042	\$437,428,571	\$1,055,455,429	\$438,000,000	\$5,096,359	90%	\$4,877,359	\$64,971,622	\$64,971,622	65%	\$241,339	\$65,157,966	\$241,339	\$0	\$64,971,622	5%
26 2043	\$442,571,429	\$1,066,648,571	\$443,000,000	\$5,196,359	90%	\$4,988,359	\$67,999,981	\$67,999,981	65%	\$243,784	\$68,181,750	\$243,784	\$0	\$67,999,981	5%
27 2044	\$447,714,286	\$1,077,841,714	\$448,000,000	\$5,296,359	90%	\$5,099,359	\$71,034,340	\$71,034,340	65%	\$246,229	\$71,215,969	\$246,229	\$0	\$71,034,340	5%
28 2045	\$452,857,143	\$1,089,034,857	\$453,000,000	\$5,396,359	90%	\$5,200,359	\$74,068,700	\$74,068,700	65%	\$248,674	\$74,250,443	\$248,674	\$0	\$74,068,700	5%
29 2046	\$458,000,000	\$1,100,227,999	\$459,000,000	\$5,496,359	90%	\$5,311,359	\$77,103,059	\$77,103,059	65%	\$251,119	\$77,284,172	\$251,119	\$0	\$77,103,059	5%
30 2047	\$463,142,857	\$1,111,421,143	\$464,000,000	\$5,596,359	90%	\$5,422,359	\$80,137,418	\$80,137,418	65%	\$253,564	\$80,317,736	\$253,564	\$0	\$80,137,418	5%
Total for years 1-30	\$4,563,596	\$5,121,993	\$5,121,993	\$13,153,959	90%	\$12,412,051	\$52,577,332	\$52,577,332	65%	\$735,908	\$53,313,240	\$735,908	\$0	\$52,577,332	5%
NPV @ 5%				\$58,419,259		\$52,577,332				\$5,891,918		\$58,419,259		\$55,967,598	

Financial Assumptions

Key factors influencing the financial feasibility study and its conclusions are the following financial assumptions:

Inflation Rate. The annualized percentage change for construction costs and the value of improvements is 3% for the University Center Sub-District and more moderate increases were assumed for the University Hills Sub-District. The annualized percentage change in appraised value of real property (post-completion of improvements) is 1.5%.

Discount Rate. Based on current market rates, net present values of the tax increment are calculated at a discount rate of 5% per annum.

Tax Rate Changes. Although tax rates may increase over the next 30 years, the Project Plan and Reinvestment Zone Financing Plan assumes that the current tax rate will remain constant for the life of the District (except to incorporate tax rate changes when known).

Remittance to the TIF Fund. The duration of the District is 30 years; it is scheduled to terminate December 31, 2047. The City of Dallas will participate at a rate of 90% from 2018 through 2047. A potential scenario for Dallas County participation in the University Hills Sub-District estimates a participation of 0% from 2015 through 2024 and then a participation of 65% from 2025 through 2044. TIF collections will terminate upon the termination date designated by ordinance or an earlier or later termination date designated by ordinance adopted pursuant to the Act or the date on which all Project Costs and other obligations have been paid in full, whichever occurs first.

Financial Feasibility

For the University Center Sub-District, the anticipated private development program, the public improvement program, the general financing strategy, and the financial assumptions are based, in part, on a preliminary assessment prepared by David Pettit Economic Development, LLC and on an analysis by the Office of Economic Development of the City of Dallas. For the University Hills Sub-District, the anticipated private development program, the public improvement program, the general financing strategy, and the financial assumptions are based on a preliminary assessment prepared by David Pettit Economic Development, LLC and additional analysis by the Office of Economic Development of the City of Dallas and S.B. Friedman consultants. These assessments are intended to be used as part of the economic feasibility study for the District in accordance with the provisions of Section 311.011 of the Texas Tax Code and are available upon request.

In the University Center Sub-District, cumulative private development is expected to increase property values from a base year value of \$44.5 million to \$540.4 million during the 30-year term of the District. The “captured” appraised value accruing to the University Center Sub-District is expected to be approximately \$495.9 million. In the University Hills Sub-District, cumulative private development is expected to increase property values from a base year value of \$5.2 million to \$443.9 million during the 30-year term of the District. The captured appraised value accruing to the University Hills Sub-District is expected to be approximately \$438.7 million.

On a strict “pay-as-you-go” basis, the progress of the public improvements portion of the development program is a direct result of the revenues received. Therefore, if revenues exceed these projections, then the public improvements can be completed ahead of schedule. If revenues do not meet expectations, then the pace of public improvements may be slowed or discontinued altogether based upon the recommendation of the TIF Board of Directors and the approval of the City Council. Based upon these economic assessments, the Project Plan and Reinvestment Zone Financing Plan is feasible.

Project Costs and Debt Service

Pursuant to this Project Plan and Reinvestment Zone Financing Plan, balances in the District TIF fund will be used to pay Project Costs. The City will not be obligated to pay Project Costs unless there are sufficient revenues in the TIF fund during the term of the District. Payment of Project Costs are economically feasible if development, Project Costs, real property appraisals, tax levies and tax collections occur according to the analyses and assumptions in this plan.

The reinvestment zone has been designated by the City Council in calendar year 2017, thus utilizing the certified 2017 tax roll (based on January 1, 2017 conditions and adjusted for final valuations) for calculation of the base value of the zone. The District will terminate at the end of calendar year 2047, upon full collection of the TIF budget, or at such other date as set by the City Council. This length of term enables the City of Dallas and other local taxing jurisdictions to allocate percentages of tax increments to the TIF fund in later years if, in their discretion, further investments are warranted.

The TIF fund may have a residual balance of cash after all its financial obligations have been met. Any residual balance will be refunded to taxing entities participating in the District on a pro rata basis according to their respective contributions.

The City is exploring the potential to pursue TIF revenue bonds and to use the proceeds to fund the delivery of public improvements in the University Hills Sub-District, provided that it would be advantageous to issue obligations backed by a reliable increment flow to the TIF fund and/or other sources, thus paying Project Costs at an earlier date than otherwise. The City reserves all powers to determine, in its sole discretion, and with the advice of its bond counsel and financial advisors, the appropriateness of issuing securities and whether to approve an issue of securities. The City, however, has no obligation to issue securities to prepay TIF obligations. Any use of TIF bonds is further subject to the City’s Financial Management Performance Criteria (“FMPC”).

General Financial Policies

General financial policies are governed by the City of Dallas Public/Private Partnership Program that was first approved by the City Council on March 13, 1996. This program provides a framework for development incentives in a variety of areas. Within this framework are the following specific considerations for the University TIF District:

- Public improvements will occur at a pace that coincides with private development.

- Private developers must enter into a TIF development agreement with the City if they desire the municipality to share in the costs of infrastructure improvements required for their projects.
- Payment priorities and the method of apportioning available increment will be developed by City staff and recommended for adoption by the University TIF District Board of Directors within 2 years after adoption of a final plan. Payment obligations will be specifically described in each TIF development agreement.
- Each TIF development agreement is unique. Accordingly, the nature and extent of support from public funds may change over time as the District becomes more developed.
- It is possible that the District may issue certificates of obligation or TIF bonds for projects as described earlier in the Project Plan and Reinvestment Zone Financing Plan, subject to the approval of the City Council and in accordance with the City's Financial Management Performance Criteria ("FMPC").
- If a developer requests funding for infrastructure improvements at a time when sufficient funds are not available in the TIF fund, then improvements may be:
 - Deferred until funds are available
 - Constructed at the sole expense of the developer
 - Constructed at the expense of the developer with the City providing payment as sufficient funds become available or when bonds or other financial obligations have been issued by the City or District (with City Council approval)
- Should Project Costs that directly benefit the project's developer be paid, such as grants made to a developer as permitted by the TIF Act, the City will enact and implement controls sufficient to ensure that any grant funds provided will be used to fulfill the public purposes of developing and diversifying the University TIF District's economy, eliminating unemployment or underemployment, and developing or expanding the District's transportation, business and commercial activity.
- It is acknowledged that some desired expenditures benefitting the entire District are likely to be beyond the capacity of TIF funding. Other sources of funding will be considered to supplement/leverage TIF funding and/or to advance the delivery of particular improvements, including but not limited to the following:
 - the additional open space requirements of the City's Park Dedication Ordinance
 - bonds
 - public improvement districts
 - grants from other governmental entities
 - private philanthropic contributions

The City Council and the University TIF District Board of Directors may occasionally recommend amendments to these financial policies which will affect the operations of the District.

Conclusion

Based upon these economic assessments for the University TIF District, the TIF District Board of Directors and the City Council find that the Project Plan and Reinvestment Zone Financing Plan is economically feasible. The Project Plan and Reinvestment Zone Financing Plan consists of a program of public improvements and economic development grants under the authority of the TIF Act, which is intended to stimulate private investment in the District to occur earlier and to a much greater extent than would occur solely through private investment in the reasonably foreseeable future, thereby offering employment and quality living for the people of Dallas for years to come.

Appendix A-1

2017 Real Property Accounts University Center Sub-District

2017 Certified Values from Dallas Central Appraisal District & Collin Central Appraisal District							
COUNTY	ACCOUNT	OWNER	ACRES	Exempt	LAND	IMPROVEMENT	TOTAL
Dallas	00873500000020200	CADG UNIVERSITY PLACE AW 30 LLC	33.32		\$ 8,200,520	\$ -	\$ 8,200,520
Dallas	00873500000020100	CADG Dallas 163 LLC	25.68		\$ 6,320,200	\$ -	\$ 6,320,200
Collin	2708481	CADG Dallas 163 LLC	75.76		\$ 21,450,686	\$ -	\$ 21,450,686
Collin	2715817	Plano ISD	9.96	EX	\$ 6,507,864	\$ -	\$ -
Collin	2708482	CW-TAMU	16.36		\$ 8,551,699	\$ -	\$ 8,551,699
			161.08		\$ 51,030,969		\$ 44,523,105

Appendix A-2

2017 Real Property Accounts University Hills Sub-District

2017 Certified Values from Dallas Central Appraisal District							
COUNTY	ACCOUNT	OWNER	ACRES	Exempt	LAND	IMPROVEMENT	TOTAL
Dallas	00000640581000000	CADG PPTY HOLDINGS I LLC	10.30		\$ 309,000	\$ -	\$ 309,000
Dallas	00000754793500000	CADG PPTY HOLDINGS I LLC	26.00		\$ 455,350	\$ -	\$ 455,350
Dallas	00000754793500100	RHODES KING E	22.02		\$ 220,200	\$ -	\$ 220,200
Dallas	00000754793600000	CADG PPTY HOLDINGS I LLC	81.52		\$ 1,018,960	\$ -	\$ 1,018,960
Dallas	00000755080000000	CADG PPTY HOLDINGS I LLC	139.22		\$ 2,436,420	\$ -	\$ 2,436,420
Dallas	00000755080000100	CADG PPTY HOLDINGS I LLC	3.37		\$ 53,920	\$ -	\$ 53,920
Dallas	00000755080000200	CADG PPTY HOLDINGS I LLC	3.87		\$ 61,920	\$ -	\$ 61,920
Dallas	00000755080000300	CITY OF DALLAS	3.73	EX*	\$ 59,680	\$ -	\$ 25,997
Dallas	00000756940000000	CADG PPTY HOLDINGS I LLC	0.62		\$ 405,110	\$ -	\$ 405,110
Dallas	00000756943500000	SIMMONS YVONNE	0.23		\$ 10,190	\$ 180,320	\$ 190,510
Dallas	00000756944000000	CADG PPTY HOLDINGS I LLC	5.92		\$ 73,950	\$ -	\$ 73,950
			296.80		\$ 5,104,700	\$ 180,320	\$ 5,251,337

*The value of the account was pro-rated (only exempt part of the year) by the Dallas Central Appraisal District

Note: The base value of the District may be adjusted if any corrections are made by the appraisal districts to the 2017 tax rolls