

## Exhibit A

# Downtown Connection TIF District FY 2019-2020 Annual Report



*Photo Source: NewcrestImage  
Photographer: www.johnwoodcock.com.*



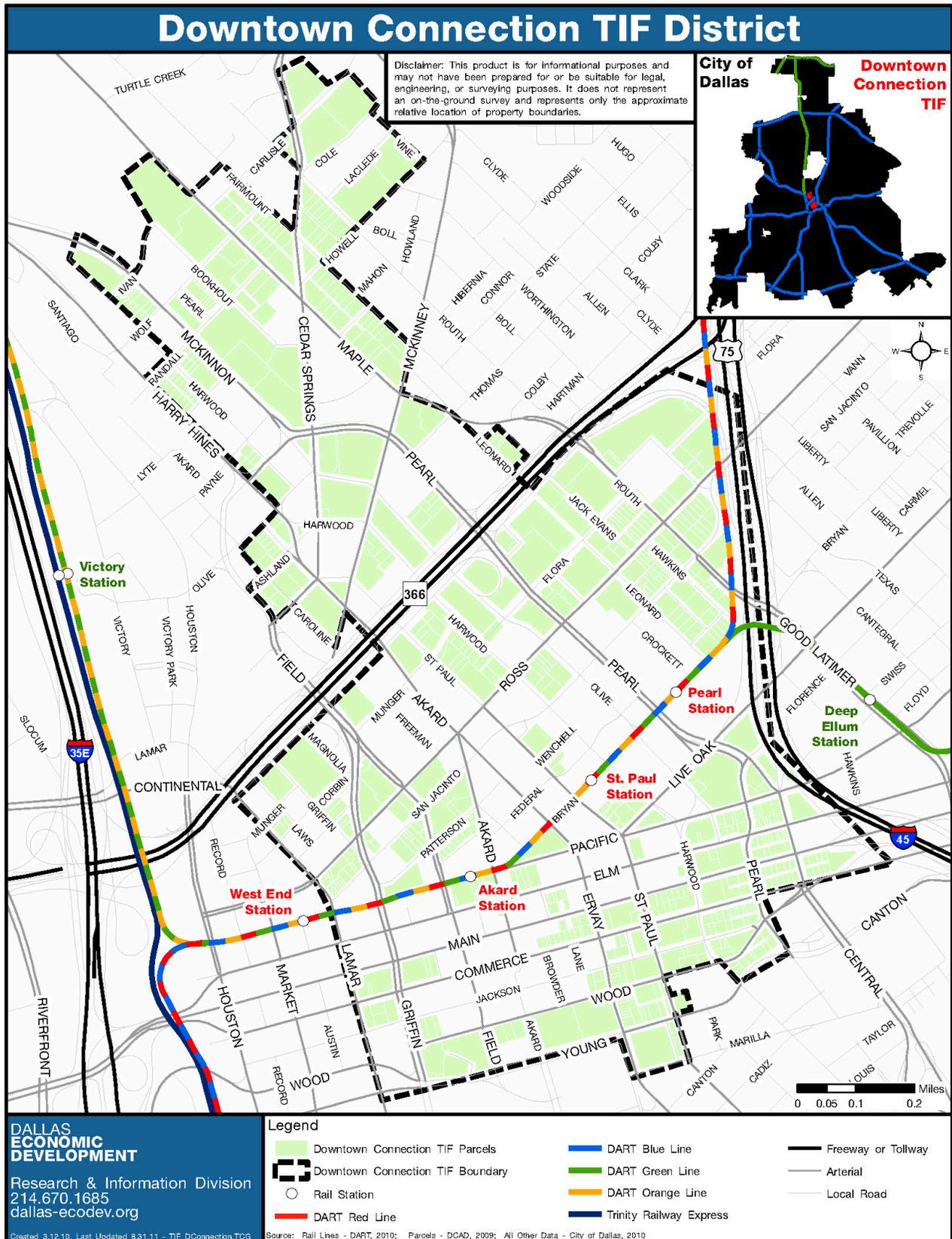
### City of Dallas

Office of Economic Development  
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**October 1, 2019 to September 30, 2020**

# Map of Reinvestment Zone Number Eleven



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## Mission Statement

The mission of the Downtown Connection Tax Increment Financing District is to create a fund for public capital improvements in the core of Downtown essential for development of key spaces and buildings as well as to focus on catalyst projects to create a greater density and critical mass of development within the Main Street core area.

The Downtown Connection TIF District was initiated by petition, pursuant to Section 311.005 (a)(5), Texas Tax Code through the sponsorship of the Downtown Improvement District and the Uptown Improvement District. The Downtown Connection TIF District took effect on June 8, 2005, per Ordinance No. 26020 and is scheduled to terminate on December 31, 2035 (including collections of the 2035 increment in calendar year 2036 or when the budget of \$231.6 million (2006 dollars) has been collected.

## District Accomplishments

### TIF Funded Projects Continuing Construction During FY 2019-2020

#### **The National** (formerly the Drever and the Olympic) – **1401 Elm Street**

In October 2018, the project's completion deadline was extended by City Council to December 2020. In May 2019, Todd Interests purchased the property and re-started renovation of the building. Thompson Hotels will still manage the hotel portion of the project. Upon completion, the project will provide approximately 324 residential units, 208 hotel rooms, 23,000 square feet of ground floor and upper level retail/restuarant space and 35,000 square feet of office space. The total project cost for the project is now approximately \$400 million.

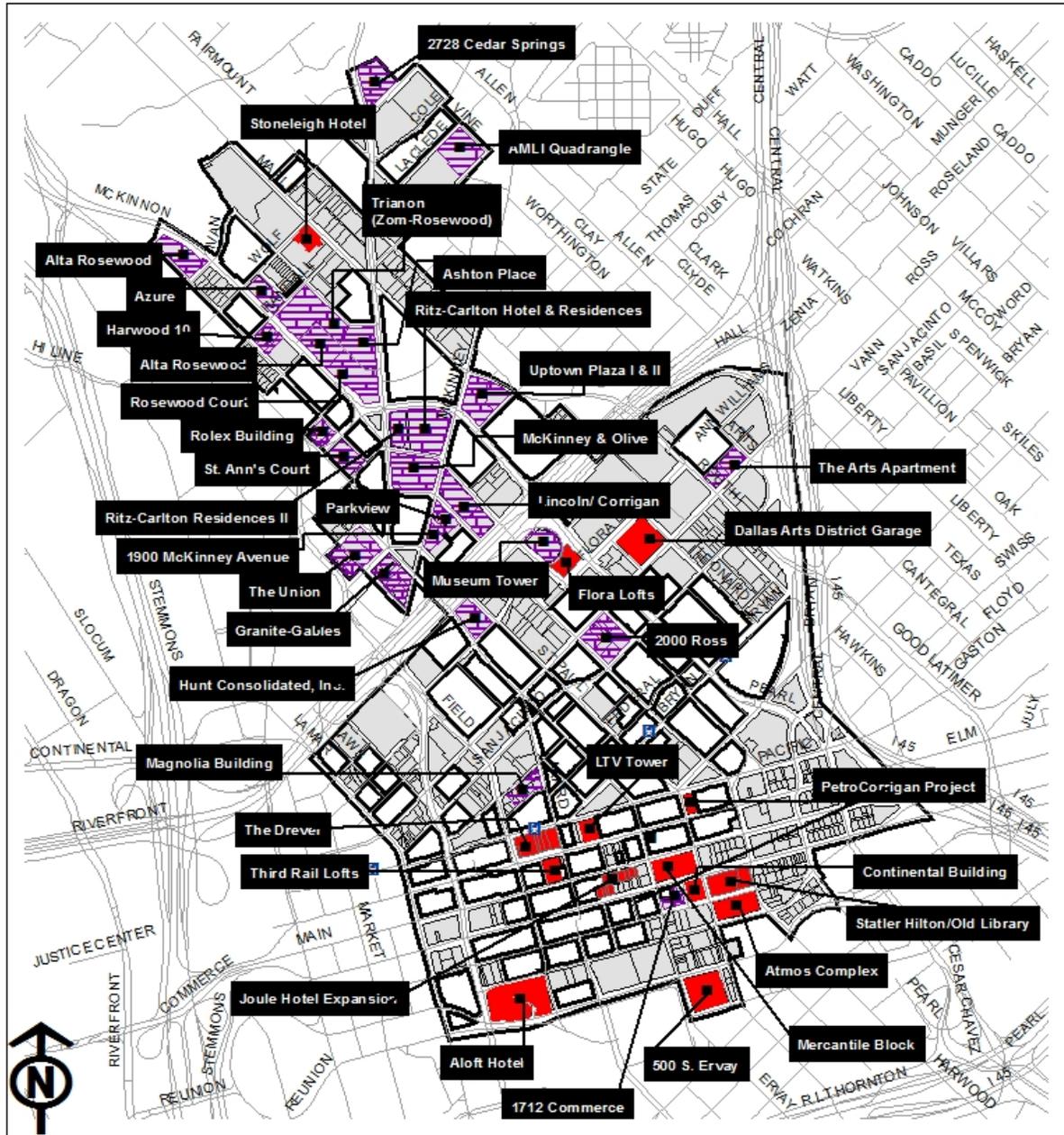


An Apartment Unit in The National  
Credit: Kathy Tran Photography



Thompson Hotel Room in The National  
Credit: Julie Soefer Photography

# Map of Projects within the Downtown Connection TIF District



## Downtown Connection TIF District Project Location Map

### Legend

- TIF Funded Projects
- Non-TIF Funded Projects
- Downtown Connection TIF Boundary

Source: Economic Development Department/Area Redevelopment Division



**City of Dallas**

Office of Economic Development  
 December 2016

<b>Downtown Connection TIF District Projects<sup>1</sup></b>						
<b>Projects Within TIF District Utilizing TIF Funding</b>						
<b>Project</b>	<b>Location</b>	<b>Calendar Yr Complete</b>	<b>Status</b>	<b>Units/ SF<sup>2</sup></b>	<b>Approx. Value<sup>3</sup></b>	<b>TIF Investment<sup>4</sup></b>
Stoneleigh Hotel	2927 Maple	1 <sup>st</sup> Quarter 2008	Completed	17 additional hotel rooms	\$27,500,000	\$2,500,000
Mercantile Block	1800 & 1808 Main Street	4 <sup>th</sup> Quarter 2008	Completed	366 res. units; 33,770 sf retail	\$73,000,000	\$58,000,000
Santa Fe Lofts IV (Aloft Hotel)	1033 Young Street	4 <sup>th</sup> Quarter 2009	Completed	193 hotel rooms	\$13,200,000	\$3,734,419
Dallas Arts District Garage	2301 Ross Avenue	1 <sup>st</sup> Quarter 2010	Completed	garage renovations/ updates	\$10,502,490	\$1,078,635
Continental Building	1810 Commerce Street	1 <sup>st</sup> Quarter 2013	Completed	203 res. units; 5,871 sf retail	\$24,950,000	\$20,449,878
Lone Star Gas Lofts Phase I	300 S. St. Paul Street	1 <sup>st</sup> Quarter 2013	Completed	107 res. units	\$3,950,000	\$4,256,965
Joule Hotel Expansion	Main and Commerce Streets	4 <sup>th</sup> Quarter 2013	Completed	32 hotel rooms; 24,700 sf retail; 9,221 sf office	\$11,994,510	\$23,852,953
Lone Star Gas Lofts Phase II	301 S. Harwood Street	4 <sup>th</sup> Quarter 2014	Completed	123 res. units; 9,500 sf retail	\$7,500,000	\$15,460,149
Hall Arts Center	2323 Ross Avenue	4 <sup>th</sup> Quarter 2015	Completed	430,000 sf office; 30,000 sf retail	\$156,893,800	\$7,347,845
LTV Tower	1600 Pacific Avenue	4 <sup>th</sup> Quarter 2015	Completed	171 hotel rooms; 186 res. units	\$16,685,000	\$25,730,391
Mayflower Building	411 N. Akard Street	3 <sup>rd</sup> Quarter 2017	Completed	215 res units; 13,700 sf retail	\$33,500,000	\$10,000,000
Statler/Library	1914 & 1954 Commerce Street	1 <sup>st</sup> Quarter 2018	Completed	219 res units; 161 hotel rooms; 60,000 sf retail 88,000 sf office	\$82,183,320	\$46,500,000
Tower Petroleum Cambria Hotel	1907 Elm Street	2 <sup>nd</sup> Quarter 2018	Completed	150 hotel rooms; 6,174 sf retail	\$13,995,000	\$10,300,000
Corrigan Tower 1900 Pacific Res	1900 Pacific Avenue	1 <sup>st</sup> Quarter 2018	Completed	150 res units	\$25,000,000	\$9,700,000
1712 Commerce	1712 Commerce Street	3 <sup>rd</sup> Quarter 2019	Completed	244 hotel rooms; 16,428 sf retail	\$22,675,000	\$10,500,000
The National	1401 Elm Street	4 <sup>th</sup> Quarter 2020	Under Construction	324 res units; 23K sf retail; 36K sf office; 218 hotel rooms	\$150,000,000	\$50,000,000
			<b>Subtotal</b>	1,893 res. units; 1,186 hotel rooms; 223,631 sf retail; 562,969 sf office	\$673,529,120	\$299,411,235
<b>Projects Within TIF District Not Utilizing TIF Funding<sup>5</sup></b>						
<b>Project</b>	<b>Location</b>	<b>Calendar Yr Complete</b>	<b>Status</b>	<b>Units/ SF</b>	<b>Approx. Value</b>	<b>Non- TIF Incentives</b>
Ashton	2215 Cedar Springs Road	2006	Completed	267 res. units	\$105,000,000	\$0
Trianon (Zom/Rosewood)	2820 McKinnon Street	3 <sup>rd</sup> Quarter 2006	Completed	317 res. units	\$77,540,000	\$0
Uptown Plaza Shopping I	2222 McKinney Avenue	3 <sup>rd</sup> Quarter 2006	Completed	84,000 sf retail	\$17,500,000	\$0
Hunt Consolidated	1900 Akard Street	2 <sup>nd</sup> Quarter 2007	Completed	400,000 sf office	\$67,872,550	\$6,300,000
Ritz-Carlton Hotel & Condos	2510 Cedar Springs	2 <sup>nd</sup> Quarter 2007	Completed	71 res. units; 218 hotel rooms	\$232,616,880	\$0
Third Rail Lofts (1414 Elm portion)	1414 Elm Street	3 <sup>rd</sup> Quarter 2007	Completed	14 res. units; 3,500 sf retail	\$2,808,500	\$1,800,000
Azure	2900 McKinnon Street	2 <sup>nd</sup> Quarter 2008	Completed	154 res. units	\$158,136,980	\$0
1900 McKinney (Hanover)	1900 McKinney Avenue	4 <sup>th</sup> Quarter 2008	Completed	230 res. units	\$90,200,000	\$0
Rosewood Court	2101 Cedar Springs Road	2 <sup>nd</sup> Quarter 2009	Completed	400,000 sf office; 12,000 sf retail	\$165,120,000	\$0
Alta Rosewood	2728 McKinnon Street	4 <sup>th</sup> Quarter 2008	Completed	375 res. units	\$108,500,000	\$0

Exhibit A  
Downtown Connection TIF District

FY 2019-2020 Annual Report

AMLI/ Quadrangle	2717 Howell Street	4 <sup>th</sup> Quarter 2008	Completed	220 res. units; 14,800 sf retail	\$47,250,000	\$0	
2000 McKinney	2000 McKinney Avenue	2 <sup>nd</sup> Quarter 2009	Completed	15 res. units; 445,000 sf office; 6,500 sf retail	\$177,475,000	\$0	
Ritz-Carlton Residences II	2555 Pearl Street 2400 Olive Street	4 <sup>th</sup> Quarter 2009	Completed	92 res. units	\$175,070,970	\$0	
St. Ann's Court	2501 Harwood Street	1 <sup>st</sup> Quarter 2010	Completed	320,000 sf office	\$125,000,000	\$0	
Granite/Gables	1717 McKinney Avenue; 1700 Cedar Springs	2 <sup>nd</sup> Quarter 2010	Completed	296 res. units; 382,980 sf office; 14,091 retail	\$241,850,000	\$0	
CityWalk	511 N. Akard Street	4 <sup>th</sup> Quarter 2009	Completed	209 res. units	\$11,673,150	\$11,000,000	
The Arts Apartment by JPI	2611 Ross Avenue	3 <sup>rd</sup> Quarter 2010	Completed	228 res. units	\$41,000,000	\$0	
Museum Tower	1918 Olive Street	4 <sup>th</sup> Quarter 2012	Completed	115 res. units	\$289,477,340	\$0	
Residences at Stoneleigh	2919 Maple Avenue	4 <sup>th</sup> Quarter 2014	Completed	76 res. units	\$156,178,590	\$0	
The Brady	2728 Cedar Springs Road	1 <sup>st</sup> Quarter 2015	Completed	299 res. units	\$111,000,000	\$0	
McKinney & Olive	2021 McKinney Avenue	4 <sup>th</sup> Quarter 2015	Completed	480,000 sf office; 50,000 sf retail	\$232,650,000	\$0	
Uptown Plaza II	2212 McKinney Avenue	1 <sup>st</sup> Quarter 2016	Completed	203 res. units	\$73,250,000	\$0	
Forty Five Ten	1615 Main Street	4 <sup>th</sup> Quarter 2016	Completed	37,000 sf retail	\$7,120,000	\$0	
Rolex Building	2651 N. Harwood Street	1 <sup>st</sup> Quarter 2017	Completed	136,857 sf office	\$22,525,000	\$0	
Parkview	1920 McKinney Avenue	1 <sup>st</sup> Quarter 2017	Completed	150,000 sf office; 8,500 sf retail	\$54,495,000	\$0	
Blue Ciel	3130 N. Harwood Street	3 <sup>rd</sup> Quarter 2017	Completed	158 res. units; 12,000 sf retail	\$234,575,770	\$0	
500 S. Ervay	500 S. Ervay	2 <sup>nd</sup> Quarter 2018	Completed	274 hotel rooms; 238 res. units; 29,400 sf retail	\$54,883,820	\$0	
Park District	2121 N. Pearl Street	2 <sup>nd</sup> Quarter 2018	Completed	228 res. units; 500,000 sf office; 20,000 sf retail	\$212,840,000	\$0	
The Union	2300 N. Field Street	4 <sup>th</sup> Quarter 2018	Completed	309 res units; 417,000 sf office; 87,000 sf retail	\$79,700,000	\$0	
2000 Ross Avenue	2000 Ross Avenue	4 <sup>th</sup> Quarter 2018	Completed	200 hotel rooms; 400 res units; 26,000 sf retail	\$58,000,000	\$0	
Harwood No. 10	2850 N. Harwood Street	4 <sup>th</sup> Quarter 2018	Completed	220,548 sf office; 14,000 sf retail	\$71,626,500	\$0	
Hall Arts Hotel	2318 Ross Avenue	4 <sup>th</sup> Quarter 2019	Under Construction	183 hotel rooms	\$250,000,000	\$0	
Hall Arts Residences	2318 Ross Avenue	2 <sup>nd</sup> Quarter 2020	Under Construction	48 res. units	Included Above	\$0	
East Quarter Mixed Use Building	315 S. Cedar Chavez Blvd	2 <sup>nd</sup> Quarter 2021	Under Construction	336 res. units; 180,000 sf office; 25,000 sf retail	\$60,000,000	\$0	
			<b>Subtotal</b>	4,898 res. units; 875 hotel rooms; 443,791 sf retail; 5,515,528 sf office	\$3,812,936,050	\$19,100,000	
<b>Projects Utilizing and Not Utilizing TIF Funding</b>							
			<b>Total</b>	6,791 res. units; 2,061 hotel rooms; 667,422 sf retail; 6,078,457 sf office	\$4,486,465,170	\$318,511,235	

<sup>1</sup>All information updated as of September 30, 2020.

<sup>2</sup>Based upon either TIF application or required minimums stated in development agreement. Updated for completed projects based on actual unit mix and square footage.

<sup>3</sup>Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed).

<sup>4</sup>Principal amounts not to be exceeded per the development agreement.

<sup>5</sup>Selected significant projects included.

<sup>6</sup>Tax-exempt properties

<sup>7</sup>Includes other incentives not shown. Contact City of Dallas Office of Economic Development for more information.

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## Mixed-Income Housing Summary

Successful development efforts support a variety of housing options. Accordingly, ten percent (10%) of all housing units in projects using direct, site-specific TIF funding assistance from the District are subject to the City's and County's established criteria for mixed-income housing. In this District, a total of 1,893 units have been built to date, and 342 (18%) have been set-aside as affordable.

## Value and Increment Revenue Summary

The base value of the zone is the total appraised value of all taxable real property in the District as determined by the 2005 certified Dallas Central Appraisal District tax roll, with adjustments made to accommodate boundary amendments. The Downtown Connection TIF District's adjusted base value for the District is \$564,917,317. The Downtown Connection TIF District's 2020 assessed tax value was \$5,511,331,639. This represents an increase of \$4,946,414,322 (875.6%) over the adjusted base year value.

The District's value increased by \$633,963,964 (13%) from the previous year. This increase will result in an estimated collection of approximately \$34,572,468 (City \$34,572,468; County \$0) in incremental revenue for the Downtown Connection TIF District. Dallas County's participation in the District ended with the collection of tax year 2019 increment.

## Development Goals and Objectives

The final Downtown Connection Project Plan and Reinvestment Zone Financing Plan was adopted in late 2005, as amended. The following objectives and action items set the framework for the planned improvements within the Downtown Connection TIF District:

- Improve access between and within the Uptown and Downtown areas

*Construction of Klyde Warren Park, a deck park spanning Woodall Rodgers Freeway, connecting Downtown to Uptown, celebrated its grand opening October 2012.*

*In July of 2010, the McKinney Avenue Transit Authority received a \$4.9 million grant from the Federal Transit Administration and matching grant of \$5 million from the North Central Texas Council of Government to complete the M-Line loop that branches off McKinney Avenue at Olive Street. Construction of the Olive/St. Paul Street Loop began in 2012, with completion in 2015. The line improves connectivity between Uptown, Downtown, Klyde Warren Park, the Arts District and DART downtown transit mall.*

*In 2009, the North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) issued its third Sustainable Development Program call for projects. The Sustainable Development Program provides funding of infrastructure improvements associated with development projects that reduce the overall demand for transportation infrastructure and improve air quality. Two Downtown Connection TIF District projects were awarded funds under this program to enhance pedestrian and transportation linkages, access and safety to nearby bus/rail transit and City of Dallas public investments. City Council approved agreements between the City, NCTCOG, State of Texas and the project's developer for each project. Lone Star Gas Lofts completed construction of the project in summer 2013, while construction of the Continental project completed in 2014.*

- Continental Building Project – \$607,739
- Lone Star Gas Lofts Project – \$462,686

*The creation of a circulator system for the downtown area was recommended by the Downtown Dallas 360 Area Plan. September 2013, City Council approved funding to participate in a two-year pilot program D-Link, a special service from DART that provides residents, workers and visitors a way to get to some of the city's most popular*



*arts, dining and historic destinations. The free bus route included destinations such as American Airlines Center, Klyde Warren Park, the Perot Museum of Nature and Science, The Sixth Floor Museum, Dallas Arts District and many other cultural, arts and entertainment-related stops.*

*The annual cost of the service was approximately \$1.1 million. DART, Downtown Dallas Inc. and the City of Dallas shared the costs of the program annually. The service was discontinued during the 2019 fiscal year.*

- Improve the image of the Downtown Connection Area

*With the installation of numerous high-tech digital (video) sign boards within the Main Street core, continued redevelopment of vacant buildings, and completion and programming of the various downtown parks, activity downtown has increased dramatically.*

*Major corporate relocations to the downtown connection area over the years have included Moneygram International, AT&T and Comerica Bank. In 2014, three corporations relocated to buildings in the downtown core (Santander Consumer USA, Inc., Active Network, LLC and Omnitrac, LLC), adding over 2,000 people to downtown's daytime population.*

*In 2017, AT&T committed to investing in their global headquarters in downtown Dallas. The AT&T Discovery District project includes private investment of approximately \$30 million in street and plaza improvements surrounding its complex of buildings. Total private investment is estimated to be \$100 million. The Discovery District opened during the fiscal year.*

*The increased downtown daytime population, residency and activities for residents and visitors have added to the evolving image of the area.*

- Support redevelopment of the existing building supply

*There were not any new development projects approved during the fiscal year within the Downtown Connection TIF District, but one previously approved project (The National) continued construction during the fiscal year.*

- Develop a more diverse mixture of land uses within the Downtown Connection Area

*Projects announced, completed and/or underway within the District will contribute approximately 6,791 residential units; 2,061 hotel rooms; 667,422 square feet of retail; and 6,078,457 square feet of new office space.*

- Increase open space and recreational opportunities in the Downtown Connection Area

*The original Downtown Parks Master Plan called for the creation of four parks downtown. The first park, Main Street Garden Park, opened in 2009. Belo Garden opened May 2012. The third park, Klyde Warren Park opened in October of 2012. Land for the fourth park, Pacific Garden Plaza/Park was acquired using 2006 Bond funds, but construction of the park was unfunded at that time.*

*The City of Dallas has contracted with Downtown Dallas Inc. to provide operations and programming of three of the four downtown parks (excludes Klyde Warren Park), as well as Pegasus Plaza. Main Street Garden Park hosts many events annually including Moonlight Movie Series showing free outdoor movies on Saturdays in the park and YMCA outdoor sporting leagues. Pegasus Plaza held the Taste of the Fair, where foods from the annual State Fair of Texas could be sampled during the fiscal year.*

*In March 2013, City Council endorsed an update of the Downtown Parks Master Plan that proposed construction of the Pacific Plaza Park and three new downtown parks: West End Plaza, Carpenter Park near Deep Ellum and Harwood Park next to the Farmers Market.*

*At the beginning of the 2016 fiscal year, the Belo Foundation (now called Parks for Downtown Dallas) pledged \$30 million to complete implementation of the*

*updated Downtown Dallas Parks Master Plan. The plan calls for \$70 million in private and public funding to build four additional parks in downtown Dallas (Harwood Park, Carpenter Park, Pacific Plaza and West End Plaza). Two of the four proposed parks are within the boundaries of the Downtown Connection TIF District – Harwood Park and Pacific Plaza. Parks for Downtown Dallas will also raise an additional \$5 million, for a total pledge of \$35 million. The \$35 million committed by Parks for Downtown Dallas was offered to the City through a dollar-for-dollar matching grant, and the City was responsible for contributing matching capital.*

*On November 7, 2017, City of Dallas voters approved a General Obligation Bond Program totaling \$1.050 billion. The program allocated \$35 million to re-develop/develop three downtown parks: Carpenter Park, Harwood Park and the West End Plaza as a match for the Parks for Downtown Dallas grant. Additionally, \$10 million was allocated as matching funds for the future expansion of Klyde Warren Park.*

*On April 17, 2018, a ground breaking was held for Pacific Plaza Park. The 3.7 acre park cost approximately \$15 million and opened to the public in October 2019. Harwood Park is approximately 3.8 acres in size and is currently under design. Harwood Park is expected to be delivered in 2021.*

*Browder Street Plaza Improvements - March 2012, the Office of Economic Development, in conjunction with Downtown Dallas, Inc., and the City Design Studio, issued a Request for Proposals for Browder Street Plaza retail development and leasing/management opportunities. The retail component of Browder Street Plaza, between Commerce Street and Jackson Street, was intended to add activity along this pedestrian thoroughfare and complement the public improvements constructed on the site. The City of Dallas invested \$500,000 in public space improvements to install landscaping, shade, street furniture, paving, and other pedestrian and plaza improvements. Hamilton DPL Development Inc. and Hamilton DPL, LP won the solicitation with its proposed retail activation plan which focused on retail kiosks and food trucks within Browder Street Plaza.*



*Construction of AT&T's Discovery District began during fiscal year 2018, causing temporary disruption of full usage of the Browder Street Plaza.*

- Incentivize catalyst project(s) to accelerate reaching a critical mass of residential units, retail establishments, and public amenities for a vibrant downtown

*The District's catalyst project included the Mercantile Block, Lone Star Gas Lofts Complex and Continental building. In 2008, the Mercantile Block completed redevelopment. Phase I of the Lone Star Gas Lofts Complex and Continental Building projects were completed in 2013. Phase II of the Lone Star Gas Lofts Complex project completed construction in July of 2014. These projects have added 799 residential units (inclusive of 211 affordable units) and 50,000 square feet of retail.*

## Year-End Summary of Meetings

The Downtown Connection TIF District Board of Directors met once during FY 2019-2020 on December 12, 2019.

The Downtown Connection TIF District Board of Directors consists of nine (9) members including six (6) City of Dallas appointees, one (1) State Senator's office appointee, one (1) Dallas County appointee and one (1) State Representative's office appointee.

During FY 2019-2020, the Downtown Connection TIF Board consisted of the following members:

### Board Member List

Evan Beattie – City Appointee (Attended 1 of 1 meeting)

Larry James – City Appointee (Attended 1 of 1 meeting)

John Perry – City Appointee (Attended 1 of 1 meeting)

Vacant – City Appointee

Vacant – City Appointee

Vacant – City Appointee

Rick Loessberg – Dallas County Appointee (Attended 0 of 1 meeting)

Vacant – State Senator's Office Appointee

Steve Bancroft – State Representative's Appointee (Attended 0 of 1 meeting)

During FY 2019-2020, the City Council approved 13 (thirteen) items directly or indirectly associated with the Downtown Connection TIF District. The City Council actions are listed below.

- On December 11, 2019, City Council conducted a public hearing and approved Ordinance No. 31415 and Resolution No. 19-1958 amending the City of Dallas Central Business District Streets and Vehicular Circulation Plan to change the operational characteristics of Bryan Street from Leonard Street to Hawkins Street from a two-track light rail transit (LRT) mall with two eastbound access lanes on southside in 79-feet of right-of-way to a two-track LRT mall with one eastbound

access lane on the southside in 79-feet of right-of-way; and at the close of the hearing, authorize an ordinance implementing the change.

- On February 12, 2020, City Council approved Resolution No. 20-0270 authorizing (1) the acceptance of a donation of the sculpture “Adelfa Callejo,” by German Michel Leal, valued at \$100,000.00, from the Callejo-Botello Foundation (Foundation) to be installed by the Foundation at Main Street Garden Park located at 1902 Main Street; (2) the acceptance of a monetary donation in an amount not to exceed \$10,000.00 from the Foundation for maintenance and conservation of the sculpture; (3) the receipt and deposit of funds from the Foundation in an amount not to exceed \$10,000.00 in the Office of Cultural Affairs Gifts and Donations Fund; (4) an increase in appropriations in an amount not to exceed \$10,000.00 in the Office of Cultural Affairs Gifts and Donations Fund; and (5) a contract with the Foundation to make the donations and install the sculpture, approved as to form by the City Attorney - Not to exceed \$10,000.00 - Financing: Office of Cultural Affairs Gifts and Donations Fund.
- On February 26, 2020, City Council approved Resolution No. 20-0340 A resolution accepting the FY 2018-2019 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Eleven (Downtown Connection TIF District or District) and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.
- On April 22, 2020, City Council approved Resolution No. 20-0623 authorizing (1) a public hearing to be held on May 27, 2020, to receive comments concerning the renewal of the Dallas Downtown Improvement District (the “District”), in accordance with Chapter 372 of the Texas Local Government Code (the “Act”), for the specified area of the District, for the purpose of providing supplemental public services, to be funded by an assessment on real property and real property improvements in the District; and, at the close of the public hearing, (2) approval of a resolution renewing the District for a period of seven years; (3) approval of the District’s Service Plan for 2021-2027 for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; and (4) approval of a management contract with Downtown Dallas, Inc., a Texas nonprofit corporation as the management entity for the District.
- On May 27, 2020, City Council conducted a public hearing to receive comments concerning the renewal of the Dallas Downtown Improvement District (the District), in accordance with Chapter 372 of the Texas Local Government Code (the “Act”), for the specified area of the District, for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; and, at the close of the public hearing approved Resolution No. 20-0869 (1) renewing the District for a period of seven-years, from 2021-2027; (2) approving of the District’s Service Plan for 2021-2027

for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; (3) approving a management contract with Downtown Dallas, Inc., a Texas non-profit corporation as the management entity for the District; and (4) approving the City's participation in the District for a period of seven-years, from 2021-2027, at an estimated cost consideration of \$8,852,696.00, subject to annual appropriations.

- On June 10, 2020, City Council approved Resolution No. 20-0931 authorizing (1) an Advance Funding Agreement with the Texas Department of Transportation Congestion Mitigation and Air Quality Improvement Program Project (Agreement No. CSJ 0918-47-296, CFDA No. 20.205) for construction of the Circuit Trail Connector in the amount of approximately \$18,834,080.00 of which the Federal portion is \$8,000,000.00, the State's indirect cost portion is \$809,080.00, and the City of Dallas' local match is \$10,025,000.00; (2) a portion of the required local match (\$10,025,000.00) in the amount \$45,000.00 to be paid by warrant check to the State at the beginning of the project; (3) the receipt and deposit of Congestion Mitigation and Air Quality Improvement Program Funds in the amount of \$8,000,000.00 in the Circuit Trail Connector Fund; (4) the establishment of appropriations in the amount of \$8,000,000.00 in the Circuit Trail Connector Fund; (5) allocation of \$10,025,000.00 in 2017 Bond Funds as the City of Dallas' local cash match; and (6) execution of the Advance Funding Agreement including all terms, conditions and documents required by the grant agreement - Total Amount \$18,834,080.00 - Financing: Congestion Mitigation and Air Quality Improvement Program Funds (\$8,000,000.00), Texas Department of Transportation Funds (\$809,080.00), and Park and Recreation Facilities (B) Fund (2017 General Obligation Bond Fund) (\$10,025,000.00).
- On June 24, 2020, City Council approved Resolution No. 20-1020 authorizing (1) a construction contract for the construction of Carpenter Park located at 2201 Pacific Avenue; and (2) assign this construction contract to Parks for Downtown Dallas, a private operating foundation to manage - HCBeck, Ltd., best value proposer of four - Not to exceed \$15,221,273.04 - Financing: Park and Recreation Facilities (B) Funds (2017 General Obligation Bond Fund).
- On August 26, 2020, City Council approved Resolution No. 20-1283 authorizing (1) approval of the proposed Dallas Downtown Improvement District ("District") 2021 Service Plan, 2020 Assessment Plan and 2020 Assessment Roll; (2) a public hearing to be held on September 9, 2020, to receive comments concerning the annual assessment for the District; and, at the close of the public hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2021; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2020 assessment; and providing an effective date.
- On August 26, 2020, City Council approved Resolution No. 20-1285 authorizing (1) approval of the proposed Klyde Warren Park/Dallas Arts District Public

Improvement District (“District”) 2021 Service Plan, 2020 Assessment Plan and 2020 Assessment Roll; (2) a public hearing to be held on September 9, 2020, to receive comments concerning the annual assessment for the District; and, at the close of the public hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2021; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2020 assessment; and providing an effective date.

- On August 26, 2020, City Council approved Resolution No. 20-1295 authorizing (1) approval of the proposed Uptown Public Improvement District (“District”) 2021 Service Plan, 2020 Assessment Plan and 2020 Assessment Roll; (2) a public hearing to be held on September 9, 2020, to receive comments concerning the annual assessment for the District; and, at the close of the public hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2021; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2020 assessment; and providing an effective date.
- On September 9, 2020, City Council conducted a public hearing and approved Ordinance No. 31633 and Resolution No. 20-1357 authorizing (1) the proposed levy of assessment for the Dallas Downtown Improvement District (District), in accordance with Chapter 372 of the Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District and (2) the removal of the exemption for property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code (the “Exemption”) as a method of assessment; and, at the close of the public hearing: (3) an ordinance approving and adopting the final 2021 Service Plan, the final 2020 Assessment Plan and the 2020 Assessment Roll (to be kept on file with the City Secretary); (4) establishment classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (5) at the close of the public hearing the levying a special assessment on property in the District, for services and improvements to be provided in the District during 2021; (6) reimbursement of city administrative costs for operational oversight of the District; (7) the fixing of charges and liens against the property in the District and against the owners thereof; (8) the collection of the 2020 assessment; (9) authorizing the receipt and deposit of assessments from Dallas County; (10) authorizing the disbursement of assessments and interest to Downtown Dallas, Inc.; (11) the City’s 2020 participation in the District and authorizing direct payment to the District for the City’s 2020 assessment in an amount not to exceed \$922,385.38; (12) providing for an effective date; and (13) the removal of the Exemption as a method of assessment from Resolution No. 20-0869 previously approved on May 27, 2020 - Not to exceed actual collections estimated at \$9,465,295.50 - Financing; Dallas Downtown Improvement District

Fund (\$8,542,910.12), General Fund (\$606,660.85), and Convention and Event Services Fund (\$315,724.53).

- On September 9, 2020, City Council conducted a public hearing and approved Ordinance No. 31636 and Resolution No. 20-1360 authorizing (1) the proposed levy of assessment for the Klyde Warren Park/Dallas Arts District Public Improvement District (District), in accordance with Chapter 372 of the Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing: (2) authorize an ordinance approving and adopting the final 2021 Service Plan, the final 2020 Assessment Plan and the 2020 Assessment Roll (to be kept on file with the City Secretary); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District, for services and improvements to be provided in the District during 2021; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2020 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Woodall Rodgers Park Foundation; and (10) providing for an effective date - Not to exceed actual collections estimated at \$1,594,760.00.
- On September 9, 2020, City Council conducted a public hearing and approved Ordinance No. 31645 and Resolution No. 20-1369 authorizing (1) the proposed levy of assessment for the Uptown Public Improvement District (District), in accordance with Chapter 372 of the Texas Local Government Code, for the purpose of providing supplemental public services to be funded by special assessments on property in the District; and, at the close of the public hearing: (2) authorize an ordinance approving and adopting the final 2021 Service Plan, the final 2020 Assessment Plan and the 2020 Assessment Roll (to be kept on file with the City Secretary); (3) establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; (4) closing the public hearing and levying a special assessment on property in the District, for services and improvements to be provided in the District during 2021; (5) providing for reimbursement of city administrative costs for operational oversight of the District; (6) fixing charges and liens against the property in the District and against the owners thereof; (7) providing for the collection of the 2020 assessment; (8) authorizing the receipt and deposit of assessments from Dallas County; (9) authorizing the disbursement of assessments and interest to Uptown Inc.; and (10) providing for an effective date - Not to exceed actual collections estimated at \$2,967,045.00.

## Budget and Spending Status

The Downtown Connection TIF District established a budget for public improvement expenditures necessary to support private investment in the District. The Project and Reinvestment Zone Financing Plans estimate TIF expenditures totaling approximately \$231.6 million (in 2006 dollars). The final amended budget for the District is as follows:

<b>Downtown Connection TIF District</b>			
<b>Current Projected Increment Revenues to Retire TIF Fund Obligations</b>			
	<b>B</b>	<b>C</b>	<b>B - C</b>
<b>Category</b>	<b>Estimated Total Dollar TIF Budget</b>	<b>Allocated<sup>3</sup></b>	<b>Estimated Total Dollar Balance</b>
<b>Catalyst Projects:</b> - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements &amp; streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000	\$68,000,000	\$0
<b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$224,345,050	\$241,411,191	<b>(\$17,066,141)</b>
<b>Uptown/Downtown connection improvements</b>	\$0	\$0	\$0
<b>Park and plaza design and acquisition</b>	\$2,957,309	\$0	\$2,957,309
<b>Affordable Housing<sup>2</sup></b>	\$3,000,000	\$3,000,000	\$0
<b>Retail Initiative/Streetscape Improvements</b>	\$1,985,000	\$459,845	\$1,525,155
<b>Downtown Area Plan</b>	\$515,000	\$512,464	\$2,536
<b>Administration and Implementation<sup>4</sup></b>	\$5,430,390	\$2,045,496	\$3,384,894
<b>Debt Service (Interest Only)</b>	\$150,363,000	\$150,363,000	\$0
<b>Total Project Costs</b>	<b>\$456,595,749</b>	<b>\$465,791,996</b>	<b>(\$9,196,247)</b>
<sup>1</sup> TIF Budget shown above in total dollars; TIF Project Plan shows the budget in net present value <sup>2</sup> The Affordable Housing line item has been reduced by the amount of money allocated to the Continental project <sup>3</sup> The Allocated total shown for the Redevelopment of Vacant/Underutilized Downtown Building line item reflects the total TIF District's commitment to projects currently in the District's Reimbursement Queue <sup>4</sup> Administration and Implementation expenses shown are expended or committed through FY 2020.			

<b>Downtown Connection TIF District Plan Budget</b>	
Category	Budget in 2006 Dollars
<b>Catalyst Projects:</b> - <i>Environmental remediation, demolition, historic façade, restoration, street/utility improvements &amp; streetscape improvements, land acquisition, and non-project costs, including, but not limited to machinery, equipment, materials and supplies</i>	\$68,000,000
<b>Redevelopment of Vacant/Underutilized Downtown Buildings, Underdeveloped Parcels, Surface Parking Lots</b> - <i>Environmental remediation, interior/exterior demolition, historic façade restoration, street/utility improvements, land acquisition, TIF grants, affordable housing</i>	\$152,653,168
<b>Uptown/Downtown Connection Improvements</b>	\$0
<b>Park and Plaza Design and Acquisition</b>	\$1,500,000
<b>Affordable Housing</b>	\$3,000,000
<b>Retail Initiative/Streetscape Improvements</b>	\$1,985,000
<b>Downtown Area Plan</b>	\$515,000
<b>Administration and Implementation</b>	\$3,940,386
<b>Debt Service (Interest Only)</b>	-
<b>Total Project Costs</b>	<b>\$231,593,554</b>
*Budget shown above in 2006 dollars; TIF Project Plan shows the budget in net present value.	

<b>Downtown Connection TIF Participation</b>				
Participation Jurisdictions	Duration of TIF District	Estimated TIF Collection Period	Participation Level	Contribution to TIF Fund
City of Dallas	2006 -2035	30 years	90%	\$426,852,942
Dallas County	2006 -2035	20 years	55%	\$26,849,915
<b>TOTAL</b>				<b>\$456,595,749</b>
All values are expressed in current dollars, except where noted. TIF collection began in 2006. Actual collections period may vary.				

<b>Downtown Dallas Development Authority Status of DDDA Bond Sales and Repayment</b>				
<b>Project</b>	<b>Bond Sales</b>	<b>Principal + Interest</b>	<b>Total Paid</b>	<b>Balance Due</b>
Mercantile	Series 2006 \$50,605,343	\$139,671,210	\$32,663,793	\$107,007,417
Mercantile	Series 2007 \$28,950,514	\$67,301,055	\$29,726,723	\$37,574,332
<b>Totals</b>		<b>\$206,972,265</b>	<b>\$62,390,516</b>	<b>\$144,581,749</b>

### M/WBE Participation

Public bidding is not required for TIF projects. All TIF-funded projects must follow the City's adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF supported projects. The BID Plan goal for TIF projects is 25 percent (25%) M/WBE participation in construction costs.

<b>Downtown Connection TIF Project M/WBE Participation</b> <small>(completed projects only)</small>					
<b>Project</b>	<b>Total Construction Contract Amount</b>	<b>Local MWBE Amount</b>	<b>Non-Local MWBE Amount</b>	<b>Total MWBE Participation</b>	<b>Total MWBE Participation Percentage</b>
Continental Building	\$30,796,191	\$9,985,348	\$1,063,266	\$11,048,614	36%
Dallas Arts District Garage	\$852,764			\$439,839	52%
Hall Arts Center <sup>1</sup>	\$67,967,863	\$12,759,544	\$164,950	\$12,924,494	19%
Joule Hotel Expansion	\$70,464,515	\$12,054,208	\$9,668,098	\$21,722,305	31%
Lone Star Gas Lofts Phase I	\$6,887,607	\$853,912	\$1,020,662	\$1,874,574	27%
Lone Star Gas Lofts Phase II	\$13,466,814	\$298,444	\$1,851,343	\$2,149,787	16%
Mayflower Building	\$30,315,839	\$3,458,851	\$4,141,919	\$7,600,770	25%
Mercantile Complex	\$107,012,554			\$26,707,787	25%
Sante Fe IV (Aloft Hotel)	\$20,937,338			\$5,811,923	28%
Statler Hotel & Residences Old Library Bldg	\$128,327,195	\$19,967,510	\$12,327,745	\$32,295,255	25%
Stoneleigh Hotel	\$25,106,706			\$4,998,000	20%
<b>Totals</b>	<b>\$502,135,386</b>	<b>\$59,377,817</b>	<b>\$30,237,983</b>	<b>\$127,573,348</b>	<b>25%</b>

\*M/WBE participation percentages for completed projects and as provided by the City's Business Inclusion and Development division.

<sup>1</sup>Minimum M/WBE participation for Hall Arts Center project was 10%.

## **FY 2020-2021 Work Program**

The work program items for FY 2020-2021 for the Downtown Connection TIF District are as follows:

- Adoption of FY 2019-2020 Annual Report
- Continue to support City's office/business retention efforts in the downtown core
- Complete existing projects
- Identify and promote redevelopment of key properties in the District
- Identify and support opportunities for improving physical connections between Downtown Core and surrounding districts including the Convention Center, Uptown, Victory, the Cedars and Deep Ellum neighborhoods
- Continue annual reimbursement of completed TIF projects
- Conduct City audit of TIF projects completed by June 1, 2021 and begin reimbursement process for completed projects.
- Begin the process to increase the District's budget.
- Continue to work with relevant city departments on various downtown transportation projects

## Appendix A: District Financials

**City of Dallas, Texas**  
**Downtown Connection Tax Increment Financing District Fund**  
**Balance Sheet as of September 30, 2020 (Unaudited)**  
**With Comparative Totals for September 30, 2019, 2018, 2017, and 2016, (Audited)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Assets:</b>					
Pooled cash and cash equivalents	\$1,190,699	\$17,242,073	\$18,446,473	\$14,019,793	\$916,120
Interest receivable	\$999	\$52,083	\$42,136	\$34,289	\$6,786
Accounts receivable from DDDA	\$25,587,890	\$23,615,978	\$0	\$0	\$0
Notes Receivable-Developers Loan	\$1,822,857	\$3,922,805.49	\$3,978,043.49	\$0	\$0
<b>Total assets</b>	<b>\$28,602,445</b>	<b>\$44,832,940</b>	<b>\$22,466,653</b>	<b>\$14,054,083</b>	<b>\$922,906</b>
<b>Liabilities and Fund Balance (Deficit):</b>					
<b>Liabilities:</b>					
Accounts and other payable	\$25,362,890	\$27,691,800	\$1,701,086	\$452,597	\$94,387
Advances from developers	\$1,822,857	\$3,922,805	\$3,978,043.49	\$0	\$0
Due to general fund	\$127,184	\$93,774	\$0.00	\$39,040	\$39,040
<b>Total liabilities</b>	<b>\$27,312,932</b>	<b>\$31,708,380</b>	<b>\$5,679,130</b>	<b>\$491,637</b>	<b>\$133,427</b>
<b>Fund Balance (Deficit):</b>					
Fund Balance (Deficit)	\$1,289,513	\$13,124,559	\$16,787,523	\$13,562,445	\$789,479
<b>Total Liabilities and Fund Equity</b>	<b>\$28,602,445</b>	<b>\$44,832,939</b>	<b>\$22,466,653</b>	<b>\$14,054,082</b>	<b>\$922,906</b>

**Downtown Connection Tax Increment Financing District Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**Balance Sheet as of September 30, 2020 (Unaudited)**  
**With Comparative Totals for September 30, 2019, 2018, 2017, and 2016, (Audited)**

	<u>TD</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Revenues:</b>						
Tax increment-Governmental	\$170,842,357	\$30,201,792	\$25,946,284	\$21,312,883	\$17,038,233	\$14,209,948
Tax increment-Intergovernmental	\$29,137,245	\$2,892,892	\$4,846,486	\$3,944,948	\$3,340,575	\$2,586,843
Interest income	\$1,078,897	\$87,761	\$506,829	\$165,637	\$92,694	\$39,185
Developer's Loan Payback - Principal	\$177,143	\$55,238	\$55,238	\$66,667	\$0	\$0
Developer's Loan Payback - Interest	\$23,025	\$7,180	\$7,180	\$8,665	\$0	\$0
Contributions from DDDA	\$133,387,228	\$25,587,890	\$23,615,978	\$18,476,039	\$14,807,015	\$10,209,998
Net increase (decrease) in fair value of investments	\$26,422	\$10,149	\$86,671	(\$50,236)	(\$30,187)	\$5,615
Sec 108 Developer Pymt -Principal	\$375,507	\$375,507	\$0	\$0	\$0	\$0
<b>Total revenues</b>	<b>\$335,047,823</b>	<b>\$59,218,408</b>	<b>\$55,064,668</b>	<b>\$43,924,604</b>	<b>\$35,248,331</b>	<b>\$27,051,589</b>
<b>Expenditures:</b>						
Administrative expenses	\$2,045,496	\$138,533	\$93,774	\$0	\$184,988	\$169,249
Non-Capital Outlay	\$78,226,963	\$35,578,703	\$26,076,260	\$15,441,694	\$382,586	\$143,009
Capital outlay	\$4,252,655	\$2,241,535	\$1,764,826	\$0	\$0	\$0
Affordable housing cost participation	\$2,000,000	\$0	\$0	\$0	\$0	\$0
Transfers to DDDA-Increment	\$199,979,602	\$33,094,684	\$30,792,771	\$25,257,832	\$20,378,808	\$16,796,791
Developer reimbursements-Principal	\$46,853,203	\$0	\$0	\$0	\$1,528,982	\$9,670,334
Interest and fiscal charges	\$400,391	\$0	\$0	\$0	\$0	\$0
<b>Total expenditures</b>	<b>\$333,758,310</b>	<b>\$71,053,455</b>	<b>\$58,727,631</b>	<b>\$40,699,526</b>	<b>\$22,475,365</b>	<b>\$26,779,383</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$1,289,513</b>	<b>(\$11,835,046)</b>	<b>(\$3,662,964)</b>	<b>\$3,225,078</b>	<b>\$12,772,966</b>	<b>\$272,206</b>
<b>Fund balance (Deficit) at beginning of year as previously reported</b>						
	\$0	\$13,124,559	\$16,787,523	\$13,562,445	\$789,479	\$517,273
<b>Fund balance (Deficit) at beginning of year, as restated</b>						
	\$0	\$13,124,559	\$16,787,523	\$13,562,445	\$789,479	\$517,273
<b>Fund balance (deficit) at end of year</b>						
	\$1,289,513	\$1,289,513	\$13,124,559	\$16,787,523	\$13,562,445	\$789,479

**Note: Fiscal year 2019-2020 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided updated financial statements**

City of Dallas, Texas  
Downtown Connection Tax Increment Financing District Fund  
Reinvestment Zone Number Eleven  
As of September 30, 2020

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:
- \$97,910 Interest Income
  - \$55,238 Developer's loan payback- Principal -FC Continental Surplus Cash Note payment
  - \$7,180 Developer's loan payback- Interest-FC Continental Surplus Cash Note payment
  - \$25,587,890 Due from DDDA (Accrued in FY20; funds to be received in FY21 from the Trustee)
  - \$33,094,684 Ad Valorem Taxes (Collected in FY2019-20 based on 2019 Final Tax Roll)
  - \$375,507 Transfer of funds from City's Special Acct to payoff Sec 108 Atmos II Loan
  - \$59,218,408 Total Revenue**

2. Amount and purpose of expenditures from the fund:
- \$138,533 Administrative Expense (FY'19 & FY'20 TIF Admin Expense earned)\*\*
  - \$23,121,356 Non-Capital Outlay-accrued expenditures (See Item 3. below)
  - \$12,457,348 Atmos II payments (net of prior year 2019 accrual reversal and payment to Developer & Sec.108 Loan to HUD)
  - \$2,241,536 Capital outlay accrued expenditures/Infrastructure expenditures (See Item 3. below)
  - \$33,094,684 Transfers to DDDA-FY20 increment collected
  - \$0 Developer reimbursements-Principal
  - \$0 Additional Subsidy in Form of Grant (in lieu of interest expense)
  - \$71,053,455 Total Expenditures**

3. Fiscal Year 2020 Accrued Expenditures (payable to Developers) are as follows:

Developer	Project	Capital Outlay	Non-Capital	Total Payable To Developers
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$0	\$225,343	\$225,343
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$0	\$178,905	\$178,905
Federal Deposit Insurance Corp.	LTV Tower Project	\$0	\$11,344,950	\$11,344,950
Public Finance	Statter/Library/Jackson Street	\$2,052,839	\$11,038,556	\$13,091,395
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$188,696	\$0	\$188,696
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$0	\$168,904	\$168,904
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$0	\$164,697	\$164,697
		<b>\$2,241,535</b>	<b>\$23,121,356</b>	<b>\$25,362,890</b>

4. a. Amount of Principal and Interest due-on outstanding indebtedness:

The Zone has a primary obligation to retire the bonds, issued by Downtown Dallas Development Authority (DDDA) from available tax increment generated over the life of the Zone.

- b. The Zone has entered into a development agreement for each of the following projects and their status is as follows, as of September 30, 2020:

Developer	Project Name	Principal TIF Award	Max Interest Add'l Subsidy (A)	Maximum TIF Award	Less Payments			Net Bal. Remaining
					Principal	Accrued Add'l Subsidy <sup>1</sup>	Total P & I	
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$2,500,000	\$0	\$2,500,000	\$1,758,963	\$0	\$1,758,963	\$741,037
SANTA FE IV HOTEL, L.P.	Santa Fe IV - Aloft Hotel	\$3,734,419	\$0	\$3,734,419	\$3,734,419	\$0	\$3,734,419	\$0
Federal Deposit Insurance Corp.	1600 Pacific	\$8,830,000	\$4,040,200	\$12,870,200	\$8,830,000	\$400,391	\$9,230,391	\$0
TIF Hotel, Inc.	Joule Hotel Expansion	\$20,658,500	\$0	\$20,658,500	\$20,658,500	\$0	\$20,658,500	\$0
Hamilton Atmos, L.P.	Atmos Complex Phase I	\$3,250,000	\$3,000,000	\$6,250,000	\$3,250,000	\$1,006,000	\$4,256,000	\$0
Hamilton Atmos, L.P.	Atmos Complex Phase II	\$11,750,000	\$5,000,000	\$16,750,000	\$11,750,000	\$4,424,561	\$16,174,561	\$0
TIF Hotel, Inc.	Joule Hotel Expansion Amendment	\$3,194,403	\$0	\$3,194,403	\$3,194,403	\$0	\$3,194,403	\$0
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$3,700,000	\$0	\$3,700,000	\$1,100,154	\$0	\$1,100,154	\$2,599,846
FC MERC COMPLEX, P.P.	Continental Building B	\$13,036,809	\$4,222,588	\$17,259,397	\$13,036,809	\$3,713,069	\$16,749,878	\$0
Hall Lone Star Associates, L.P.	Hall Lone Star Phase I	\$852,764	\$0	\$852,764	\$852,764	\$225,871	\$1,078,635	\$0
Hall Lone Star Associates, L.P.	Hall Lone Star Project - Phase II	\$6,147,236	\$2,000,000	\$8,147,236	\$6,147,236	\$1,200,609	\$7,347,845	\$0
PetroCorrigan Towers, LP	Tower Petroleum-Phase I	\$10,300,000	\$0	\$10,300,000	\$10,300,000	\$0	\$10,300,000	\$0
Federal Deposit Insurance Corp.	LTV Tower Project	\$16,500,000	\$0	\$16,500,000	\$5,155,050	\$0	\$5,155,050	\$11,344,950
Drever 1401 ELM, LLC	The Drever	\$45,000,000	\$5,000,000	\$50,000,000	\$0	\$0	\$0	\$50,000,000
Public Finance	Statter/Library/Jackson Street	\$46,500,000	\$0	\$46,500,000	\$0	\$0	\$0	\$46,500,000
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$9,000,000	\$1,000,000	\$10,000,000	\$317,665	\$1,000,000	\$1,317,665	\$8,682,335
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$10,500,000	\$0	\$10,500,000	\$0	\$0	\$0	\$10,500,000
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$9,700,000	\$0	\$9,700,000	\$0	\$0	\$0	\$9,700,000
<b>Total</b>		<b>\$225,154,132</b>	<b>\$24,262,788</b>	<b>\$249,416,920</b>	<b>\$90,085,963</b>	<b>\$11,970,501</b>	<b>\$102,056,464</b>	<b>\$140,068,168</b>

Note: Reimbursements began in fiscal year 2014 and will continue each year after meeting bond requirements, project completion and upon availability of TIF funds

<sup>1</sup>Additional Subsidy in Form of Grant (in lieu of interest expense)

5. Surplus Cash Note Due from FC Continental Landlord LLC:

Per the Surplus Cash Note Agreement, the payment status as of September 30, 2020 are as follows:

Principal	Total Interest	Total Due	Less Payments from FC Continental		
			Principal	Total Interest	Balance Due
\$2,000,000	\$259,945	\$2,259,945	\$177,143	\$23,025	\$2,059,777

6. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Value 2020	Base Year 2005 Value	Est. Captured Value 2020*
City of Dallas	\$5,511,331,639	\$564,917,317	\$4,946,414,322
Dallas County	\$5,558,871,060	\$561,696,337	\$4,997,174,723

\*Based on Certified Taxable Values. Final values will be determined on February 1, 2021.

7. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

- a. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Assessment Estimated 2020	
	Per \$100	Increment
City of Dallas	0.69867	\$34,559,113
Dallas County*	0.00000	\$0
Total for all Jurisdictions	\$0.69867	\$34,559,113

\*Dallas County met their maximum participation amount (\$18.5 million 2006 NPV) with 2019 tax year increment collected during the 2020 fiscal year. The final amount collected from Dallas County was \$2,892,981.98.

- b. The total amount of estimated tax increment to be billed for the 2020 tax year is \$34,559,113.

- c. For the 2019 tax year, increment in the amount of \$33,094,684 was collected and transferred to Downtown Dallas Development Authority (DDDA) in accordance with the terms of the DDDA bond indentures.

City of Dallas, Texas  
Downtown Connection Tax Increment Financing District  
Notes to Financial Statements for the Year Ended September 30, 2020

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$3,940,386 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. "Due to general fund" amount of \$127,184 at September 30, 2020 represents the TIF administration costs for the fiscal year 2018-2019 (\$73,479), and 2019-2020 (\$53,705) that have been earned but will be reimbursed to the General Fund in future years based on the availability of TIF funds.
6. All project costs resulting in capital improvements which are owned by the City are capitalized in the City's fixed assets.

## Appendix B: Project Pay-Off Estimates

<b>Developer</b>	<b>Project Name</b>	<b>Max. TIF Award</b>	<b>Pay-Off Date</b>
AP/APH Stoneleigh, L.P.	Stoneleigh Hotel	\$2,500,000	2024
Hall Lone Star Associates, L.P.	Hall Lone Star Phase I	\$2,852,764	2014
SANTA FE IV HOTEL, L.P.	Santa Fe IV - Aloft Hotel	\$3,734,419	2014
Federal Deposit Insurance Coporation	1600 Pacific	\$12,870,200	2014
TIF Hotel, Inc.	Joule Hotel Expansion	\$20,658,500	2016
Hamilton Atmos, L.P.	Atmos Complex Phase I	\$6,250,000	2016
Hamilton Atmos, L.P.	Atmos Complex Phase II	\$15,460,149	2019
TIF Hotel, Inc.	Joule Hotel Expansion Amendment	\$3,194,403	2016
FC MERC COMPLEX, P.P.	Continental Building A (Inc. only)	\$3,700,000	2028
FC MERC COMPLEX, P.P.	Continental Building B	\$16,749,878	2019
Hall Lone Star Associates, L.P.	Hall Lone Star Project - Phase II	\$7,347,845	2019
PetroCorrigan Towers, LP	Tower Petroleum-Phase I	\$10,300,000	2019
Federal Deposit Insurance Coporation	LTV Tower Project	\$16,500,000	2020
Mt. Pentelicus Devco, LLC	The National	\$50,000,000	2024
Centurion Acquisitions, L.P.	Statler/Library/Jackson Street	\$46,500,000	2026
Akard Owner, LLC.	411 N. Akard-Mayflower Building	\$10,000,000	2027
Supreme Bright Dallas II, LLC.	1712 Commerce Street Building	\$10,500,000	2027
PetroCorrigan Towers, LP	Corrigan Tower-Phase II	\$9,700,000	2028

Estimated pay-off dates may change and are subject to the following

- (1) Changes in increment collected annually;
- (2) Changes in the real property tax rates of participating taxing jurisdictions (City of Dallas and Dallas County);
- (3) Changes in the participation rate of participating taxing jurisdictions; and/or
- (4) Completion dates of projects listed in the District's reimbursement queue

## **Appendix C: District Set-Aside Funds**

There are no District Set-Aside Funds.