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

**WHEREAS**, on June 26, 1996, City Council pursuant to Ordinance No. 22802, established Tax Increment Financing Reinvestment Zone Five (City Center TIF District) in accordance with the Tax Increment Financing Act, as amended (V.T.C.A. Tax Code, Chapter 311, hereafter the "Act") to promote development and redevelopment in the City Center area through the use of tax increment financing as amended; and

**WHEREAS**, on February 12, 1997, City Council, pursuant to Ordinance No. 23034, authorized the City Center TIF District Project Plan and Reinvestment Zone Financing Plan for the City Center TIF District, as amended; and

**WHEREAS**, on December 12, 2012, City Council, conducted a public hearing, received comments and approved amendments to the City Center TIF District Project and Reinvestment Zone Financing Plans and authorized Ordinance No. 28865 amending Ordinance No. 22802, previously approved on June 26, 1996, and an Ordinance No. 23034, previously approved February 12, 1997, to: (1) create two sub-districts within the City Center TIF District: (a) City Center Sub-district (original district boundary) and (b) Lamar Corridor/West End Sub-district; (2) increase the geographic area of the City Center TIF District to add approximately 27.14 acres to create the Lamar Corridor/West End Sub-district; (3) extend the current termination date of the City Center TIF District from December 31, 2012, to December 31, 2022, for the City Center Sub-district and establish a termination date for the Lamar Corridor/West End Sub-district of December 31, 2037; (4) decrease the percentage of tax increment contributed by the City of Dallas during the extended term of the TIF District and establish other taxing jurisdictions participation percentages; (5) increase the City Center TIF District's budget from \$87,567,717 total dollars to \$151,968,546 total dollars; and (6) make corresponding modifications to the City Center TIF District boundary, budget and Project and Reinvestment Zone Financing Plans; and

**WHEREAS**, on November 12, 2018, the Mobility Solutions, Infrastructure and Sustainability Committee received a briefing titled "Klyde Warren Park: Completing the Vision - Connecting and Unifying" and the briefing referenced anticipated TIF funding as part of the proposed project financing; and

**WHEREAS**, on October 10, 2019, the Park and Recreation Board received a briefing titled "Klyde Warren Park: Phase II Development and Use Agreement Amendments" and the briefing referenced anticipated TIF funding as part of the proposed project financing; and

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**WHEREAS**, a City incentive application was submitted by the Woodall Rodgers Park Foundation (“Foundation”) in March 2019 to formally request sharing the responsibility of funding the repayment portion of the Surface Transportation Block Grant contribution, as described herein, and a Letter of Intent was executed on December 17, 2019 (updated and re-executed on November 11, 2020) detailing that anticipated commitment of \$3,000,000.00 in City Center TIF District funds to support the Phase 2 expansion of the Klyde Warren Park (“KWP2”) thereby demonstrating that City Center TIF funding was anticipated as part of the repayment portion of the Surface Transportation Block Grant contribution; and

**WHEREAS**, on December 11, 2019, City Council authorized Supplemental Agreement No. 3 to the Development Agreement with the Foundation for the design, construction and financing of the KWP2 to a) include the Klyde Warren Park Phase 2 Extension, and to b) include a nearby portion of unused City right-of-way encompassed by the eastbound side of Woodall Rodgers Freeway service road, the southbound side of North Pearl Street, the southbound Olive Street on-ramp to the Woodall Rodgers Freeway and adjacent parking lot to relocate the existing dog park component of the Park, collectively KWP2 by Resolution No. 19-1931; and

**WHEREAS**, Chapter 311 of the Texas Tax Code allows for the dedication of revenue from the tax increment fund to pay the costs of providing affordable housing or areas of public assembly in or out of the [reinvestment] zone; and

**WHEREAS**, Klyde Warren Park is an area of public assembly and it is the City of Dallas’ desire to further amend the City Center TIF District’s Project and Reinvestment Zone Financing Plan (the “Plan”) to clarify that current and future increment in the district-wide improvement budget category may be used to support the Phase 2 expansion of KWP2; and

**WHEREAS**, Klyde Warren Park is an area of public assembly and such areas are eligible project costs because they benefit the District and are necessary and convenient to implement the Plan and the dedication of TIF revenues from the District-Wide Improvement category to pay the costs of the expansion benefits the District even if located outside the District; and

**WHEREAS**, the City of Dallas anticipates benefitting from increased surrounding property value (tax revenue) and in quality of life with the expansion of KWP2; and

**WHEREAS**, as the number of residents, office workers and visitors expand in the downtown core, so should open space options; Klyde Warren Park serves downtown and links the downtown core, including West End/Lamar, to Victory Park and to Uptown; and

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**WHEREAS**, the City Council finds that spending Reinvestment Zone Number Five (“Zone”) funds outside the Zone for KWP2 as an area of public assembly serving downtown and providing connectivity linking the Zone to other downtown destinations is a benefit to the Zone and is necessary and convenient to implement the Plan; and

**WHEREAS**, \$3,000,000.00 in City Center TIF District funds from the district-wide improvements budget category may be used to facilitate KWP2 in furtherance of the Plan and to support improved open space and pedestrian connectivity including the expansion of Klyde Warren Park, as an area of public assembly serving downtown and linking the downtown core and serving as connections for West End/Lamar, to Victory Park and to Uptown, adjacent to the City Center Sub-district of the City Center TIF District, as depicted in the KWP2 renderings and elevations attached hereto as **Exhibit A**; and

**WHEREAS**, the \$3,000,000.00 in City Center TIF funds, coupled with at least \$7,000,000.00 in private donations secured by the Foundation, will leverage a \$30,000,000.00 Surface Transportation Block Grant contribution from the North Central Texas Council of Governments (“NCTCOG”)/Regional Transportation Council (“RTC”), approved by the RTC on December 18, 2018, for the design and construction of KWP2, as part of the repayment portion of the contribution; and

**WHEREAS**, the City will execute an Interlocal Agreement (“ILA”) with NCTCOG/RTC that will include a Joinder to detail the Foundation’s commitment to re-pay the \$10,000,000.00 loan portion of the NCTCOG/RTC contribution, including \$3,000,000.00 from City Center TIF District funds, subject to KWP2 conditions being met and TIF funding availability; and

**WHEREAS**, on January 12, 2021, the City Center TIF District Board of Directors approved forwarding to City Council an amendment to the City Center TIF District Amended and Restated Project Plan and Reinvestment Zone Financing Plan (“Plan”) to clarify that District-Wide Improvement budget category funds may be used to support the Phase 2 expansion of Klyde Warren Park KWP2 as an area of public assembly and the City Center TIF District Board of Directors finds that spending Reinvestment Zone Number Five (“Zone”) funds outside the Zone for KWP2 as an area of public assembly serving downtown and providing connectivity linking the Zone to other downtown destinations is a benefit to the Zone and is necessary and convenient to implement the Plan; and

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**WHEREAS**, on January 12, 2021, the City Center TIF District Board of Directors reviewed and recommended approval of a development agreement with the Foundation in an amount not to exceed \$3,000,000.00, which is to be used to leverage a \$30,000,000.00 Surface Transportation Block Grant contribution from the NCTCOG/RTC for the design and construction of the KWP2, payable from current and future City Center TIF District funds from the District-Wide Improvement budget category, in consideration of the approximately 1.5 acre KWP2 over Woodall Rodgers Freeway, generally between Saint Paul Street and west of Akard Street, adjacent to Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District); and

**WHEREAS**, the expenditure of TIF funds supporting KWP2 is consistent with promoting development and redevelopment of the City Center TIF District in accordance with the purposes for its creation and the ordinance adopted by the City Council approving the Plan, as amended, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan, as amended, for the City Center TIF District.

**Now, Therefore,**

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

**SECTION 1.** That the City Manager is hereby authorized to execute a development agreement with Woodall Rodgers Park Foundation ("Foundation") in an amount not to exceed \$3,000,000.00, which is to be used to leverage a \$30,000,000.00 Surface Transportation Block Grant contribution from the NCTCOG/RTC for the design and construction of the KWP2 or Project, payable from current and future City Center TIF District funds from the District-Wide Improvement budget category, in consideration of the approximately 1.5 acre KWP2 over Woodall Rodgers Freeway, generally between Saint Paul Street and west of Akard Street, adjacent to Tax Increment Financing Reinvestment Zone Number Five (City Center TIF District); **(2)** all other necessary documents between the City, the Foundation and NCTCOG related to the City Center TIF District funding for KWP2; and **(3)** an assignment of all increment payable under the development agreement to NCTCOG, approved as to form by City Attorney.

**SECTION 2.** That the Foundation shall execute an assignment of the right to receive increment payments under the development agreement to NCTCOG, pursuant to that certain Interlocal Agreement between NCTCOG/RTC with Joinder.

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**SECTION 3.** That the Chief Financial Officer is hereby authorized to encumber and disburse funds to North Central Texas Council of Governments from City Center TIF Fund (subject to annual appropriations from tax increments), Fund 0035, Department ECO, Unit W677, Object 4599, Activity TCCN, Program No. CCTIF0018, Encumbrance/Contract No. CX-ECO-2021-00015852, Vendor. 066264, in a total amount not to exceed \$3,000,000.00.

**SECTION 4.** That nothing in this resolution shall be construed to require the City to approve future dedications of City Center TIF revenues (the "TIF Subsidy") from any source of the City funds other than the City Center TIF District (District-Wide Improvement) Fund, as described in **Exhibit B**, subject to future amendments. Any portion of the TIF Subsidy that remains unpaid due to lack or unavailability of City Center TIF District Funds shall no longer be considered project costs of the City Center TIF District or the City and the obligation of the City Center TIF District to pay the Foundation shall automatically expire.

**SECTION 5.** That the City Center District-Wide Improvements budget category is currently capped by the City Center TIF District Project Plan and Financing Plan at \$4,000,000.00 over the life of the City Center TIF District and should another project apply and receive approval for funding within this budget category, no more than \$200,000.00 shall be committed and disbursed prior to full payment for KWP2 (\$3,000,000.00), if all Project conditions are met.

**SECTION 6.** That in addition to the conditions set out in the Sections above, the Development Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

A. Development of the Project shall include the following:

- a. Deck and tunnel infrastructure
- b. 1.5 acres of new deck park over Woodall Rodgers Freeway, generally between Saint Paul Street and west of Akard Street, including the west lawn with its multi-purpose building and restrooms
- c. Park/landscape elements

A new dog park area at Pearl Street and eastbound frontage road is part of the expansion project but shall not be a requirement for TIF funding.

B. No TIF funds shall be paid until substantial completion of the Project, including all park and park structure elements. The following disbursement schedule is anticipated:

- Installment #1: Upon Project completion (anticipated August 2024) \$1,800,000.00

**SECTION 6.** (continued)

- Installment #2: August 2030 (but may be paid earlier if funds are available)  
\$600,000.00
  - Installment #3: August 2035 (but may be paid earlier if funds are available)  
\$600,000.00
- C. The Foundation must verify that \$7,000,000.00 from other/private funds is being invested into the design and/or construction of KWP2 to re-pay the loan portion of NCTCOG's Surface Transportation Block Grant and the City's installments shall not be disbursed without verification that the Foundation is not in default of the Foundation's installment payments pursuant to the ILA;
- D. TIF funding is further conditioned upon occupancy and operation of the structure in accordance with the terms of the Woodall Rodgers Deck Plaza Use Agreement, as amended, and related Operations Plan, and any default thereunder shall constitute a default under the TIF funding agreement;
- E. Submit for a building and/or demolition permit from the City by December 31, 2021 and obtain a building and/or demolition permit from the City and start construction for the Project by March 31, 2022;
- F. Obtain a Certificate of Occupancy (CO), Letter of Acceptance, and/or similar City of Dallas documentation of completion for all elements of the Project by August 31, 2024;
- G. The Foundation submitted conceptual plans of the Project to the City of Dallas Urban Design Peer Review Panel ("UDPRP"), an independent group of design, engineering and/or planning professionals selected by the City Manager. Review by the UDPRP is required for all projects requesting TIF funding assistance. Following a formal review of the conceptual plans on March 29, 2019, the UDPRP provided comments on the Project design and subsequent conceptual plans were submitted and reviewed (**Exhibit A**). The Woodall Rodgers Park Foundation shall submit a set of construction permit drawings to the Planning and Urban Design Department for a staff review to ensure that the Project will be constructed in substantial conformance with the UDPRP comments, provided however UDPRP comments carry out the spirit and intent for the Project as set forth in the Development Agreement executed between the City and the Foundation;
- H. Foundation shall submit to the Director of the Office of Economic Development a quarterly status report for ongoing work on the Project. Status reports will be due once every three months after the Council approval date (form of quarterly report attached as **Exhibit C**);

**SECTION 6.** (continued)

- I. As the Project received previous City approvals prior to October 1, 2020, when the Foundation is the contracting entity, the Foundation shall make a good faith effort to comply with the Business Inclusion and Development ("BID") goal of 25 percent Minority/Women-owned Business Enterprise (M/WBE) participation for construction work in which the Foundation is the contracting entity, and meet all reporting requirements (**Exhibit D**);
- J. If necessary, the Project deadline can be extended up to 12 months, subject to the Office of Economic Development Director's and City Center TIF District Board of Director's approval.

**SECTION 7.** That should Woodall Rodgers Park Foundation not perform one or more of the contingencies listed above, the City Manager is authorized to terminate the development agreement and disallow the total TIF Subsidy up to an amount not to exceed \$3,000,000.00.

**SECTION 8.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.