

ORDINANCE NO. _____

AN ORDINANCE AMENDING TAX INCREMENT FINANCING REINVESTMENT ZONE NUMBER FIVE (CITY CENTER TIF DISTRICT OR ZONE) PROJECT PLAN AND REINVESTMENT ZONE FINANCING PLAN (PLANS) TO APPROVE: (1) THE CITY CENTER TIF DISTRICT BOARD OF DIRECTOR'S FINDINGS THAT KLYDE WARREN PARK IS AN AREA OF PUBLIC ASSEMBLY EVEN IF LOCATED OUTSIDE THE ZONE AND THAT TAX INCREMENT REVENUES FROM THE DISTRICT-WIDE IMPROVEMENT BUDGET LINE ITEM MAY BE USED FOR THE PHASE 2 EXPANSION OF KLYDE WARREN PARK PROJECT (KWP2) BECAUSE IT IS A PROJECT BENEFITTING THE ZONE AND BECAUSE SUCH EXPANSION IS NECESSARY AND CONVENIENT TO THE CREATION OF THE CITY CENTER TIF DISTRICT OR TO THE IMPLEMENTATION OF THE PLANS, AND (2) CORRESPONDING MODIFICATIONS TO THE CITY CENTER TIF DISTRICT PLAN REFLECTING SUCH AMENDMENTS AND CORRESPONDING FINDINGS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND ORDAINING OTHER MATTERS RELATING THERETO.

WHEREAS, on June 26, 1996, the City Council authorized the establishment of the Zone in accordance with the Tax Increment Financing Act, as amended, V.T.C.A Texas Tax Code, Chapter 311 (the "Act") to promote development and redevelopment in the Zone through the use of tax increment financing by Ordinance No.22802, as amended; and

WHEREAS, on February 12, 1997, the City Council approved the Project Plans for the Zone by Ordinance No.23034, as amended; and

WHEREAS, on December 12, 2012, City Council authorized amendments to the City Center TIF District and the Project and Reinvestment Zone Financing Plans for the City Center TIF District 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, an increase of \$76,272,293; and (6) make corresponding modifications to the City Center TIF District boundary, budget and Project and Reinvestment Zone Financing Plans by Ordinance No. 28865; and

WHEREAS, on August 28, 2013, City Council in accordance with the Tax Increment Financing Act, as amended, V.T.C.A Texas Tax Code, (Chapter 311), called a public hearing to be held on September 11, 2013, to hear citizen comments and concerns regarding the proposed City Center TIF District amendments and amended Project Plan and Reinvestment Zone Financing Plan for the District by Resolution No. 13-1434. That public hearing was duly held and closed; and

WHEREAS, on September 11, 2013, City Council authorized amendments to the City Center TIF District and the Project and Reinvestment Zone Financing Plans for the City Center TIF District to: (1) amend the City Center Sub-district's boundary to remove a portion of the property addressed as 350 North St. Paul Street, approximately 4,950 square feet; (2) amend the City Center Sub-district's boundary to add the property addressed as 600 South Harwood Street, approximately 19,471 square feet; and (3) make corresponding modifications to the City Center TIF District boundary map, and Project and Reinvestment Zone Financing Plans and any other necessary adjustments to implement the Plan amendments by Ordinance No. 29142; and

WHEREAS, on November 12, 2014, City Council held a public hearing to receive comments on boundary amendments to the City Center TIF District (the "Zone") to: (1) remove certain properties from the City Center Subdistrict of the Zone, thereby reducing the tax increment base of the City Center Subdistrict and increasing city general fund contributions to the Zone over the remaining term; and (2) make such other corresponding adjustments to the ordinances creating the zone and approving the project and financing plans, Ordinance Nos. 22802 and 23034, approved on June 26, 1996 and February 17, 1997, respectively, necessary to accommodate the boundary amendments by Ordinance No. 29542; and.

WHEREAS, on December 12, 2018, City Council authorized amending Tax Increment Financing Reinvestment Zone Number Five ("City Center TIF District") Project and Reinvestment Zone Financing Plan to: (1) allow an amount not to exceed \$424,528 of the Affordable Housing Set-Aside Funds to be used outside of the boundaries of the Zone and the greater downtown area and (2) make corresponding modifications to the City Center TIF District Project and Reinvestment Zone Financing Plan by Ordinance No. 31060; 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

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 Plan and Reinvestment Zone Financing Plan to clarify that current and future increment in the District-Wide Improvement budget category may be used to support KWP2; 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; KWP2 will serve downtown and links the downtown core, including West End/Lamar, to Victory Park and to Uptown; and

WHEREAS, Klyde Warren Park is an area of public assembly and such areas are eligible project costs because they benefit the Zone 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 Zone even if located outside the Zone; and

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, on March 1, 2021, information about this item was provided to the Economic Development Committee.

Now, Therefore,

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

SECTION 1. That Ordinance No. 22802, previously approved on June 26, 1996, as amended, and Ordinance No. 23034, previously approved on February 12, 1997, as amended, are hereby further amended to amend the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Five, the City Center Tax Increment Financing ("TIF") District (the "Zone") to: (1) 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, (2) include a finding that spending Zone funds outside of 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 City Center TIF District Plan, and (3) make corresponding modifications to the City Center TIF District Plan, consistent with the requirements and limitations of the Act, attached hereto as **Exhibits A.**

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

SECTION 3. That Ordinance Nos. 22802 and 23034, as amended, will remain in full force and effect, save and except as amended by this ordinance.

SECTION 4. That if any section, paragraph, clause or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or un-enforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 5. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:
CHRISTOPHER J. CASO, City Attorney

BY: Lisa Mares
Assistant City Attorney

Passed: _____