



Legislation Details (With Text)

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Title: A resolution accepting the FY 2018-2019 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment 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 - Financing: No cost consideration to the City

Sponsors:

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Attachments: 1. Resolution, 2. Exhibit A

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: February 26, 2020

COUNCIL DISTRICT(S): 8, 11

DEPARTMENT: Office of Economic Development

EXECUTIVE: Michael Mendoza

SUBJECT

A resolution accepting the FY 2018-2019 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment 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 - Financing: No cost consideration to the City

BACKGROUND

Currently the City has 19 active tax increment financing (TIF) districts. State law (the TIF Act, Chapter 311 of the Texas Tax Code) requires that the governing body of a city shall submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the zone as well as to the State Comptroller.

On May 14, 2014, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Twenty (Mall Area Redevelopment TIF District) by Ordinance No. 29340,

as amended. On June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District and authorized the City Manager to execute a participation agreement with Dallas County by Ordinance No. 29771. On August 18, 2015, the Dallas County Commissioners Court approved Court Order No. 2015-1122 authorizing: (1) the participation of Dallas County in the City of Dallas Mall Area Redevelopment TIF District, beginning on January 1, 2020, subject to Valley View Mall (excluding Sears and the existing theater) being demolished by the same date, by providing 55% of its increment for either twenty years, until the County's total net present value contribution reaches \$21.6 million (using a discount rate of 4%), or the City of Dallas terminates the District, whichever comes first; and (2) the County Judge to sign any related participation agreement with the City of Dallas.

For 2019, the total appraised value of all taxable real property in the Mall Area Redevelopment TIF District (as determined by the Dallas Central Appraisal District) was \$242,369,940.00, representing an increase of \$74,012,310.00 (44%) over the base year.

In the Montfort-Interstate Highway (IH) 635 Sub-District, the total appraised value of all taxable real property in 2019 was \$221,372,370.00, representing an increase of \$72,780,630.00 (49%) over the base year.

In the Westmoreland-IH 20 Sub-District, the total appraised value of all taxable real property in 2019 was \$20,997,570.00, representing an increase of \$1,231,680.00 (6%) over the base year.

With the City's participation in the TIF District this year at 90%, the captured incremental tax revenue anticipated to be collected and deposited into the TIF fund in 2020 for tax year 2019 is approximately \$517,368.00.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 2014, City Council held a public hearing and authorized the establishment of Tax Increment Reinvestment Zone Number Twenty, the Mall Area Redevelopment TIF District by Resolution No. 14-0783; Ordinance No. 29340, as amended.

On June 17, 2015, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Mall Area Redevelopment TIF District by Resolution No. 15-1145; Ordinance No. 29771.

On January 6, 2020, the Mall Area Redevelopment TIF District Board of Directors recommended that the FY 2018-2019 Annual Report be approved and forwarded to City Council.

The Economic Development was briefed by memorandum regarding this matter on February 3, 2020.

FISCAL INFORMATION

No cost consideration to the City.