



Legislation Text

File #: 24-361, Version: 1

STRATEGIC PRIORITY: Economic Development
AGENDA DATE: February 28, 2024
COUNCIL DISTRICT(S): 8, 11
DEPARTMENT: Office of Economic Development
EXECUTIVE: Majed Al-Ghafry

SUBJECT

A resolution accepting the FY 2022-2023 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Seven (Sports Arena 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

During FY 2021-2022, the City had 19 active tax increment financing (TIF) districts. State law (the Tax Increment Financing Act, Texas Tax Code, Section 311.016, as amended) requires that the City Council, as the City's governing body submit an annual report on the status of each reinvestment zone it has created to the Chief Executive Officer of each taxing unit that levies taxes on real property in the zone, as well as the State Comptroller. On October 28, 1998, the City Council authorized Ordinance No. 23688, as amended, establishing Tax Increment Financing Reinvestment Zone Number Seven (Sports Arena TIF District). On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 24002, as amended.

The Sports Arena TIF District's assessed 2023 taxable value was \$2,122,405,830.00. This represents an increase of \$2,122,405,830.00 (3,330%) from the 1998/2012 base year values and an increase of \$125,596,116.00 (6%) from the previous year. This increase in district value above the base year values will result in the collection in 2024 of approximately \$14,587,238.00 (City \$14,053,086.00; County \$534,152.00) in total increment revenue for the Sports Arena TIF District.

With the City's participation in the District this year at 90%, the captured incremental tax revenue anticipated to be collected and deposited into the TIF fund in 2024 for tax year 2023 is approximately \$1,510,751.00.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 28, 1998, the City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, the Sports Arena TIF District by Resolution No. 98-3137; and Ordinance No. 23688, as amended.

On August 25, 1999, the City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Sports Arena TIF District by Resolution No. 99-2628; and Ordinance No. 24002, as amended.

On January 25, 2024, the Sports Arena TIF District Board of Directors recommended that the FY 2022-2023 Annual Report be accepted and approved.

[The Economic Development Committee was briefed by memorandum regarding this matter on February 5, 2024. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=12640949&GUID=CA06F5ED-0E8E-488E-A040-CA2732F65F12>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=12640949&GUID=CA06F5ED-0E8E-488E-A040-CA2732F65F12)

FISCAL INFORMATION

No cost consideration to the City.