



Legislation Details (With Text)

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Type: PUBLIC HEARINGS AND RELATED ACTIONS **Status:** Hearing Closed; Approved

File created: 11/8/2021 **In control:** Office of Economic Development

On agenda: 12/8/2021 **Final action:**

Title: A public hearing to receive comments on the proposed amendment to the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Thirteen, the Grand Park South Tax Increment Financing ("TIF") District (the "Zone") to: (1) increase the geographic area of the Grand Park South TIF District to add approximately 151 acres to promote development or redevelopment of the District; (2) authorize an amendment to the participation agreement with Dallas County to extend its financial participation in the Grand Park South TIF District from 2026 to the end of the current term in 2035; and (3) make corresponding modifications to the Grand Park South TIF District boundary and Project and Financing Plans; and at the close of the public hearing, authorize an ordinance amending Ordinance No. 26147, as amended, previously approved on October 26, 2005, and Ordinance No. 26773 previously approved on June 13, 2007, to reflect this amendment - Financing: No cost consideration to the City

Sponsors:

Indexes: 7

Code sections:

Attachments: 1. Map, 2. Ordinance, 3. Exhibit A-1, 4. Exhibit A-2, 5. Exhibit B

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

AGENDA DATE: December 8, 2021

COUNCIL DISTRICT(S): 7

DEPARTMENT: Office of Economic Development

EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

A public hearing to receive comments on the proposed amendment to the Project Plan and Reinvestment Zone Financing Plan ("Plan") for Tax Increment Reinvestment Zone Number Thirteen, the Grand Park South Tax Increment Financing ("TIF") District (the "Zone") to: **(1)** increase the geographic area of the Grand Park South TIF District to add approximately 151 acres to promote development or redevelopment of the District; **(2)** authorize an amendment to the participation agreement with Dallas County to extend its financial participation in the Grand Park South TIF District from 2026 to the end of the current term in 2035; and **(3)** make corresponding modifications to the Grand Park South TIF District boundary and Project and Financing Plans; and at the close of the public hearing, authorize an ordinance amending Ordinance No. 26147, as amended, previously

approved on October 26, 2005, and Ordinance No. 26773 previously approved on June 13, 2007, to reflect this amendment - Financing: No cost consideration to the City

BACKGROUND

The Grand Park South TIF District (“TIF District”) was created in 2005 in an effort to provide a model for redeveloping a former cohesive neighborhood that has experienced disinvestment to take full advantage of the expanding Dallas Area Rapid Transit light rail system, to promote transit-oriented development in the historical context of the neighborhood, to implement appropriate urban design standards, and to improve the quality of development south of Downtown.

Although the pace of new development has been slower than originally anticipated, some development activity has occurred in the TIF District including the completion of 84 residential units; 18,288 square feet of commercial space; and a new Billy Earl Dade Middle School.

Staff has been working with St. Philip's School & Community Center (St. Philip's) representatives on a proposal for expanding the existing TIF District into the Forest District neighborhood. The proposal is informed by a recent St. Philip's community master plan update along with recommendations from The Real Estate Council (TREC) Community Driven Growth: A Roadmap for Dallas' Equitable Development Plan (December 2019) and an Urban Land Institute (ULI) Technical Assistance Panel Report: St Philip's Forest District Esplanade (December 2020). St Philip's has also collaborated with Cornerstone Community Development Corporation, CitySquare, and private property owners on the proposed TIF expansion.

In 2020, a Coalition led by the City and supported by the St. Philip's, TREC, and Lone Star Justice Alliance was awarded a \$600,000.00 Brownfield Assessment Grant by the U.S. Environmental Protection Agency. The grant is managed by the City with support from an environmental consulting team led by Stantec Consulting Services Inc. The grant can fund environmental site assessment, regulated building materials survey, site clean-up/reuse planning, and related activities at both public and privately-owned brownfield sites. South Dallas/Fair Park area is the priority focus area. Site nominations and prioritization of brownfield sites that support near-term redevelopment have been underway and include several sites in the existing TIF District and the proposed expansion area.

On September 29, 2021, the Grand Park South TIF Board of Directors (Board) met to review the proposed amendment. During the meeting representatives from St. Philip's and other area groups explained that the idea for expanding the Grand Park South TIF District was a result of community input during the Community Driven Growth: A Roadmap for Dallas' Equitable Development Plan process.

The Board approved the amendment including a finding that the vacant and underutilized property in the proposed expansion area substantially arrests or impairs the sound growth of the City and that development or redevelopment in the proposed expansion area would not occur solely through private investment in the foreseeable future and its inclusion will have an overall benefit to the District.

Pursuant to the Tax Increment Financing Act, as amended, VTCA Texas Tax Code, Chapter 311 (the “Act”), a public hearing is required any time the boundary or budget of an existing Zone is proposed to be expanded or the percentage of a tax increment to be contributed by a taxing unit is proposed to increase or decrease.

This public hearing is being held to hear comments on the proposed amendment to the Plan for the Grand Park South TIF District, including the following:

- Increase the geographic area of the TIF District by approximately 151 acres in an area contiguous to the current TIF District and bounded by Al Lipscomb Way, South Ervay Street, South Boulevard, Pennsylvania Avenue, and Botham Jean Boulevard.

The 2021 estimated taxable value of the expansion area is \$34,151,877.00. Proposed changes to the adopted Plan are minor and include updating boundary and other maps as necessary and modifying the estimated base value of the TIF District from \$44,850,019.00 to \$79,001,896.00 to reflect the added property. The base value may be adjusted based on final Dallas Central Appraisal District 2021 values and any corrections.

No changes to the TIF District budget are proposed. Growth in the original TIF District has been slower than anticipated; therefore, ample budget capacity still exists. Inclusion of the proposed expansion area will provide opportunity for additional revenue to be generated towards the \$30.3 million net present value (NPV) budget goal and support for future projects. City staff has had recent discussions with Dallas County staff and anticipates requesting that Dallas County consider extending its financial participation an additional 9 years from tax year 2026 until the end of the current TIF District term tax year 2035.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 23, 2005, City Council authorized adoption of the City of Dallas Tax Increment Financing (TIF) Policy for the evaluation of proposed TIF districts by Resolution No. 05-0745, as amended.

On October 26, 2005, City Council authorized the establishment of the Grand Park South TIF District by Resolution No. 05-3066; Ordinance No. 26147, as amended.

On June 13, 2007, City Council authorized the Final Project Plan and Reinvestment Zone Financing Plan for the Grand Park South TIF District by Resolution No. 07-1738; Ordinance No. 26773.

On September 29, 2021, the Grand Park South TIF District Board of Directors reviewed and recommended City Council approval of the proposed amendment to the Grand Park South TIF District Project Plan and Reinvestment Zone Financing Plan.

The Economic Development Committee was briefed on the proposed amendment to the Grand Park South TIF District Project Plan and Reinvestment Zone Financing Plan on November 1, 2021.

On November 10, 2021, City Council authorized a public hearing to be held on December 8, 2021 to receive comments on the proposed amendment to the Grand Park South TIF District Project Plan and Reinvestment Zone Financing Plan.

FISCAL INFORMATION

No Cost Consideration to the City.

MAP

Attached