



Legislation Text

File #: 21-83, **Version:** 1

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: February 24, 2021
COUNCIL DISTRICT(S): 2
DEPARTMENT: Office of Economic Development
EXECUTIVE: Dr. Eric A. Johnson

SUBJECT

A resolution accepting the FY 2019-2020 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten (Southwestern Medical 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 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 unit that levies taxes on real property in the zone, as well as the State Comptroller. On April 27, 2005, City Council authorized Ordinance No. 25965, as amended, establishing Tax Increment Financing Reinvestment Zone Number Ten (Southwestern Medical TIF District). On January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for this District by Ordinance No. 26204, as amended.

The Southwestern Medical TIF District's assessed 2020 tax value was \$311,573,782.00, an increase of \$244,162,728.00 or (362%) over the adjusted base year value (\$67,411,054.00). The District's value increased by \$17,834,166.00 or (6%) from the previous year.

On November 11, 2020, City Council approved Ordinance No. 31706 authorizing a reduction in the City's participation rate in the District. Beginning with fiscal year 2019-2020 through the remaining term of the District, the City's participation rate will decrease from 80% to 45%. City Council also authorized an amendment of Dallas County's participation agreement to reduce the County's participation from 55% to 30% for the remaining term of the District.

The reduction in participation rates for the City and County will result in the collection in 2021 of approximately \$1,028,575.00 (City - \$852,946.00; County - \$175,629.00) incremental revenue for the District in 2021.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 27, 2005, City Council held a public hearing and authorized the establishment of Tax Increment Financing Reinvestment Zone Number Ten, the Southwestern Medical TIF District by Resolution No. 05-1361; Ordinance No. 25965, as amended.

On January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District by Resolution No. 06-0129; Ordinance No. 26204, as amended.

On January 22, 2021, the Southwestern Medical TIF District Board of Directors recommended that the FY 2019-2020 Annual Report be accepted and approved.

[The Economic Development Committee was briefed by memorandum regarding this matter on February 1, 2021. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=9102312&GUID=BF9D6CA5-2159-48A0-8F4A-45F0EDAC2A61>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=9102312&GUID=BF9D6CA5-2159-48A0-8F4A-45F0EDAC2A61)

FISCAL INFORMATION

No cost consideration to the City.