



Legislation Text

File #: 21-2277, **Version:** 1

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: December 8, 2021
COUNCIL DISTRICT(S): 8, 11
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 Twenty, the Mall Area Redevelopment Tax Increment Financing ("TIF") District ("TIF District") to: **(1)** increase the geographic area of the Westmoreland-IH 20 Sub-District within the TIF District to add approximately 15.6 acres of contiguous property to promote development or redevelopment of the TIF District; and **(2)** make corresponding modifications to the boundary of the Westmoreland-IH 20 Sub-District within the TIF District and to the Plan; and, at the close of the public hearing, authorize an ordinance amending Ordinance No. 29340, previously approved on May 14, 2014, and Ordinance No. 29771, previously approved on June 17, 2015, to reflect this amendment - Financing: No cost consideration to the City

BACKGROUND

Pursuant to the Texas Tax Code, Chapter 311, as amended, the Tax Increment Financing Act (the "Act"), a public hearing is required if the boundary of an existing TIF district is increased or decreased, the amount of bond indebtedness is increased or decreased, the percentage of a tax increment to be contributed by a taxing unit is proposed to increase or decrease, the total estimated project costs increases, or additional property within the TIF district is designated to be acquired by the City.

As depicted on the attached map (Exhibit A), 15.6 acres of contiguous property is proposed to be added to the Westmoreland-IH 20 Sub-District of the TIF District. The 15.6 acres of property was not included in the initial boundary, which was established in 2014-15, of the Westmoreland-IH 20 Sub-District of the TIF District because it was not ripe for redevelopment. Since that time, the proposed expansion area has ripened for redevelopment because most of the area has been recently acquired by entities controlled by Peter Brodsky, the majority owner/developer of the Reimagine Red Bird redevelopment project. Therefore, it is now necessary to expand the boundary of the Westmoreland-IH 20 Sub-District to align with evolving redevelopment conditions. No amendments to the TIF District budget or term are proposed.

In May 2014, City Council authorized the designation of the Mall Area Redevelopment TIF District by Resolution No. 14-0783 (Ordinance No. 29340), and in June 2015, City Council authorized the Mall Area Redevelopment TIF District Project Plan and Reinvestment Zone Financing Plan by Resolution No. 15-1145 (Ordinance No. 29771).

The Mall Area Redevelopment TIF District represents the City's effort to encourage the sustainable redevelopment of two obsolete shopping mall properties and their surrounding areas while taking advantage of each area's strategic regional location at the crossroads of key transportation corridors.

As allowed by the Act, the TIF District is comprised of two non-contiguous sub-districts-the Montfort-IH 635 Sub-District for the Valley View Center Mall area in northern Dallas and the Westmoreland-IH 20 Sub-District for the Red Bird Mall area in southern Dallas.

The Westmoreland-IH 20 Sub-District is generally bounded by Westmoreland Road, Camp Wisdom Road, Highway 67 (Marvin D. Love Freeway), and Interstate Highway 20 (LBJ Freeway). The Westmoreland-IH 20 Sub-District encompasses approximately 96.6 acres, not including rights-of-way.

The mission of the TIF District is to provide a source of funding for a program of public infrastructure improvements, economic development grants, and land acquisition/assembly for public open space, which is intended to stimulate private investment in each mall area to occur earlier, at an accelerated velocity, with greater density, at a higher value, and with more public benefit than would occur solely through private investment in the reasonably foreseeable future.

The 2021 estimated taxable value of the expansion area is \$7,929,450.00. 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 \$168,357,630.00 to \$176,287,080.00 to reflect the added property. The base value may be adjusted based on final Dallas Central Appraisal District 2021 values and any corrections.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 2014, City Council authorized the designation of the Mall Area Redevelopment TIF District by Resolution No. 14-0783; Ordinance No. 29340.

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

On November 1, 2021, the Mall Area Redevelopment TIF District Board of Directors reviewed and recommended City Council approval of the proposed amendment to the Mall Area Redevelopment TIF District Project Plan and Reinvestment Zone Financing Plan to increase the TIF District boundary.

On November 1, 2021, the Economic Development Committee was briefed by memorandum regarding this item.

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 Mall Area Redevelopment TIF District Project

Plan and Reinvestment Zone Financing Plan to increase the TIF District boundary.

FISCAL INFORMATION

No cost consideration to the City.

MAP

Attached