

120962  
March 28, 2012

**WHEREAS**, the City recognizes the importance of its role in local economic development; and

**WHEREAS**, on June 13, 2007, the City Council authorized the creation of Tax Increment Reinvestment Zone Number Fifteen, (the "Fort Worth Avenue TIF District"), in accordance with the Tax Increment Financing Act, as amended, V.T.C.A Texas Tax Code, Chapter 311) to promote development and redevelopment in the Fort Worth Avenue area through the use of tax increment financing by Ordinance No. 26798, as amended; and

**WHEREAS**, on March 26, 2008, the City Council authorized the Fort Worth Avenue TIF District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 27129, as amended; and

**WHEREAS**, on January 28, 2009, the City Council authorized the establishment of the City of Dallas Fort Worth Avenue Grant Program by Resolution No. 09-0286 (**Exhibit A – Fort Worth Avenue Grant Program**); and

**WHEREAS**, on February 21, 2012, the Fort Worth Avenue TIF District Board of Directors reviewed the proposed Sylvan | Thirty project to be developed by Lynxette Exploration, LLC, and/or its affiliates (collectively "Owner") and recommended City Council consideration of a development agreement with the Owner and authority to dedicate future TIF revenues from the Fort Worth Avenue TIF District; and

**WHEREAS**, the creation of additional residential and commercial development in the core of the Fort Worth Avenue TIF District is necessary for the future growth and expansion of residential and commercial activity within the City of Dallas; and

**WHEREAS**, in furtherance of the Fort Worth Avenue TIF District Project Plan and Reinvestment Zone Financing Plan and to promote within the Fort Worth Avenue TIF District: (1) development and diversification of the economy, (2) elimination of unemployment and underemployment, and (3) development and expansion of commerce, the City desires to provide economic incentives to the Owner for the construction of Sylvan | Thirty development located on the property currently addressed at 712 and 738 Fort Worth Avenue, 738 IH 30; and 1802, 1808, 1812, 1824, and 1830 Sylvan Avenue in the Fort Worth Avenue TIF District as described in **Exhibit B - Site Plan and Exhibit C1-C14 - Conceptual Elevations**.

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute a development agreement between the Owner and the City of Dallas, on behalf of the Fort Worth Avenue TIF District, in an amount not to exceed \$3,200,000 to provide funding for TIF-eligible project costs as shown in **Exhibit D**. These costs include, but are not limited to, eligible Fort Worth Avenue Grant Program costs and design, engineering, construction management, and professional services for street, utility work, utility burial, streetscape, park and open space, trails, gateways, and other public improvements in support of Sylvan | Thirty to implement the Fort Worth Avenue TIF District Project Plan and Reinvestment Zone Financing Plan, and the Fort Worth Avenue TIF Board of Directors may therefore pledge or dedicate future TIF revenues in satisfaction of this agreement.

**Section 2.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**Section 3.** That the City Controller is hereby authorized to encumber and disburse funds from:

Fort Worth Avenue TIF District Fund - Fund 0058, Department ECO, Unit P718, Activity FWTI, Object 4599, Program No. FWATIF0005, CT ECOP718E163-01, Vendor No. VS0000069047, in an amount not to exceed \$397,412,

Fort Worth Avenue TIF District Fund - Fund 0058, Department ECO, Unit P718, Activity FWTI, Object 3016, Program No. FWATIF0005, CT ECOP718E163-02, Vendor No. VS0000069047, in an amount not to exceed \$2,802,588,

Total TIF funding: \$3,200,000.

**Section 4.** That the Owner shall design, fund and/or construct public improvements to support the development of Sylvan | Thirty. Up to \$3,200,000 of the TIF-eligible project costs for Sylvan | Thirty, a mixed-use development proposed on the property currently addressed as 712 and 738 Fort Worth Avenue, 738 IH 30; and 1802, 1808, 1812, 1824, and 1830 Sylvan Avenue in the Fort Worth Avenue TIF District, may be reimbursed from the Fort Worth Avenue TIF District Funds in accordance with the terms of the development agreement described in hereof, but only to the extent such Fort Worth Avenue TIF District funds are available for such purpose. No interest will be paid on this award since funds are not advanced to the City for these improvements.

**Section 5.** That nothing in the resolution shall be construed to require the City to approve payment from any source of City funds other than the Fort Worth Avenue TIF District Fund and/or Tax Increment Bonds.

**Section 5.** (Continued)

Any funds expended under the development agreement that remain unpaid upon termination of the Fort Worth Avenue TIF District, due to lack or unavailability of Fort Worth Avenue TIF District Funds, shall no longer be considered project costs of the Fort Worth Avenue TIF District or the City and the obligation of the Fort Worth Avenue TIF District to pay the Owner shall automatically expire.

Owner's default under the 380 economic development grant agreement shall also constitute a default under the TIF agreement.

**Section 6.** That in addition to the conditions set out in the Sections above, the payment to the owner under the Development Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. The Owner shall invest and document a minimum of \$30,000,000 in private improvements in Sylvan | Thirty, including all land and building acquisition, site preparation, construction hard costs, and related design/engineering soft costs.
- B. Sylvan | Thirty shall contain a minimum of 150,000 square feet of residential space and a minimum of 50,000 square feet of commercial space including retail, office, and/or live/work space.
- C. For a period of fifteen (15) years, a minimum of 20% of the units in Sylvan | Thirty shall meet the affordability requirements of the Final Fort Worth Avenue Project Plan and Reinvestment Zone Financing Plan and the City of Dallas Tax Increment Finance Districts Mixed Income Housing Guidelines (**Exhibit E – City of Dallas Tax Increment Finance Districts Mixed Income Housing Policy**). In the case that Sylvan | Thirty is sold to another entity, the affordability requirement shall be conveyed with the property. In the event of default of Owner at any time during the Affordability Period, any unpaid portion of the TIF Subsidy (as defined in a development agreement) shall no longer be due and payable to Owner.

**Section 6. (Continued)**

If the amount of the TIF Subsidy already paid to Owner is an amount equal to or less than \$200,000.00 per each year of the Affordability Period for which Owner was in compliance with the affordable housing requirements of this section, no portion of the TIF Subsidy already paid shall be due and owing to City; however, if the amount of the TIF Subsidy already paid to Owner is an amount in excess of \$200,000.00 per each year of the Affordability Period for which Owner was in compliance with the affordable housing requirements of this section, Owner shall owe a debt to City that shall be due, owing, and paid to City within sixty (60) days after notice of default in the amount of the TIF Subsidy already paid Owner less \$200,000.00 per year for each year of the Affordability Period for which Owner was in compliance with the terms of this section.

- D. The Owner will obtain a building permit for the construction of Sylvan|Thirty by July 31, 2012. Owner shall submit to the Director of the Office of Economic Development copies of said building permits no later than 30 days after their issuance. Demolition permits and/or foundation permits alone will not fulfill this requirement.
- E. The Owner will use reasonable efforts to obtain a final certificate of acceptance issued by the City for the public improvements by December 31, 2014.
- F. The Owner shall complete construction and obtain a final certificate of occupancy for the residential portion of the Project by December 31, 2014 and shall complete construction, complete the building permit, and pass final inspection for the building shell for the commercial portion of the project by December 31, 2014.
- G. The Owner will execute and fund an Operating and Maintenance Agreement for all non-standard public improvements, including trash pickup, by December 31, 2014. Compliance with the executed operating and maintenance agreement shall be required of all future owners for the entire period of the Operating and Maintenance Agreement. If Owner chooses to forgo the TIF Subsidy, or defaults on its obligations, Owner shall remain responsible for the maintenance of the non-standard public improvements through the term of the operation and maintenance agreement. Any assignment of Owner's maintenance obligations under the development agreement (and the operation and maintenance agreement) to another entity shall require the prior approval of the Director.
- H. A minimum of 25% of all commercial space must be leased before any TIF funds will be released to the Owner.

**Section 6. (Continued)**

- I. In addition to complying with a Business Inclusion and Development (“BID”) goal of 25% for the TIF reimbursable improvements, the Owner shall make a good faith effort to achieve a goal of certified minority/women-owned business enterprise (M/WBE) participation for the private improvement construction of 10% of total private expenditures, (this amount is based on the total proportion of TIF financial participation in the project) and meet all reporting requirements for each.
- J. Sylvan | Thirty shall be marketed pursuant to an Affirmative Fair Housing Marketing Plan approved by the City.
- K. Until the Project has received a final certificate of occupancy for the multi-family portion and passed the final building inspection on the building shell for the commercial portion, and all required paperwork has been submitted, Owner shall submit to the Director of the Office of Economic Development a quarterly status report for ongoing work on Sylvan | Thirty, as well as public improvements. Such status reports will be due at the end of each calendar quarter after the Council approval date, if any. **(Exhibit F – Quarterly Project Status Report)**.
- L. The Owner shall construct public and private improvements that substantially conform in design and materials shown in elevations and site plans/landscape plans approved by OED staff and the Fort Worth Avenue TIF Board, subject to zoning changes, if any. Significant changes to Fort Worth Avenue and/or Sylvan Avenue, including changes to sidewalk widths, street tree configuration, and parking configuration, shall be subject to subsequent staff and TIF board review and approval. Allowable minor modifications include those required for conformance with Department of Development Services requirements. Sylvan | Thirty shall be consistent in general form and character with the conceptual designs as shown in **Exhibit B - Site Plan** and **Exhibit C1-C14 - Conceptual Elevations**. Designs shall include the following specific elements:
  - 1) Surface parking areas and the central park area within the project shall be landscaped to read as plaza space.
  - 2) The Project shall incorporate an east/west pedestrian connection which must be a minimum of 18 feet in width, with enhanced pedestrian surface, and be placed approximately in the location shown on the submitted elevation of the residential building (**Exhibit C-2 and Exhibit C-6**, labeled “Paseo”). The connection shall a) be built to connect with the Plaza from the street at grade, b) be completed prior to the issuance of a certificate of occupancy on the project, and c) be designed to allow access to the adjacent property to the east.

**Section 6. (Continued)**

The connection is not required to be opened until the land to the east is developed in a manner consistent with the Sylvan Thirty development. Additionally, the connection must have enhanced pedestrian area edges, with four feet minimum on each side, in the garage/drive area to assist driver identification of the pedestrian area. A raised/roughened paver may be used. The Owner shall use reasonable efforts to coordinate this connection with the adjacent property owner and provide the appropriate easement for this connection. An additional east/west vehicular connection is located in the residential building as shown on the submitted elevation (**Exhibit C-2, C-5, and C-6**). The final design of these east/west connections shall be subject to Design Studio review and approval prior to the issuance of a building permit.

- 3) Sidewalks on Fort Worth Avenue shall be a minimum of 15 feet wide from back of curb to the building face, with a minimum clear walking distance of 10 feet. Sidewalks on Sylvan Avenue shall be a minimum of 11 feet wide from back of curb to the building face, with a minimum clear walking distance of 7 feet.
  - 4) Residential units on the ground floor facing a public street, private street, or green space shall have direct access (i.e. a door) to the public street, private street, or green space.
  - 5) The project shall incorporate landscaping and additional external electrical outlets on Building G (**Exhibit C-10**) in addition to the landscaping shown in the submitted elevation.
- M. Sidewalks with high anticipated levels of pedestrian traffic shall be designed to accommodate pedestrian traffic.
- N. Lynxette Exploration, LLC shall provide evidence that reasonable efforts were made to promote the hiring of neighborhood residents for any new jobs created.

**Section 7.** That Fort Worth Avenue TIF District funds are allocated to projects proportionately, dependent on the portion of the increment created by the project and other projects in the District by the same developer. In compliance with the adopted Fort Worth Avenue TIF District Increment Allocation Policy (**Exhibit G – Fort Worth Avenue TIF District Increment Allocation Policy**), the Owner will be eligible to receive as Individual Increment TIF funding equivalent to the increment generated from 1) this Project, 2) any other projects affiliated with the Owner in the District not seeking additional TIF funds, after administrative fees have been paid.

120962  
March 28, 2012**Section 7.** (Continued)

All remaining increment, up to an amount not to exceed \$3,200,000, shall be allocated according to the Fort Worth Avenue TIF Increment Allocation Policy as adopted by the Fort Worth Avenue TIF Board on May 26, 2011. In order for the project to generate \$3.2 million in TIF increment over the remaining term of the district, it will need to appraise for \$37 million. Reimbursement of the total \$3.2 million incentive will necessitate future non-TIF-subsidized development in the District if this appraised value is not achieved.

**Section 8.** That the Director of the Office of Economic Development, after approval and recommendation of the Fort Worth Avenue TIF District Board of Directors, may authorize minor modifications to the project including development mix, design elements, and/or an extension of the project deadlines up to 6 months.

**Section 9.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED BY  
CITY COUNCIL

MAR 28 2012

  
City Secretary

**Exhibit A**  
**City of Dallas**  
**Fort Worth Avenue Tax Increment Financing District**  
**Grant Program**

The City of Dallas wishes to establish the Fort Worth Avenue TIF District Grant Program pursuant to Chapter 311 of the Texas Tax Code, to implement the Project Plan and Reinvestment Zone Financing Plan ("Final Plan") for the Fort Worth Avenue Tax Increment Financing District ("District").

The purpose of the Fort Worth Avenue TIF District Grant Program is to promote: (1) development and diversification of the economy; (2) development or expansion of residential, transportation, business, and commercial activity; (3) creation of a broader mix of residential property types, (4) elimination of unemployment and underemployment; (5) density within the district; and (6) public infrastructure improvements including improvements to pedestrian connections and utility burial within the District. The City will achieve these objectives by making grants from the tax increment fund of the District in an aggregate amount not to exceed the amount of tax increment produced by the City and paid into the tax increment fund for the District. No County monies can be used to pay for economic development grants; however, County monies can be used as a direct pledge for eligible TIF project costs.

**Use of Funds**

All grant award amounts and awardees must be recommended by the Fort Worth Avenue TIF Board and approved by City Council. Nothing contained herein shall obligate the City to provide grant awards as this Program does not constitute an entitlement. The project **must** demonstrate that the development is not financially feasible *but for* the grant. This grant program is predicated upon funding from one or more of the other cost categories; that is, this assistance is available only for projects that are desirable and not fully funded with other budget categories.

**Payment of Funds**

No grant funds will be distributed until all conditions of the grant agreement have been fulfilled. Grants can only come from increment contributed by the City and must be budgeted in the Final Plan, which provides for economic development grants. The City may in the future negotiate with financial institutions to secure bonds or other obligations, or lines of credit, to aid in the funding of projects within the District.

**Eligible Types of Projects**

Project must be at least one of the following types of development:

- New residential development
- Mixed-income and workforce housing development
- Retail or office development
- Mixed-use, transit-oriented development, including development that provides additional linkages to existing transit services



**General Eligibility Criteria**

All grant projects will be reviewed based on the degree to which projects meet the following criteria:

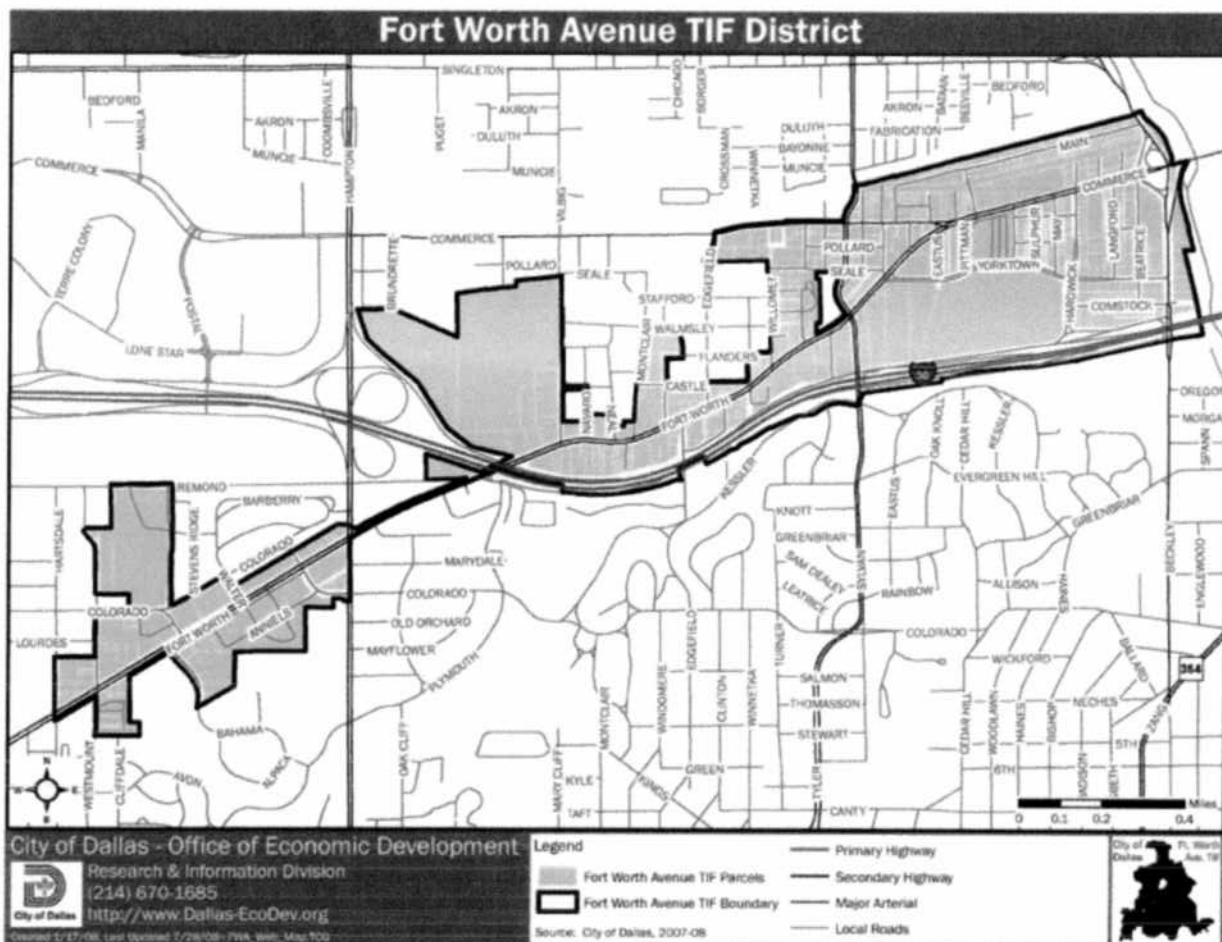
- Level of investment creates sufficient TIF revenues to support the grant amount.
- For all housing projects, new or substantially rehabilitated affordable housing is created, with preference given to affordable units distributed evenly with respect to location and type.
- Project provides linkages with or improvements to alternate forms of transportation.
- Project is located in a prominent area, such as along a major thoroughfare.
- Project provides native landscaping, follows xeriscape principles, and/or otherwise creates a “green” and sustainable landscaping plan. The Fort Worth Avenue Design Review Committee and staff will make the final determination.
- Project provides façade and other physical enhancement that supports creation of a unique design identity for the area.
- Project is high density, with preference given to projects that have an urban-style density.
- Project mixes uses vertically.
- Project provides public parks or plazas.

**Additional Requirements for All Grants**

- The project and any related development must meet affordable housing requirements established by the Final Plan and any related City requirements.
- Except in the case of single or limited source procurements (e.g. procurements with utility providers) or other special circumstances, either the developer or the City must competitively bid construction of public improvements and follow the City’s Business Inclusion and Development policies for certified minority/women-owned business enterprise (M/WBE) participation in the construction of public improvements.
- The developer must make a good faith effort to achieve a goal of certified minority/women-owned business enterprise (M/WBE) participation for the private improvement construction proportionate to the TIF funding provided.
- The developer must promote hiring of neighborhood residents for any new jobs created.
- The developer must comply with established design guidelines for the District, or, in the absence of adopted guidelines, must receive approval of the project design from the District’s design review committee.

**Fort Worth Avenue TIF District Grant Program Area**

Projects may be located anywhere within the district.



# Conceptual

POLE LIGHT FIXTURE TYPE  
BIKE PARKING/  
PEDESTRIAN  
ENTRY PLAZA  
PUBLIC ART

STREET TREES W/  
UNDERSTORY PLANTING  
ENHANCED PAVING  
BENCHES, TYP.

CHURNED AGGREGATE  
PLANTING AREAS. TOP

**SYLVAN AVENUE**

CROSBOWALK  
TRASH RECEPTACLE, TYP.

CONCARET PALMCO. 177.

BIKE PARKING/  
PEDESTRIAN ENTRY IN AZA

LIBRARY  
STANDARD

FT. WORTH AVENUE

MOVABLE DOLLARDS  
ENHANCED PAVING

PEDESTRIAN PLAZA W/

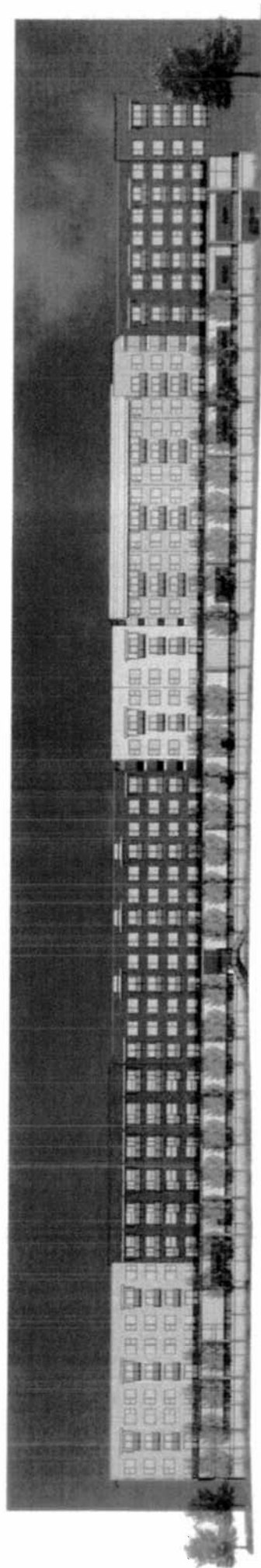
UNIQUE W/ SITE THREE  
A WIREMOUNTABLE BOLLARD

CRUSHED AGGREGATE PLAZA

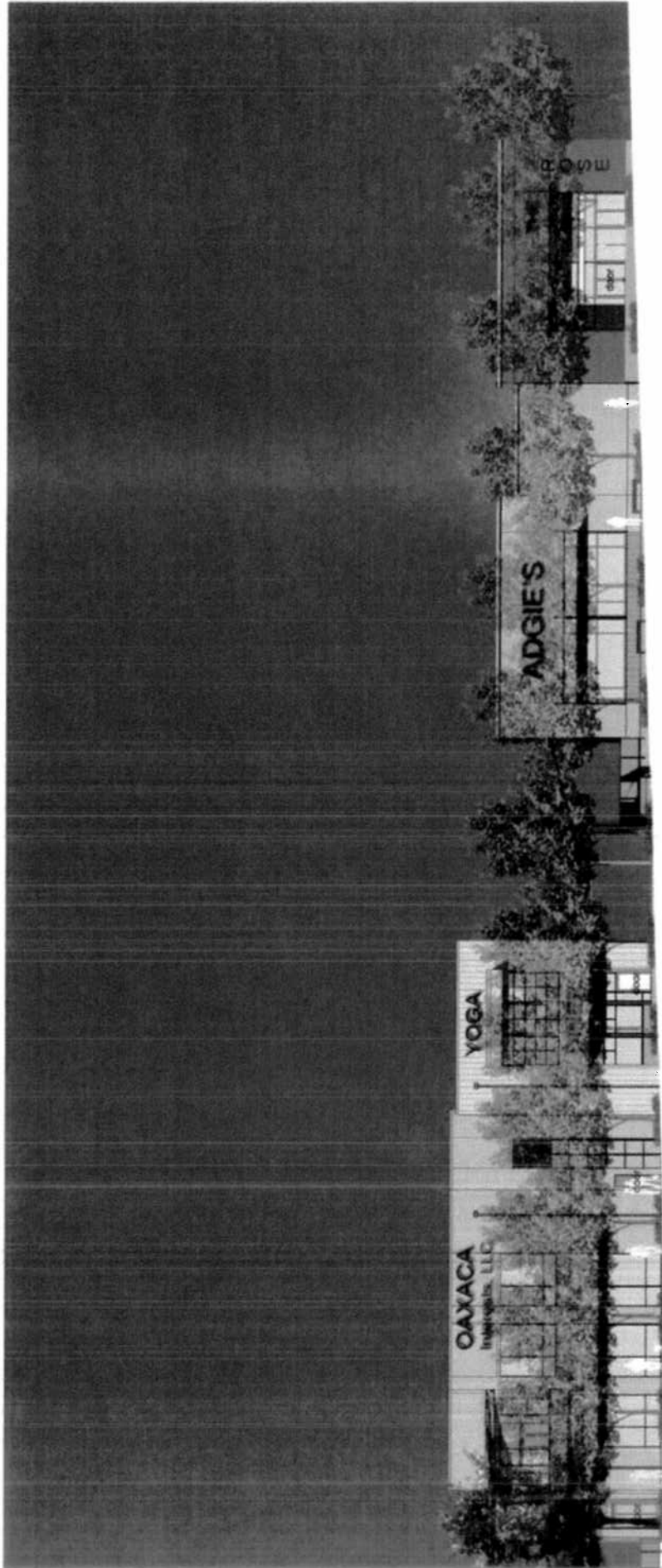
130 SERVICE ROAD

OPEN SPACE W/ WALKWAY, SITE  
TREES BENCHES

MULTI-FAMILY EAST ELEVATION - FULL VIEW (CONCEPTUAL)



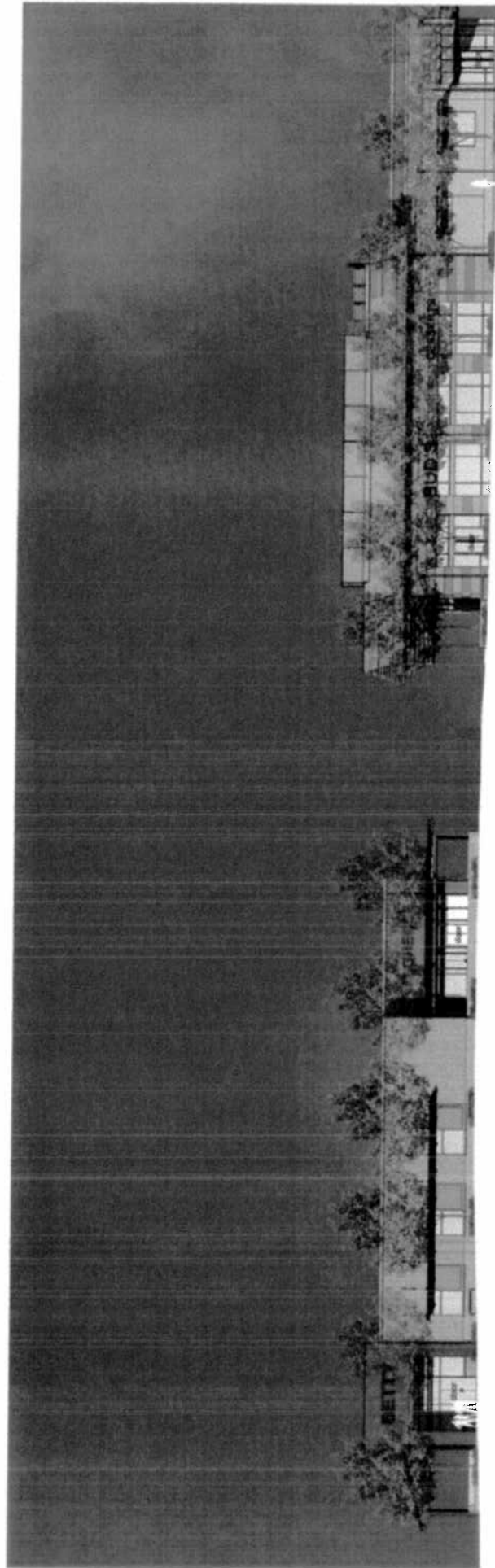
RETAIL WEST ELEVATION - VIEW 2/2 (CONCEPTUAL)



BUILDING F

BUILDING E

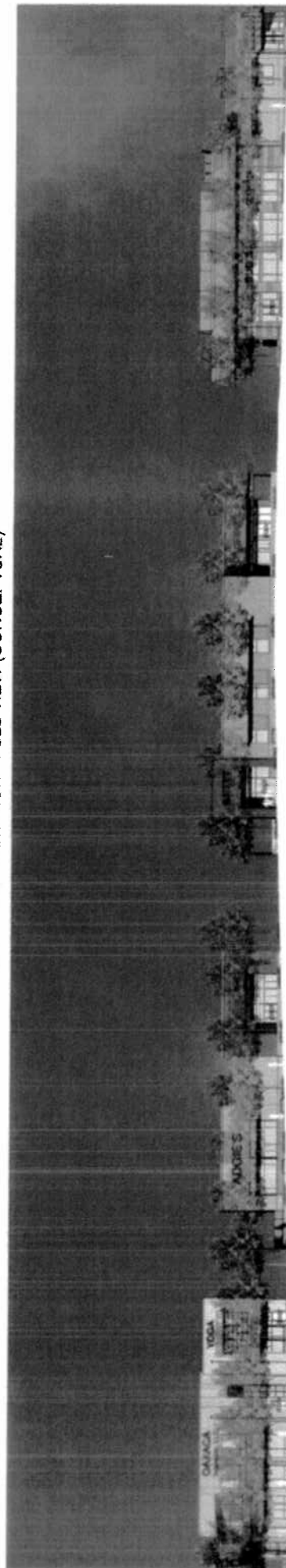
RETAIL WEST ELEVATION - VIEW 1/2 (CONCEPTUAL)



BUILDING BC

BUILDING D

RETAIL WEST ELEVATION - FULL VIEW (CONCEPTUAL)



BUILDING BC

BUILDING D

BUILDING E

BUILDING F

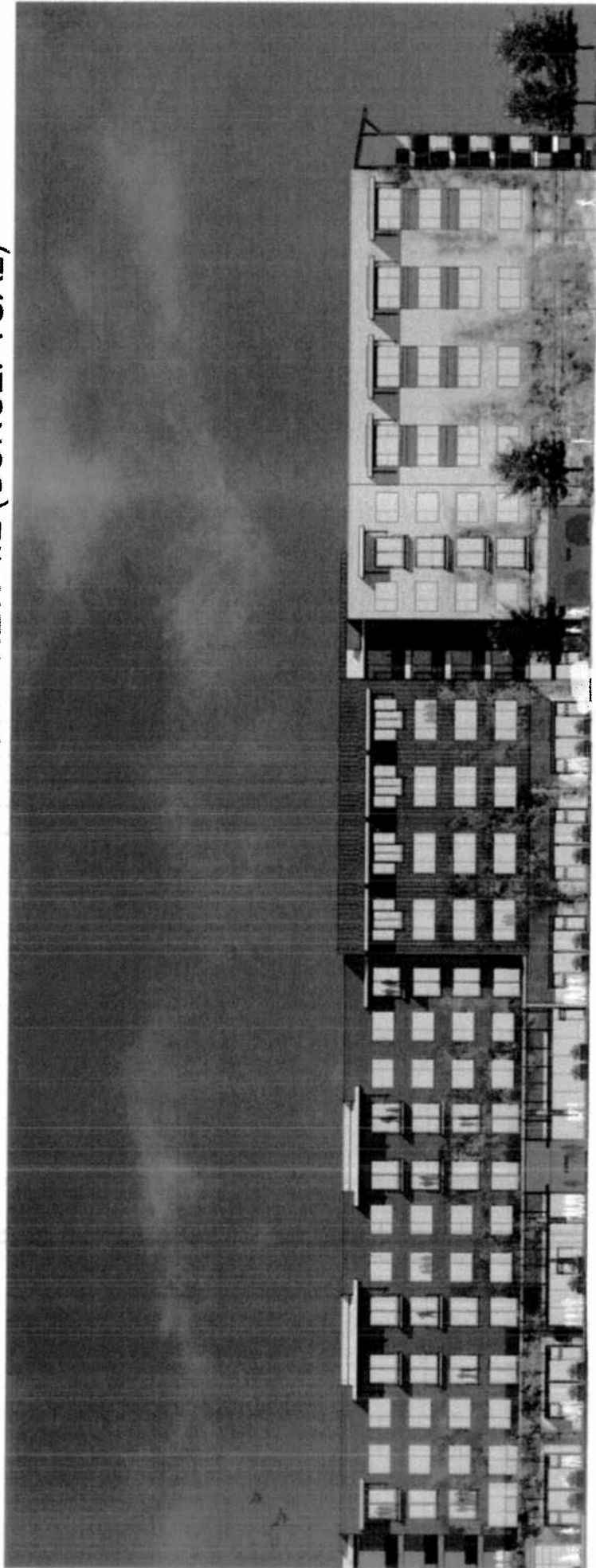


MULTI-FAMILY WEST ELEVATION - VIEW 2/2 (CONCEPTUAL)



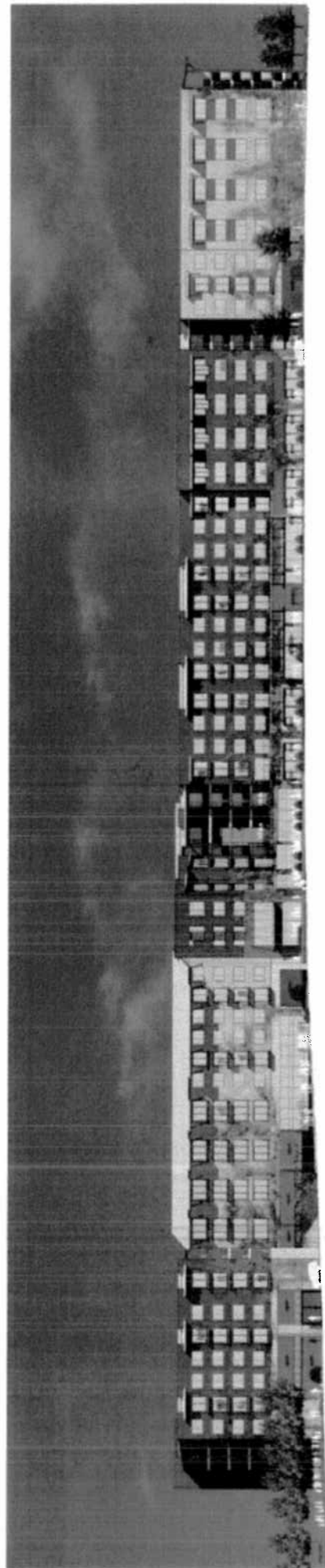


MULTI-FAMILY WEST ELEVATION - VIEW 1/2 (CONCEPTUAL)

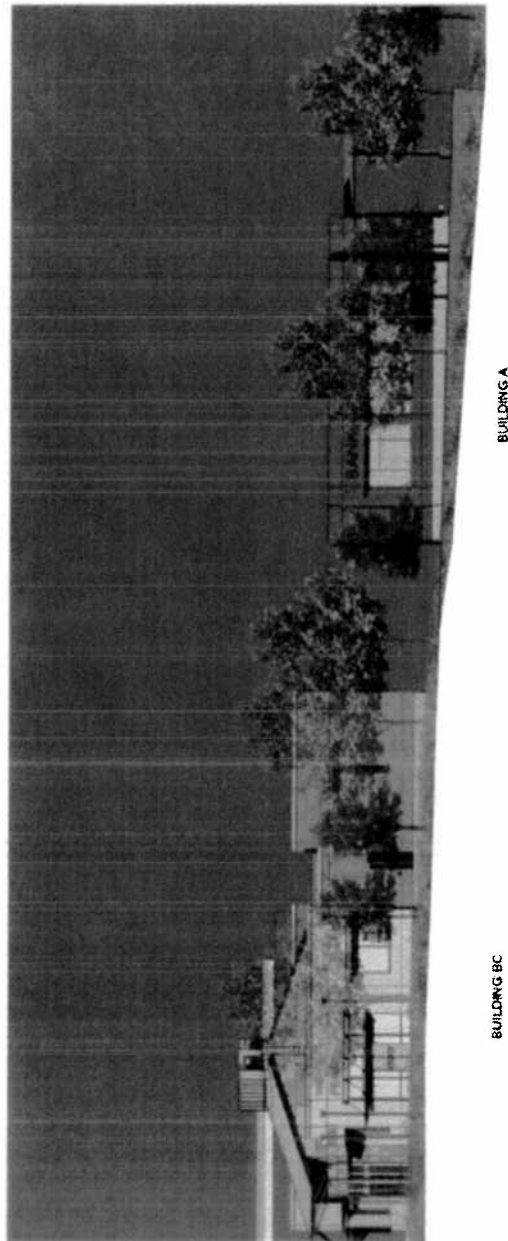


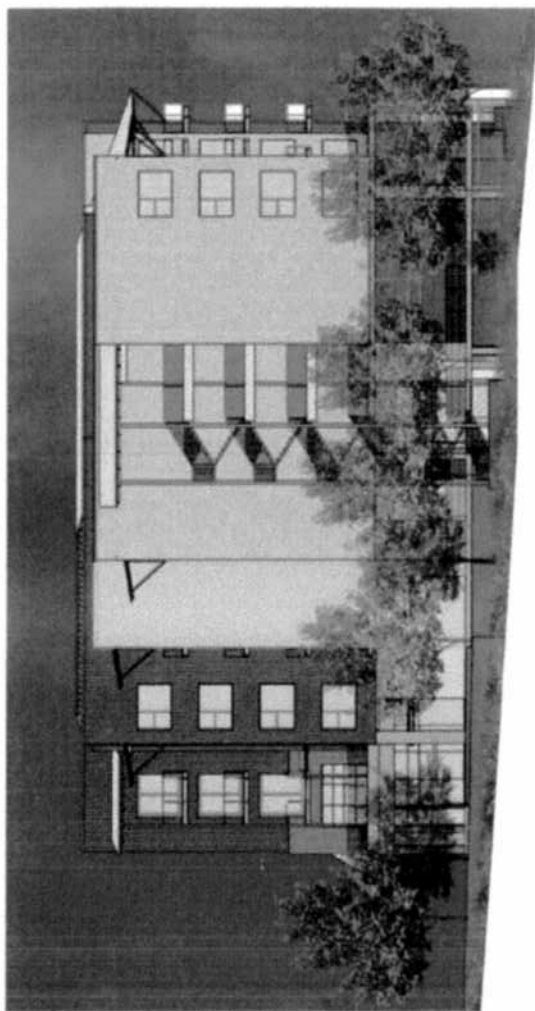
120962  
Exhibit C-6

MULTI-FAMILY WEST ELEVATION - FULL VIEW (CONCEPTUAL)



## RETAIL SOUTH ELEVATION (CONCEPTUAL)



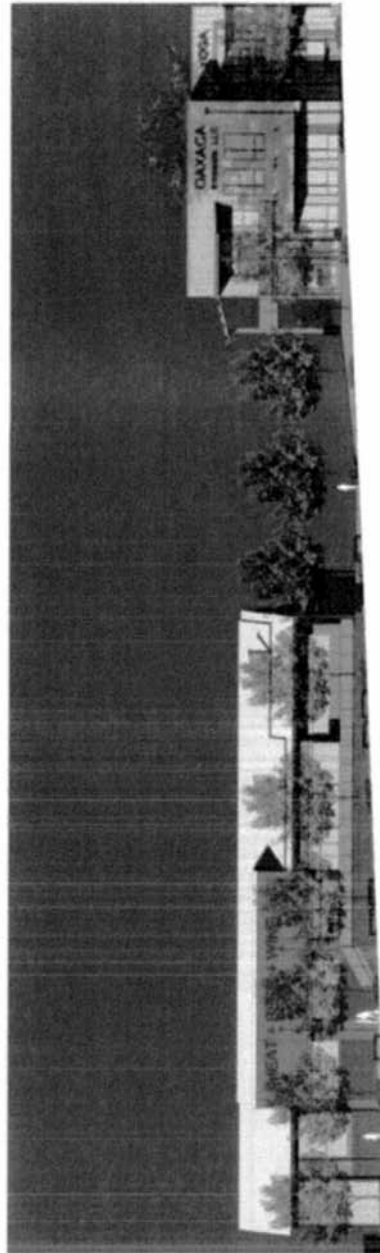


MULTI- FAMILY SOUTH ELEVATION (CONCEPTUAL)

Legend

Brick 1	Brick 2	Brick 3	Brick 4	Brick 5	Brick 6	Brick 7	Brick 8	Brick 9	Brick 10	Brick 11	Brick 12	Brick 13	Brick 14	Brick 15	Brick 16	Brick 17	Brick 18	Brick 19	Brick 20	Brick 21	Brick 22	Brick 23	Brick 24	Brick 25	Brick 26	Brick 27	Brick 28	Brick 29	Brick 30	Brick 31	Brick 32	Brick 33	Brick 34	Brick 35	Brick 36	Brick 37	Brick 38	Brick 39	Brick 40	Brick 41	Brick 42	Brick 43	Brick 44	Brick 45	Brick 46	Brick 47	Brick 48	Brick 49	Brick 50	Brick 51	Brick 52	Brick 53	Brick 54	Brick 55	Brick 56	Brick 57	Brick 58	Brick 59	Brick 60	Brick 61	Brick 62	Brick 63	Brick 64	Brick 65	Brick 66	Brick 67	Brick 68	Brick 69	Brick 70	Brick 71	Brick 72	Brick 73	Brick 74	Brick 75	Brick 76	Brick 77	Brick 78	Brick 79	Brick 80	Brick 81	Brick 82	Brick 83	Brick 84	Brick 85	Brick 86	Brick 87	Brick 88	Brick 89	Brick 90	Brick 91	Brick 92	Brick 93	Brick 94	Brick 95	Brick 96	Brick 97	Brick 98	Brick 99	Brick 100
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RETAIL NORTH ELEVATION (CONCEPTUAL)

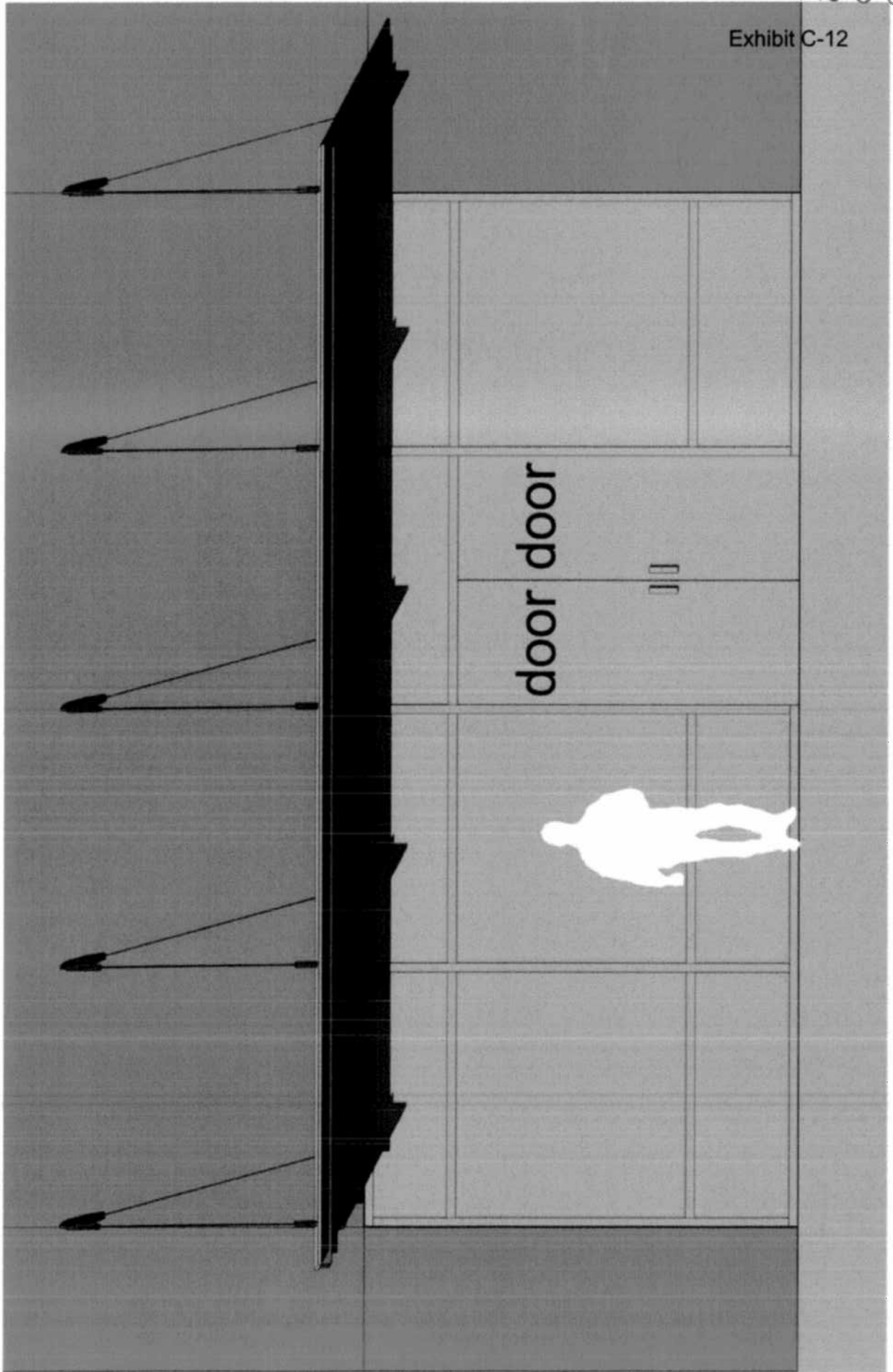


BUILDING 1

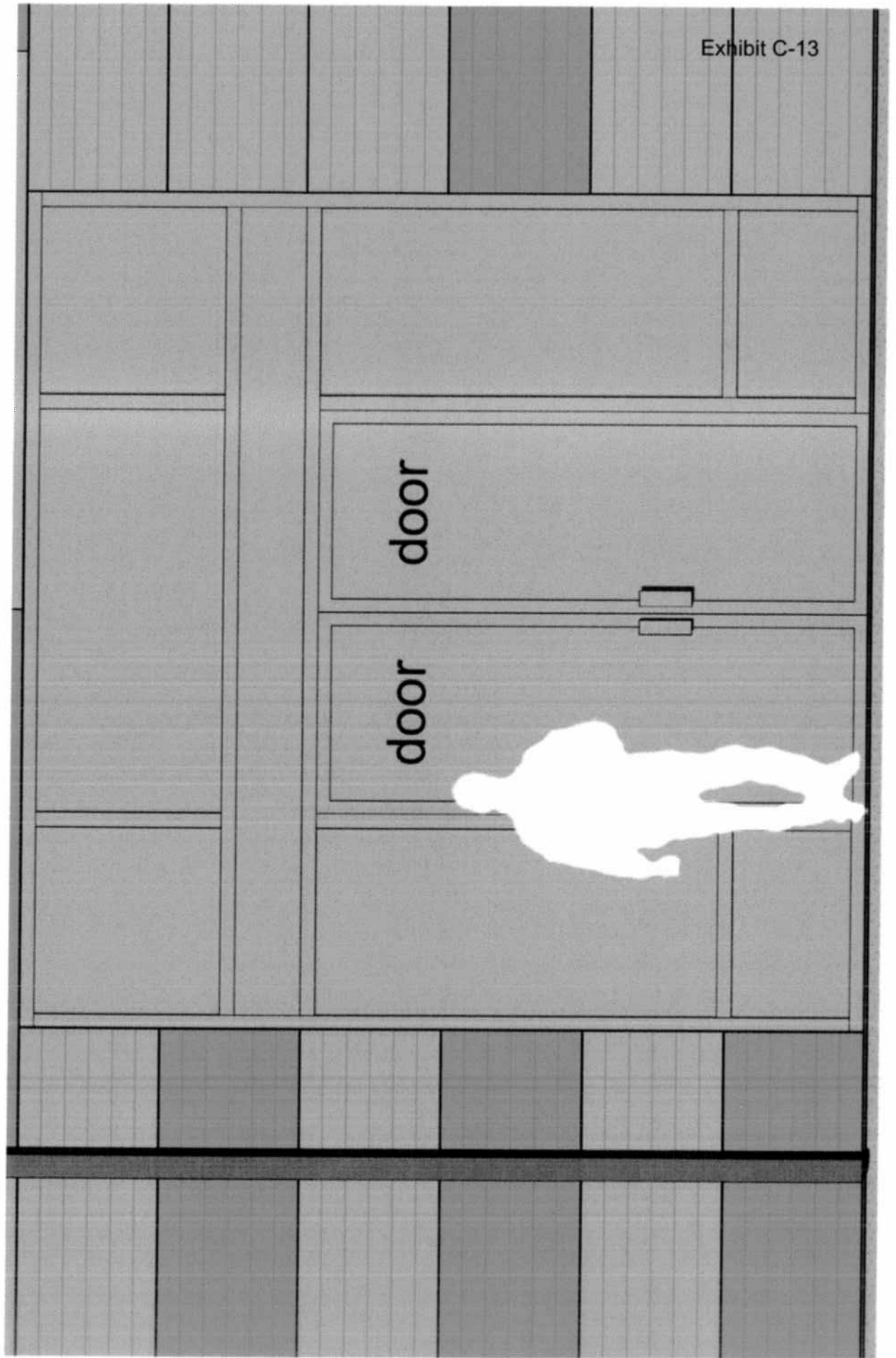
BUILDING 2



# TYPICAL INTERIOR ENTRANCE (CONCEPTUAL)



TYPICAL EXTERIOR ENTRANCE - SYLVAN AVE (CONCEPTUAL)





## TYPICAL EXTERIOR ENTRANCE - FORT WORTH AVE (CONCEPTUAL)



**Exhibit D**  
**Sylvan | Thirty**  
**Fort Worth Avenue TIF District**  
**Lynxette Exploration, LLC**  
**Project Costs**

Category	Staff Recommended Amount
<b>Public infrastructure improvements</b> paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition	\$450,000
<b>Parks, open space, trails, and gateways</b>	\$250,000
<b>Economic development grant</b>	\$2,500,000
<b>Total</b>	<b>\$3,200,000</b>

**Note:** The amounts listed above include engineering, construction, design, construction management, and contingency estimates. Construction management is solely intended to cover fees paid to an outside consultant or third party who confirms the quality of the work. Construction management fees must be invoiced with a detailed description of work performed. Funds may be shifted among categories as long as the total TIF funding does not exceed \$3,200,000. Notwithstanding the above, the TIF funding amount is \$3,000,000 plus an amount not to exceed \$200,000 to reimburse the cost of utility burial for a total that may be less than \$3,200,000.

**Exhibit E**  
**City of Dallas Tax Increment Finance Districts**  
**Mixed Income Housing Guidelines**

**TIF Program Purpose**

The purpose of the City of Dallas' TIF program is to promote development in underutilized and vacant areas through the use of public investment to attract private investment. The goals for the districts include improving the infrastructure within the districts and adding market rate apartments, single family homes, retail and commercial space, and office and professional space. Promoting housing for individuals and families at a variety of income levels is one of many policy considerations for the districts.

**General definitions**

Mixed income housing requires a minimum of 20% of all units to meet affordable housing standards.

Affordable housing units are those which are affordable to a household earning 80% or less of the median family income for the Dallas Area.

The 20% affordability requirement applies to both rental units and to units that are for sale. Requirements for for-sale units will be handled on a case-by-case basis. These guidelines primarily pertain to rental housing.

Affordability period and rent rates

Rental units must be affordable for a period of at least fifteen years, beginning from the date the project is complete per the development agreement.

Income levels and *maximum* rent will vary each year and are based on HUD's calculations for Area Median Family Income (AMFI), utility expenses, and Market Rent for the Dallas Area. Maximum rents are set each year at 30% of 80% of AMFI, including a utility allowance. Information pertaining to the maximum affordable rent and income levels that are currently in effect can be obtained from the Office of Economic Development.

Affordable units

A minimum of 20% of all occupied units shall be rented to qualifying households.

The developer may choose to offer any available unit to qualifying households. The 20% total requirement thus may be satisfied by any combination of units and need not apply to units of all sizes.

Affordable units shall be comparable in size and finish quality to market rate units and shall be dispersed throughout the development. Affordable units shall not be segregated into a particular section of the development and shall be a minimum of 500 square feet.

Qualifying households

A qualifying household is defined as a household making 80% or less of the AMFI.

Developers may include wages, salaries, tips, commissions, social security income, etc. to certify a household's income. The method used to determine income should be the same for qualifying and market rate households.

#### Lease terms

Households that qualify at the beginning of a lease will be assumed to qualify for the entirety of the term of that lease. Recertification is therefore only necessary during lease renewal.

At the end of the lease, the new lease rates will be set based on the household's current income at the time of renewal.

If the household no longer qualifies for an affordable unit, the lease may be renewed at market rate and another unit made available for a qualifying household in order to maintain the 20% affordability requirement.

#### Fees and leasing requirements

In general, all leasing requirements and all fees, utility charges, assessments, fines, etc. charged by the apartment community must be applied uniformly to qualifying households and market rate households, with the exception that the developer may choose to waive or reduce fees for qualifying households and the developer may choose to set specific lease lengths for affordable units.

### **Reporting Requirements**

Adequate reporting by developer, owner, or property manager shall be required to ensure that the City can appropriately monitor compliance with the guidelines. Projects receiving affordable housing funding under federal or state programs may choose to submit copies of compliance reports specific to the federal or state program in lieu of the TIF program report. Specific reporting requirements will be updated as necessary.

### **Compliance**

The developer assumes all liability for compliance with these requirements and with all applicable laws. By participating in the City's TIF program, the developer agrees to report all information accurately and on time. At the City's request, the developer agrees to produce necessary documentation for determining full compliance with this program.

The affordability period shall be extended by six months for any number of units by which the affordable housing provided during a semi-annual period falls short of the number of units required to meet the affordable housing requirements. Noncompliance may result in termination of the development agreement, a reduction in TIF reimbursement, or other action as determined by the Office of Economic Development.

Request for waiver or minor modification of these requirements shall be submitted to the Office of Economic Development and will be negotiated on a project-by-project basis with the City and the County.

The City may consider retaining a percentage of TIF funding to ensure that in the event that the property is sold prior to the end of the 15 year compliance period, all subsequent owners will be required to provide affordable housing for the remainder of the affordability period.

The TIF program does not alter, modify, or reduce any affordable housing requirements, duties, or obligations imposed on the developer because of receipt of funds or other assistance from other programs or persons.

#### **Alternative Methods**

A developer may propose alternative methods of meeting the requirements such as providing equivalent affordable housing units in a comparable location within or adjacent to the TIF district. All proposed alternative methods will be considered on a case-by-case basis and must be approved by both the City and Dallas County.

#### **Affirmative Fair Housing Marketing Plan**

An affirmative fair housing marketing plan is required for all projects with a residential component that are supported with TIF funding. This requirement is detailed in each project's development agreement. Each project will be evaluated individually to ensure that it furthers affirmative fair housing goals.

#### **Effective Date**

These guidelines are effective in each district as of the date they are approved by that district's TIF board. The guidelines apply to developments with first occupancy on October 1, 2011 or later. These guidelines will not alter the terms of development agreements authorized prior to the approval of this document.

#### **Guideline Modifications**

As needed, the City may make modifications or corrections to these guidelines to increase their effectiveness. Where these guidelines may conflict with a district's Final Plan language concerning housing provisions, the Director of the Office of Economic Development will make a final determination of project requirements.

**Exhibit F**  
**Quarterly Project Status Report**

**Prepared by:**

**Project name:**

**Report period:**

**Required project start date:**

**Actual project start date:**  
(attach permits as applicable)

**Required completion date:**

**Current expected completion date:**  
(attach Certificate of Occupancy and/or Certificates of Acceptance as applicable)

**Number of units completed:**

**Briefly describe project progress during this period:**

**Which documents did you submit to the City of Dallas Business Development & Procurement Services? When?** (attach copies as applicable)

**Which documents did you submit to the City of Dallas Fair Housing Department? When?** (attach copies as applicable)

**Describe any issues of concern with the City of Dallas (Office of Economic**

**Exhibit E: Quarterly Status Report**

**Development/Business Development & Procurement Services/ Fair Housing  
Department/Public Work and Transportation etc.)**

**Additional required attachments:**

- 4-8 current construction progress pictures from four sides of the project.
- Updated private and public improvement cost schedules
- Updated pro forma

**Submitted by:****Signature:** \_\_\_\_\_**Printed name:** \_\_\_\_\_**Date:** \_\_\_\_\_

**EXHIBIT G**  
**TIF Increment Allocation Policy**  
**Fort Worth Avenue TIF District**

It is important for the City of Dallas to encourage as many projects as possible in the Fort Worth Avenue TIF District ("District"). In that spirit, after Administrative Expenses and the District-Wide Improvement Allocation have been paid or set aside, Fort Worth Avenue TIF District funds will be allocated to Developers proportionately, based on the increment created by the Project (as defined below) and Related Projects/Developers (as defined below) within the District.

**Definitions**

**Administrative Expenses** – the City will take a share of TIF revenue from this District for the amount it bills to the District for costs necessary for administration of the TIF District program, which may include charges from other departments, each year.

**Available Cash** - cash in the Fort Worth Avenue TIF District fund that is not already allocated, encumbered, or otherwise set aside for other purposes.

**Developer** – A person or entity that has completed all requirements for a TIF-eligible Project as set out in the fully executed development agreement for the Project.

**District-Wide Improvement Allocation:** Ten percent (10%) of the Total Increment will be set aside for District-Wide improvements to be used towards specific improvement projects as determined by the TIF Board. This set-aside will be reviewed by the TIF Board annually based on updated financial projections and District needs.

**District-Wide Improvements** – improvements that are not specific to a single development site such as gateways, trails, open space, public facilities, or utility/streetscape improvements benefiting multiple properties or blocks.

**Individual Increment** – the portion of the increment that a Project or Related Project creates each year.

**Net Individual Increment** – Individual Increment less the Project's and/or Related Project's portion of Administrative Expenses each year. This portion will be based on the ratio of Individual Increment to Total Increment.

**Project** – Development, redevelopment, or rehabilitation that adds taxable real property value at a particular site, or is a space or facility of public benefit such as open space, trails, or cultural facilities. To be eligible, the Project must have been approved for TIF funds and must have completed all requirements set forth in the development agreement.

**Related Project/Developer** – If a Developer or a Developer's affiliate (as defined in a development agreement) has other development or redevelopment projects in addition to a TIF-eligible Project, increment from those Related Project(s) may be included in Individual Increment for reimbursement of the TIF-eligible Project expenses, subject to TIF board approval. A Developer of a TIF-eligible Project must have at least 50% ownership in any Related Project. These requirements will be further specified in a development agreement where applicable.

Related Projects must create new taxable real property value for the District based on the following criteria:

- New development on previously vacant land or demolished structures.



- Redevelopment or major modification of an existing building if this results in an increased taxable value of 50% or more of the original building.

**Shared Increment** – the Total Increment less (1) the portion of Administrative Expenses not already deducted from Individual Increment, (2) District-Wide Improvement Allocation, and (3) the sum of the Individual Increments of all eligible Developers.

**Total Increment** – the annual amount of increment deposited into the TIF fund from the participating jurisdictions.

#### **Increment Allocation Procedure**

Dallas Central Appraisal District (DCAD) certified values for each tax year will be the data source used to determine values for the increment allocation procedure. However, no increment allocation will be made unless a total Project or specific phase as defined in a development agreement is completed by May 1<sup>st</sup> of a given year. (See Note 1 for exceptions.) The City's Director of Economic Development will make the final determination in applying future available revenues in the TIF Fund among Projects.

Annually, after the Total Increment has been deposited in the TIF fund, the fund will pay or set aside Administrative Expenses and a District Wide Improvement Allocation. After Administrative Expenses and the District-Wide Improvement Allocation have been paid or set aside, Developers approved for TIF funding from the Fort Worth Avenue TIF District will be eligible to receive their Net Individual Increment.

In addition to their Net Individual Increment, all eligible Developers will be able to receive a portion of any Shared Increment. The Shared Increment allotted to an eligible Developer shall be a ratio of an eligible Developer's Individual Increment to the sum of the Individual Increments for all Projects eligible for reimbursement for that year.

Thus, the fund will be allocated in the following order: Administrative Expenses, District-Wide Improvement Allocation, Net Individual Increment (for all eligible Projects), pro-rata portions of Shared Increment.

#### **Notes:**

1. In general, the assignment of increment will be done annually, after each participating jurisdiction has deposited its annual increment into the TIF fund. However, upon completion of a Project, developers may apply to be reimbursed for TIF eligible expenditures from Available Cash currently in the TIF fund, if any.
2. If the appraised value of the remaining property in the TIF District decreases in value despite new development and as additional TIF Projects are approved and completed, the TIF subsidy for Projects that year may be reduced or unpaid. Similarly, if the sum of (1) Administrative Expenses and (2) the sum of the Individual Increments is greater than the Total Increment, then the Individual Increments shall be allotted on a proportional basis based on the ratio of each Developer's Individual Increment to the sum of the Individual Increments for that year. If there is no revenue available after administrative expenses, there will be no increment payments or funds for District-Wide Improvements that year.
3. Specific District-Wide Improvement Projects are to be determined and the amount of this set-aside will be reviewed annually based on updated financial projections and District needs. As needed, the Fort Worth Avenue TIF District TIF Board may make modifications or corrections to this Policy to increase its effectiveness.