

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

WHEREAS, on October 28, 1998, the City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Seven, City of Dallas, Texas ("Sports Arena TIF District") in accordance with the Tax Increment Financing Act, as amended, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act") to promote development and redevelopment through the use of tax increment financing by Ordinance No. 23688; as amended; and

WHEREAS, on August 25, 1999, the City Council authorized the Sports Arena Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 24002; as amended; and

WHEREAS, on May 23, 2012, the City Council conducted a public hearing and received comments on amendments to the Sports Arena TIF District Project and Reinvestment Zone Financing Plans and authorized an ordinance amending Ordinance No. 23688, previously approved on October 28, 1998, and Ordinance No. 24002, previously approved on August 25, 1999, to (1) add two new sub-districts within the Sports Arena TIF District: (a) Riverfront Gateway Sub-district and (b) West Dallas Sub-district; (2) increase the geographical area of the Sports Arena TIF District to add approximately: (a) 4.5 acres to the Victory Sub-district (generally the original Sports Arena TIF District boundary); (b) 33 acres in the Riverfront Gateway Sub-district; and (c) 89.2 acres in the West Dallas Sub-district; (3) extend the termination date of the Sports Arena TIF District for a 10 year period from the City Council established termination date of December 31, 2018, to December 31, 2028, for the Victory Sub-district and establish a termination date for the Riverfront Gateway and West Dallas Sub-districts of December 31, 2042; (4) decrease the percentage of tax increment contributed by the City of Dallas during the extended term of the TIF District and establish other taxing jurisdictions participation percentages; (5) increase the Sports Arena TIF District budget from \$25,498,568 NPV (approximately \$46,961,785 total dollars) to \$94,409,005 NPV (approximately \$273,599,175 total dollars), an increase of \$68,910,437 NPV (approximately \$226,637,390 total dollars); (6) create an Economic Development TIF Grant Program within the District and adopt program guidelines; (7) make corresponding modifications to the Sports Arena TIF District map, budget and Project and Reinvestment Zone Financing Plans by Ordinance No. 28672; and

WHEREAS, on June 13, 2012, City Council authorized a development agreement with Anland GP, L.P., and dedication of TIF funding for the construction of a public parking garage (North Parking Garage) on the northwest corner of the intersection of Victory Avenue and Olive Street in an amount not to exceed \$33,271,841, by Resolution Nos. 12-1568 and 12-1569; and

WHEREAS, on December 19, 2012, the Sports Arena TIF District Board of Directors, reviewed and approved the design of the North Parking Garage, including additional garage design elements, contingent upon subsequent approval of TIF funding for the additional design elements; and

WHEREAS, on January 28, 2013, the Sports Arena TIF District Board of Directors reviewed and recommended approval of a development agreement with Anland GP, L.P., and dedication of TIF funding for enhanced design elements North Parking Garage, a public parking garage on the northwest corner of the intersection of Victory Avenue and Olive Street in an amount not to exceed \$3,600,000; and

WHEREAS, on April 1, 2013, a memo was submitted to the Economic Development Committee regarding the design enhancements for the North Parking Garage project and recommended City Council approval of a development agreement with Anland GP, L.P. and dedication of TIF funding in an amount not to exceed \$3,600,000; and

WHEREAS, in furtherance of the Sports Arena TIF District Project Plan and Reinvestment Zone Financing Plan and to promote within the Sports Arena 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 Anland GP, L.P., for the North Parking Garage in the Victory Sub-district of the Sports Arena TIF District; and

WHEREAS, the expenditure of TIF funds supporting this development is consistent with promoting development and redevelopment of the Sports Arena TIF District in accordance with the purposes for its creation, the City's revised Public/Private Partnership Guidelines and Criteria, the ordinance adopted by the City Council approving the Project and Financing Plan, as amended, and is for the purpose of making public improvements consistent with and described in the Project and Financing Plan, as amended, for the Sports Arena TIF District.

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 with Anland GP, L.P., and the City of Dallas, on behalf of the Sports Arena TIF District for the design enhancements to the North Parking Garage Project.

Section 2. That the Sports Arena TIF District Board of Directors is authorized to dedicate future Sports Arena TIF District revenues, attributable to the Victory Sub-district in an amount not to exceed \$3,600,000 for project costs associated with the design enhancements approved for North Parking Garage to be constructed in the Victory Sub-district of the Sports Arena TIF District, as shown in **Exhibit A** – North Parking Garage design enhancements Budget. These costs represent documented project costs for design and construction of the design enhancements for the North Parking Garage including, but not limited to design, engineering, construction management, professional services, and paving.

Section 3. That the City Controller is hereby authorized to encumber and disburse funds from future tax increments generated in the Victory Sub-district of the zone and subject to future appropriations from:

Fund 0038, Department ECO, Unit P729, Object 4315, Activity SATI, Program No. SATIF0001, CT ECOP729F218, Vendor No. 518466, in an amount not to exceed \$3,600,000;

For a total not to exceed \$3,600,000.

Section 4. That nothing in the resolution shall be construed to require the City to approve future dedications of Sports Arena TIF revenues (the "TIF Funding") from any source of the City funds other than the Victory Sub-district's Sports Arena TIF District Fund. Any portion of the TIF Funding that remains unpaid due to lack or unavailability of Sports Arena TIF District Funds shall no longer be considered project costs of the Sports Arena TIF District or the City and the obligation of the Sports Arena TIF District to pay Anland, GP, L.P., shall automatically expire.

Section 5. That in addition to the conditions set out in the Sections above, the Development Agreement is hereby expressly made subject to all of the following contingencies which must be performed or occur:

- A. Developer will proceed with preparing final construction drawings signed and sealed by a licensed professional engineer, architect, or landscape architect (the "Final Plans") for submission to the City of Dallas and make application for a building permit for the North Parking within 12 months after District's Board of Directors approval of the Final Preliminary Plans and the Director on December 19, 2012.
- B. Meeting all standard requirements for and applying for a building permit for the North Parking Garage by December 31, 2013, and commence construction within 60 days after issuance of a building permit.

Section 5. (Continued)

- C. Developer shall continue diligent pursuit of construction of the North Parking Garage over no longer than 24-months following receipt of a building permit or March 1, 2016, which date may be extended up to 180-days or longer if necessary to repair or restore the North Parking Garage in the event force majeure conditions delaying construction progress and completion of construction.
- D. The North Parking Garage Project shall include new construction of a parking garage that includes the following additional design elements shown in the Final Preliminary Plans approved by the Sports Arena TIF District's Board of Directors and Office of Economic Development Director:
 - a. Temporary retail space along the DART Plaza façade of the building;
 - b. Static signage infrastructure shall be integrated into the building's facades for future super graphic signage. This infrastructure includes separately metered signage lighting and hardware to connect the signs to the building. The signage infrastructure and enhancements will be located on all four sides of the building at the upper levels of the North Parking Garage; signage may include super graphics and other design features recommended by City staff and the CityDesign Studio;
 - c. Upgrade of off-site pedestrian crosswalk across Victory Avenue, with location to be determined by the ultimate dimensions of the DART plaza;
 - d. Precast enhanced design elements shall be added at the major pedestrian entrances located at the DART Plaza and Victory Avenue, and awnings shall be added along the pedestrian edges of the North Parking Garage;
 - e. A second escalator shall be constructed to allow one escalator to be dedicated to entry and the second escalator to be dedicated to exiting pedestrian traffic;
 - f. The façade shall be upgraded to include brick and precast architectural design details at the building corners and parapet edges clearly marking the location of entries to the North Parking Garage;
 - g. A second access point for the North Parking Garage shall be added, providing access to the building from the loading dock road on the western side of the garage;

Section 5. (Continued)

- h. A speed ramp shall be included within the design of the North Parking Garage to improve entrance and exiting times;
 - i. All design and construction requirements in the Parking Rights Agreements, so that the number of parking spaces constructed in the North Parking Garage meet all applicable requirements in the Parking Rights Agreement to provide at least 1,200 dedicated parking spaces for event parking for the American Airlines Center; although fewer parking spaces may be striped if the American Airlines Center determines that larger space sizes will benefit the functionality of the North Parking Garage; and
 - j. All design and construction requirements in the West Access Road Agreements.
- E. Developer shall submit to the Director a quarterly status report for ongoing work on the North Parking Garage, as well as public improvements, if any. Such status reports will be due once every 3 months after the Council approval date.
- F. Developer shall submit a letter, along with an invoice itemizing the design and construction costs incurred during the preceding calendar quarter, to the Director on a quarterly basis during the course of construction of the North Parking Garage, beginning on the first calendar quarter following issuance of a building permit and commencement of construction.
- G. The City of Dallas shall process such invoices as quickly as possible and reimburse Developer a percentage of the invoiced costs in an amount equal to the proportion that the TIF Funding bears to the total budget for the North Parking Garage, less retainage of 10%, within 30 days of receipt of the invoice during the course of construction of the North Parking Garage, but ending no later than the date of completion and acceptance of the North Parking Garage by the City. For example, the budget for the design and construction of the North Parking Garage with the TIF Funding hereunder is approximately \$25,400,000; therefore the TIF Funding of approximately \$3,600,000 represents approximately 14.2% of the total design and construction budget. If Developer has spent a total of \$5,000,000 for design and/or construction costs during the preceding calendar quarter, the City will reimburse Developer in the amount of \$639,000 [\$710,000 less \$71,000 retainage] for that quarter (14.2% of the total amount spent less 10% retainage).
- H. TIF Funding will end no later than the date of completion and acceptance of the North Parking Garage by the City, at which time any unpaid balance of the TIF Funding will be paid to Developer, including TIF Funding retained by the City.

April 10, 2013**Section 5. (Continued)**

- I. Funding for the North Parking Garage and North Parking Garage design enhancements will be proportionally less if the total TIF Eligible Project Costs (as defined in the Development Agreement for the North Parking Garage) for the North Parking Garage plus the TIF Funding are less than \$25,400,000. For example, if the total TIF Eligible Project Costs plus the TIF Funding is only \$22,000,000 (approximately 13% under the current budget of \$25,400,000) the TIF Funding will be reduced by approximately 13% (\$468,000) for a total TIF Funding amount of \$3,132,000.
- J. Comply with the Business Inclusion and Development ("BID") policy for Minority/Women-owned Business Enterprise ("M/WBE") participation for TIF reimbursable improvements. Developer shall make a good faith effort to achieve a goal of certified M/WBE participation of 25% of total expenditures for the North Parking Garage, and meet all reporting requirements for each.
- K. The North Parking Garage has the potential to generate non-parking revenue from potential retail ready space adjacent to the DART Plaza and Victory Park Lane and advertising opportunities on the north and west sides of the garage. Subject to Developer's existing signage rights within the District, the City reserves the right to negotiate management and programming of the retail space and advertising on the garage, along with revenue sharing with the Developer at a later date.
- L. If necessary, the deadlines may be extended up to 6 months, subject to the Director's approval.

Section 6. That should Anland GP, L.P., not perform one or more of the contingencies listed above, the City Manager is authorized to terminate the development agreement and disallow the total TIF Funding up to an amount not to exceed \$3,600,000.

Section 7. 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.

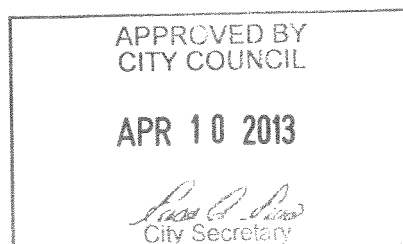


Exhibit A

North Parking Garage Design Enhancements TIF Funding

Budget Line Item	Amount
<i>Tier One Improvements</i>	
Total	\$3,600,000
Total TIF Funding Proposed	\$3,600,000