

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

WHEREAS, on June 8, 2005, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Eleven, City of Dallas, Texas ("Downtown Connection 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 in the Uptown and Downtown areas through the use of tax increment financing by Ordinance No. 26020; as amended; and

WHEREAS, on August 29, 2005, City Council authorized the Downtown Connection Tax Increment Financing District Project Plan and Reinvestment Zone Financing Plan by Ordinance No. 26096; as amended; and

WHEREAS, on March 21, 2013, the Downtown Connection TIF District Board of Directors reviewed and recommended approval of Supplemental Agreement No. 2, an amendment to the development agreement with Ricchi Dallas Investments, LLC for the redevelopment of 1600 Pacific Avenue to: (1) require only the completion of Stage 1 and a portion of Stage 2 work inclusive of renovation of elevator systems, roof, windows, restoration of the exterior of the building and installation of core components of a new heating and air conditioning system); (2) allow project's eligibility for reimbursement to be effective upon acquisition and closing of a construction loan for the LTV Tower Building by 1600 Pacific Landlord, LLC; (3) establish an acquisition and project construction financing closing date; and (4) establish that if 1600 Pacific Landlord, LLC, does not acquire and close construction financing for the LTV Tower Building by established acquisition and financing closing date, amendments (1) and (2) shall be void and the Certificate of Occupancy Date defined in the existing development agreement with Ricchi Dallas Investments, LLC, as amended, shall be extended ; and

WHEREAS, on March 21, 2013, the Downtown Connection TIF District Board of Directors reviewed and recommended approval of: (1) a Development Agreement with 1600 Pacific Landlord, LLC, for the LTV Tower Redevelopment Project (addressed as 1600 Pacific Avenue) that includes completion of the remaining portions of Stage 2, and Stage 3 work removed from the development agreement with Ricchi Dallas Investments, LLC and finish out of the entire building with hotel and residential uses; (2) an Economic Development TIF Grant Agreement with First National Bank for TIF incentives in an amount not to exceed \$17,500,000 associated with the LTV Tower Redevelopment Project; and (3) dedication of TIF funding for the LTV Tower Redevelopment Project not to exceed \$17,500,000; and

May 22, 2013

WHEREAS, on April 15, 2013, the Economic Development Committee was briefed and recommended approval of: (1) a Supplemental Agreement No. 2 amending the development agreement with Ricchi Dallas Investments, LLC; (2) a Development Agreement with 1600 Pacific Landlord, LLC for the LTV Tower Redevelopment Project; and (3) an Economic Development Grant Agreement with First National Bank for TIF incentives in an amount not to exceed \$17,500,000 for the LTV Tower Redevelopment Project; and

WHEREAS, in furtherance of the Downtown Connection TIF District Project Plan and Reinvestment Zone Financing Plan and to promote within the Downtown Connection 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 for the development/redevelopment of the LTV building in the Downtown Connection TIF District.

NOW, THEREFORE,

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

Section 1. That the findings, determinations and certifications contained in the recitals above are incorporated herein for all purposes.

Section 2. That the issuer expects to incur debt as one or more series of obligation for the purpose of paying the costs of the Project. The following is a general functional description of the Project for which the expenditures to be reimbursed or paid and a statement of the maximum principal amount of debt expected to be issued for such reimbursement purposes.

Project Description

Finish out and occupancy of the LTV building with hotel and residential uses; LTV Tower Redevelopment Project in Reinvestment Zone Number Eleven (Downtown Connection TIF District)

Debt To Be Issued

Not to exceed \$17,500,000 as provided by the Project Plan and Reinvestment Zone Financing Plan

Section 3. That the total Downtown Connection TIF District participation in the LTV Tower Redevelopment project shall not exceed an amount of \$17,500,000 all in accordance with the terms of the said grant agreement.

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Section 4. That nothing in the resolution shall be construed to require the City to approve payment from any source of City funds other than the Downtown Connection TIF District Fund and/or Tax Increment Bonds. Any funds expended under the development agreement that remain unpaid upon termination of the Downtown Connection TIF District, due to lack or unavailability of Downtown Connection TIF District Funds shall no longer be considered project costs of the Downtown Connection TIF District or the City and any obligation to pay First National Bank, shall automatically expire.

Section 5. 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

MAY 22 2013


City Secretary