

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

**WHEREAS**, on December 9, 1992, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Four ("Cedars TIF District") in accordance with the Tax Increment Financing Act, as amended, V.T.C.A Texas Tax Code, Chapter 311 (the "Act") to promote development and redevelopment in the District through the use of tax increment financing by Ordinance No. 21492, as amended; and

**WHEREAS**, on April 9, 1997, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Cedars TIF District by Ordinance No. 23092, as amended; and

**WHEREAS**, on August 23, 2013, the Peer Review Committee reviewed and approved the Conceptual Site Plan and Conceptual Elevations for the Galleries on Hickory Project; and

**WHEREAS**, on September 19, 2013, the Cedars TIF Board of Directors reviewed the proposed infrastructure, streetscaping, and landscaping improvements at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) a second alley between Beaumont Street and Hickory Street in the Cedars TIF District and recommended City Council consideration of a development agreement with Dig It! Development, LLC and for authority to dedicate an amount not to exceed \$490,700 in future TIF revenues from the Cedars TIF District for certain TIF-eligible public improvements; and

**WHEREAS**, the infrastructure, streetscaping, and landscaping improvements are anticipated to further future growth and expansion of residential and commercial activity within the City of Dallas; and

**WHEREAS**, in furtherance of the Cedars TIF District Project Plan and Reinvestment Zone Financing Plan, the City desires to reimburse Dig It! Development, LLC for the cost of infrastructure, streetscaping, and landscaping improvements at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) a second alley between Beaumont Street and Hickory Street in the Cedars TIF District as described in the Conceptual Site Plan attached hereto as **Exhibit A** and the Conceptual Elevations attached hereto as **Exhibit B**.

**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 Dig It! Development, LLC and the City of Dallas, subject to future appropriations, in an amount not to exceed \$490,700 for TIF-eligible public improvements costs as shown in the TIF Funded Project Budget attached hereto as **Exhibit C** in accordance with the Cedars TIF District Project Plan and Reinvestment Zone Financing Plan.

**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 future tax increments and subject to future appropriations from:

Cedars TIF District Fund - Fund 0033, Department ECO, Unit P840, Object 4510, Activity TCED, Program No. CEDTIF0010, CT ECOP840L239-01, Vendor No. VS0000081192, in an amount not to exceed \$95,700; and

Cedars TIF District Fund - Fund 0033, Department ECO, Unit P840, Object 4510, Activity TCED, Program No. CEDTIF0010, CT ECOP840L239-02, Vendor No. VS0000081192, in an amount not to exceed \$395,000.

Total in an amount not to exceed \$490,700.

**Section 4.** That Dig It! Development, LLC shall fund infrastructure, streetscaping, and landscaping improvements located at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) a second alley between Beaumont Street and Hickory Street in the Cedars TIF District, in an amount not to exceed \$490,700 for the cost of TIF-eligible public improvements in the Cedars TIF District. Dig It! Development, LLC will be paid solely from the Cedars TIF District Fund in accordance with the terms of the development agreement described in hereof, but only to the extent such Cedars 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 assuming all conditions for payment have been met, the City will administer the payment of the TIF Reimbursement for the Project annually from the Cedars TIF District Fund. Project Infrastructure improvements will be reimbursed from increment created by the project, Shared Increment and the District-wide Improvement Set-aside in accordance with the Cedars TIF District Increment Allocation Policy. This project will not be eligible for TIF increment contributed to the Cedars TIF District Fund by Dallas County.

**Section 5.** (Continued)

- A. The Project will be eligible to receive its own increment. The individual increment will be used to fund site related improvements.
- B. The Project will be eligible to receive Shared Increment in accordance with the Increment Allocation Policy. Shared Increment will be used to fund site related improvements. If there are other projects that are eligible for Shared Increment, funds will be allocated based on the ratio of a Project's Cumulative Individual Increment to the sum of the Cumulative Individual Increment generated by all Projects that are eligible for reimbursement from Shared Increment for a given year.
- C. The District-wide Improvement Set-aside will be used to fund the infrastructure improvements along Hickory Street beyond the project site and the paving of the alley between Beaumont Street and Hickory Street. If there are other District-wide improvements that are eligible for TIF funding, funds will be allocated based on the ratio of a Project's Cumulative Individual Increment to the sum of the Cumulative Individual Increment generated by all Projects that are eligible for reimbursement from the set-aside for a given year.

**Section 6.** That nothing in the resolution shall be construed to require the City to approve payment from any source of City funds other than the Cedars TIF District Fund and/or Tax Increment Bonds. Any funds expended under the development agreement that remain unpaid upon termination of the Cedars TIF District, due to lack or unavailability of Cedars TIF District Funds shall no longer be considered project costs of the Cedars TIF District or the City and the obligation of the Cedars TIF District to pay Dig It! Development, LLC shall automatically expire.

**Section 7.** 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:

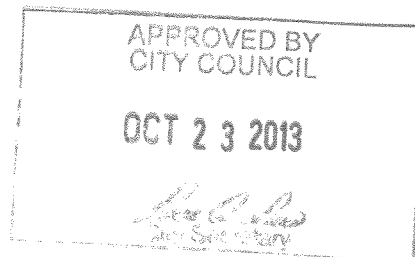
- A. A minimum private investment of \$4,200,000 which is defined as including land acquisition, site preparation, hard construction costs, and soft costs related to construction incurred by the Developer/Owner with respect to the Project as evidenced by an audit of its applicable invoices, contractor payments, and sales agreements.

**Section 7. (Continued)**

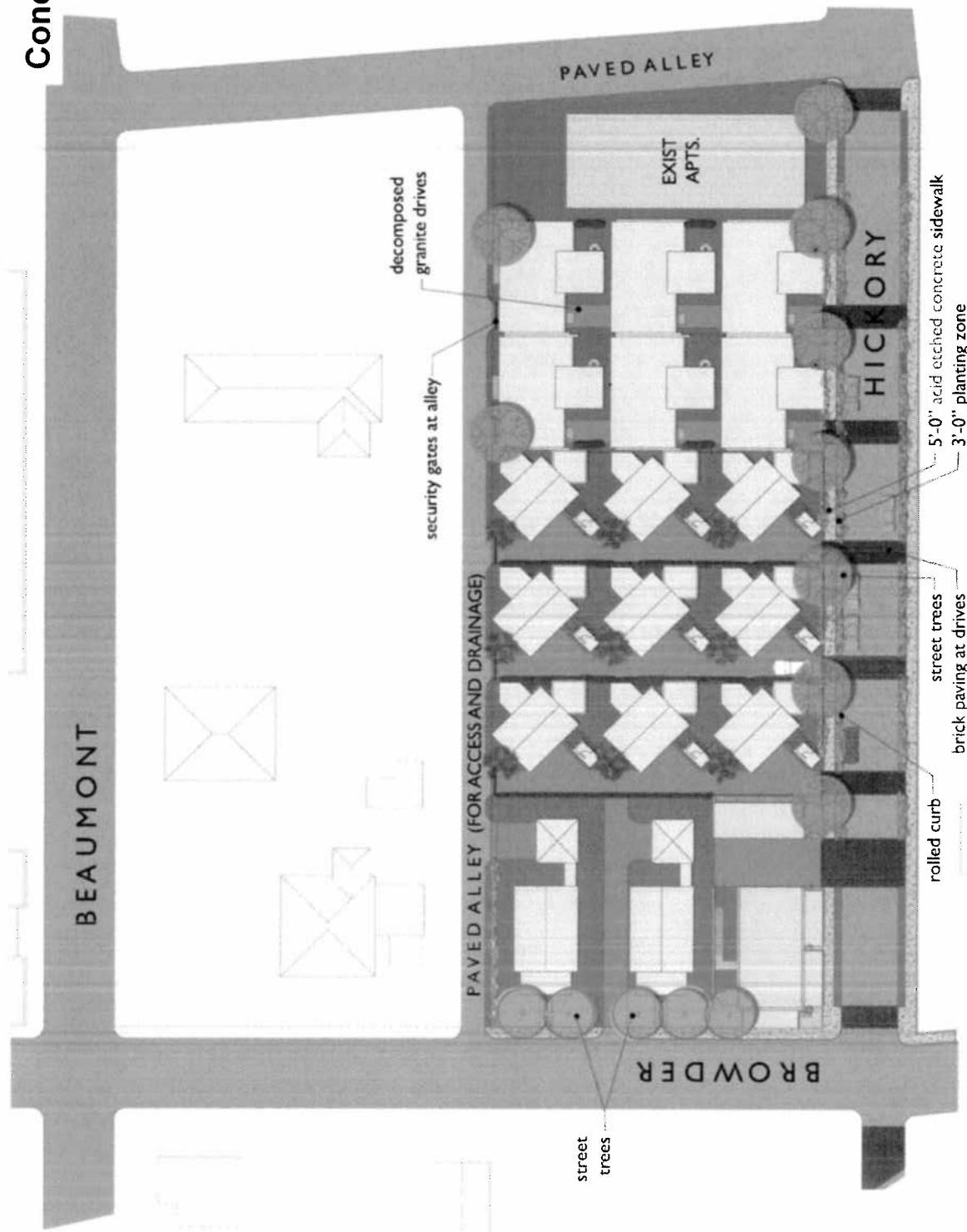
- B. Design Review including compliance with the Peer Review Committee's recommendations for the design of all public infrastructure improvements at: (1) 1509, 1513, 1517, 1521 and 1527 Hickory Street; (2) 1814, 1818, and 1820 Browder Street; (3) the adjoining alley between Browder Street and Ervay Street; (4) along Hickory Street beyond the project site; and (5) the alley between Beaumont Street and Hickory Street. The project's TIF funding eligibility requires the Developer/Owner's compliance with Design Review recommendations.
- C. The Project must be consistent in general form and character with the attached Conceptual Site Plan and Conceptual Elevations (please refer to Exhibits A and B). Any modification to the plans must be approved through the TIF Design Review process.
- D. The project shall contain a minimum of 10 single-family housing units with 1,250 square feet of space each.
- E. Developer/Owner must complete and receive a Certificate of Occupancy for the single-family housing units by May 31, 2016.
- F. Developer/Owner must complete all public infrastructure improvements as described in the Description of the Project's Public Infrastructure Improvements attached hereto as **Exhibit D**, and receive a certificate of acceptance from the City's Department of Public Works by May 31, 2016, for all infrastructure improvements that are to be reimbursed with TIF funds.
- G. Developer/Owner shall make good faith efforts to comply with the Business Inclusion and Development (BID) process and goals established by the City in its BID Plan with the City's Fair Share Goals. Specifically, the Developer/Owner's goals shall be 25% participation by M/WBE firms for all construction work related to the Project that is a TIF Eligible Project Cost and 10% participation by M/WBE firms for the remainder of the Project Construction.
- H. An operating and maintenance agreement must be executed and funded for non-standard public improvements associated with the Project by May 31, 2016.

**Section 8.** That the Director of the Office of Economic Development, after approval and recommendation of the Davis Garden TIF District Board of Directors, may authorize minor modifications to the project including development site plan and/or an extension of the project deadlines up to six months.

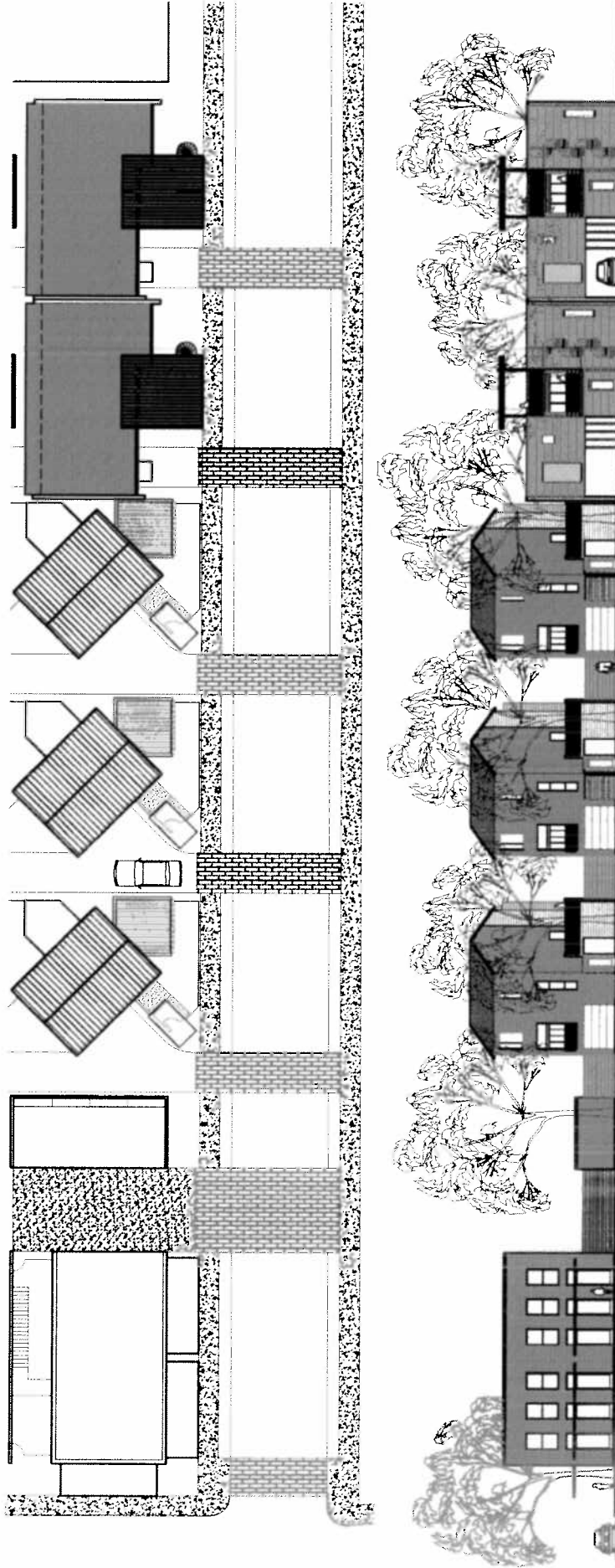
**Section 9.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



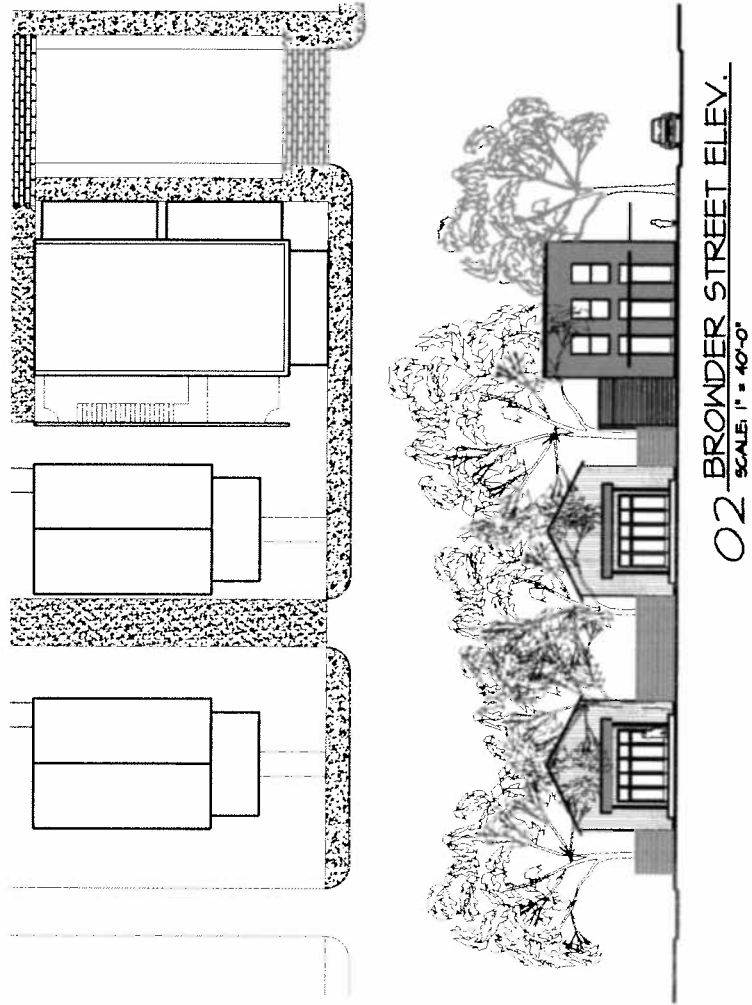
# Exhibit A Conceptual Site Plan



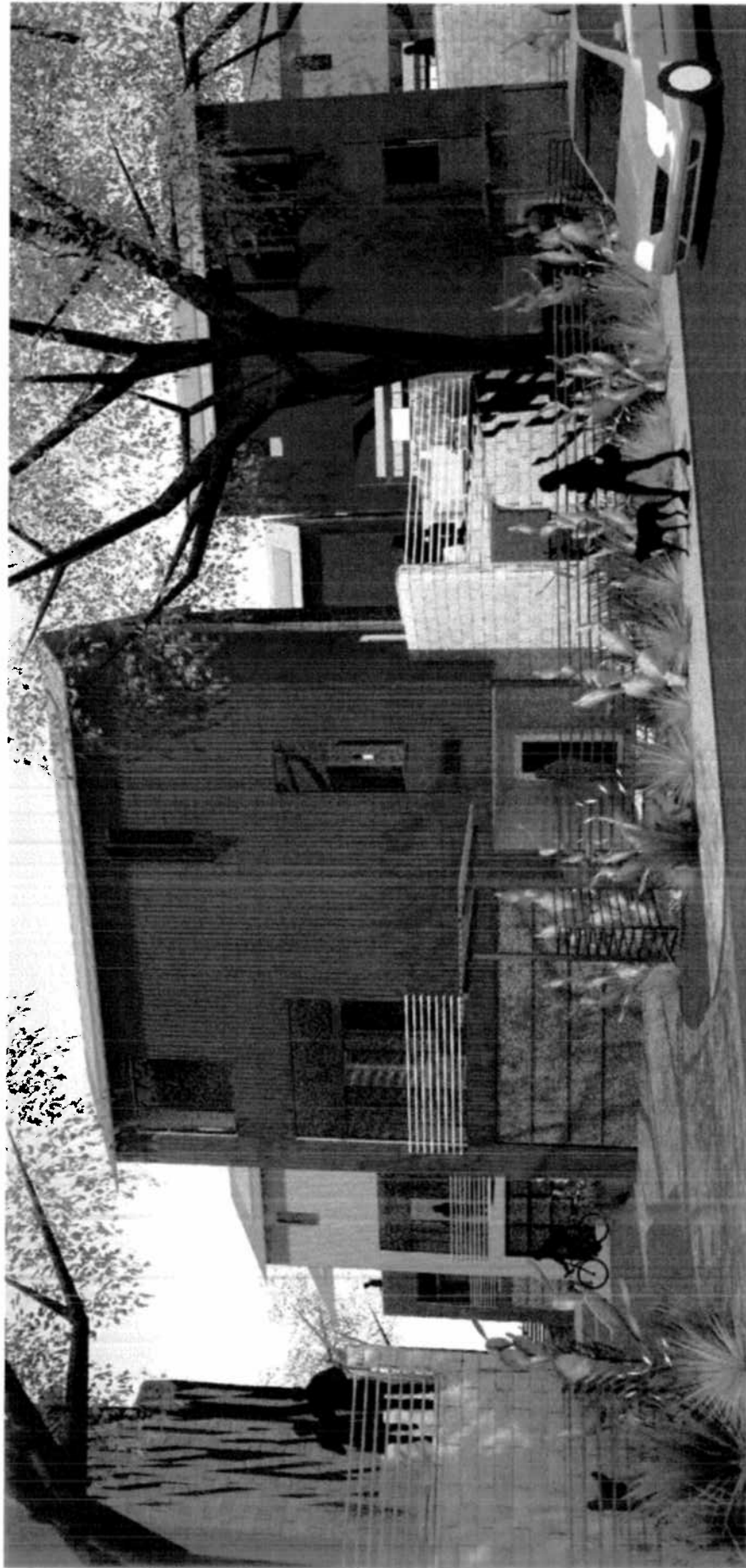
**Exhibit B**  
**Conceptual Elevations**



O | HICKORY STREET ELEV.  
SCALE 1" = 40'-0"







45 DEGREE HOME  
Shipley ARCHITECTS  
108 Campbell Street  
Denton, Texas 76205 214.401.2800

HICKORY STREET DEVELOPMENT  
Denton, Texas



UP AND OVER HOME  
 shipley ARCHITECTS  
 1718 HICKORY STREET  
 DALLAS, TEXAS 75204  
 (214) 521-2800

HICKORY STREET DEVELOPMENT

**Exhibit C**  
**TIF Funded Project Budget**

<b>Infrastructure Improvements</b> (TIF Eligible Project Costs)	
Infrastructure Improvements - Street Construction/Streetscape/Water/ Wastewater/Drainage Improvements/East-West Corridor Construction/ Public Open Spaces/Economic Development Grants	
Infrastructure Improvements extending beyond the project site along Hickory Street and the paving of the alley between Beaumont Street and Hickory Street	\$95,700
Site related Public Improvements along Hickory Street and Browder Street as well as the paving of the adjoining alley between Browder Street and Ervay Street	\$395,000
<b>Total TIF Eligible Project Costs</b>	<b>\$490,700</b>
<i>* Cost maybe reallocated among categories as long as the total TIF funding commitment does not exceed \$490,700. No interest shall accrue on any portion of the TIF subsidy.</i>	

## **Exhibit D**

### **Description of the Project's Public Infrastructure Improvements**

The public infrastructure improvements for the Galleries on Hickory Project will consist of the following components:

- Site related infrastructure, streetscaping, and landscaping improvements along Hickory Street and Browder Street; and the paving of the adjoining alley between Browder Street and Ervay Street. The improvements along Hickory Street will begin at Browder Street and extend approximately 428 feet toward South Ervay Street. The improvements along Browder Street will begin at Hickory Street and extend approximately 180 feet towards Beaumont Street.
- Infrastructure, streetscaping, and landscaping improvements beyond the project site along Hickory Street between Gould Street and Browder Street (approximately 350 feet); and the paving of the alley between Beaumont Street and Hickory Street. The alley paving will begin at Hickory Street and extend approximately 160 feet towards Beaumont Street.