

February 27, 2019

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

WHEREAS, the City has established Tax Increment Financing Reinvestment Zone Number Ten ("Southwestern Medical TIF District" or "District") and established a Board of Directors for the District to promote development or redevelopment in the Southwestern Medical area pursuant to Ordinance No. 25965, authorized by the City Council on April 27, 2005, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, as amended; and

WHEREAS, on January 11, 2006, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Southwestern Medical TIF District by Resolution No. 06-0129; Ordinance No. 26204, as amended; and

WHEREAS, the Tax Increment Financing Act specifies that the governing body of a city shall submit an annual report on the financial status of the district to the Chief Executive Officer of each taxing unit that levies taxes on real property in a reinvestment zone, and a copy of the report shall be forwarded to the State Comptroller; and

WHEREAS, on January 24, 2019, the Southwestern Medical TIF District Board of Directors passed a motion accepting the FY 2017-2018 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten and recommended approval of same by the City Council.

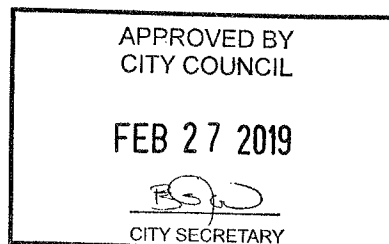
Now, Therefore,

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

SECTION 1. That the FY 2017-2018 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten (Southwestern Medical TIF District), City of Dallas, Texas, as of September 30, 2018, a copy of which is attached hereto (**Exhibit A**), is hereby accepted.

SECTION 2. That the City Manager is hereby authorized to submit the FY 2017-2018 Annual Report for Tax Increment Financing Reinvestment Zone Number Ten, to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law.

SECTION 3. 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.



Southwestern Medical TIF District FY 2017-2018 Annual Report



City of Dallas

Office of Economic Development
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October 1, 2017 to September 30, 2018

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Mission Statement

The mission of the Southwestern Medical Tax Increment Financing District is to provide a source of funding for public infrastructure improvements anticipated to enhance the real estate market for the Southwestern Medical TIF District area. The Southwestern Medical TIF District represents the outgrowth of the City of Dallas' effort to provide a model for redeveloping a former industrial and warehouse district to take full advantage of the expanding DART light rail system, to promote transit-oriented development, especially in areas that are major employment centers like the Medical District, and to implement appropriate urban design standards.

The Dallas City Council established the Southwestern Medical TIF District by Ordinance Number 25965 on April 27, 2005. The Southwestern Medical District took effect on January 1, 2006 and is scheduled to terminate on December 31, 2027 (including collection of the 2027 increment and any related matters to be concluded in 2028) or when the budget of \$27.5 million (2006 dollars) has been collected. The City of Dallas and Dallas County are the two participating jurisdictions. The City's participation is 80%, and the County's participation is 55% of incremental revenue collected.

Southwestern Medical TIF District Accomplishments

The initial project for the Southwestern Medical TIF District was the Colonial Reserve at Medical District (formerly Cityville Southwestern Medical District). In 2007, FirstWorthing completed the first phase of this transit-oriented development, including approximately 45,000 square feet of retail/office space and 278 apartment units near the Southwestern Medical District/Parkland light rail station.

FirstWorthing, after completing the first phase (now called the Colonial Reserve at Medical District), sold their remaining land holdings to Trammel Crow Residential Development (TCR) and Ronald McDonald House. Vibe Medical District Apartments (formerly The Alexan Southwestern, developed by TCR) is a residential, transit-oriented development and includes 396 luxury apartments (completed in 2009). The project is comprised of approximately 377,816 square feet of residential space, located at 2140 Medical District Drive.

Adjacent to the Vibe Medical District Apartments, Ronald McDonald House constructed 60 units of low-cost, temporary lodging/dorm facilities at 4707 Bengal Street for families with children receiving medical care (totaling approximately 64,000 square feet of space).

The Link on Maple (formerly Maple Garden LP), a 120-apartment complex at 5219 Maple Avenue adjacent to Parkland East Parking Lot (EPL) started leasing units in summer of 2012.

Parkland Hospital undertook a major construction project, replacing the outdated main hospital facility with a new one. The \$1.2 billion Parkland expansion plan include a 17-story hospital flanked by a new 5-story clinic building and 1,700 car parking garage, all in

close proximity to the Southwestern Medical District/Parkland DART light rail station. The new hospital opened in August of 2015, while the clinic building opened in December 2016. In December 2017, Parkland closed on the purchase of 2311 Medical Drive, adding 2.2 acres to its real estate portfolio.

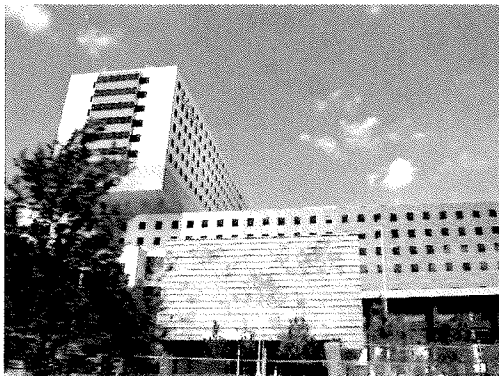
UT Southwestern Medical Center continues its expansion in the Medical District. In early April 2018, the Simmons Comprehensive Cancer Center opened a new Radiation Oncology Building, a \$66 million structure on the east campus, with three floors and 63,000 square feet of space. Its modern design and array of leading-edge technology has already garnered multiple awards.

Construction also continues on the West Campus Master Plan. The Phase I building, opened summer 2018, adding 275,000 square feet of space over 11 floors. Approximately half will be used for academic and educational space, with the remainder for expansion of UT Southwestern Health System ambulatory clinics. Phase 1 will also include construction of the new thermal energy plant and a garage with 1,600 parking spaces to improve faculty, visitor, and patient access.

UT Southwestern is also undertaking a \$480 million expansion of its flagship William P. Clements Jr. University Hospital. A 12-story third tower, scheduled to open in 2020, will serve as the clinical home for the Peter O'Donnell Jr. Brain Institute, consolidate acute inpatient care services currently provided at Zale Lipshy University Hospital, and add operating rooms, interventional suites, a newly expanded Emergency Department, and two new parking facilities.

DART Green Line expansion (NW corridor) is completed and the Southwestern Medical District/Parkland light rail station was opened in December 2010. The Orange Line, which opened in 2014, runs parallel with the Green Line through Downtown Dallas to Bachman Station in Northwest Dallas.

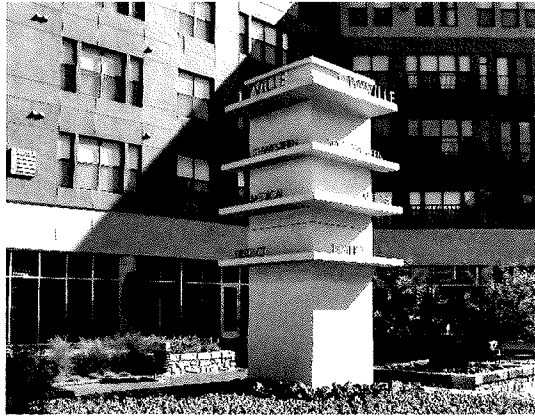
Listed below are the projects in the Southwestern Medical TIF District at various stages of development.



New Parkland Hospital



The New Parkland Hospital



Colonial Reserve



The Link on Maple



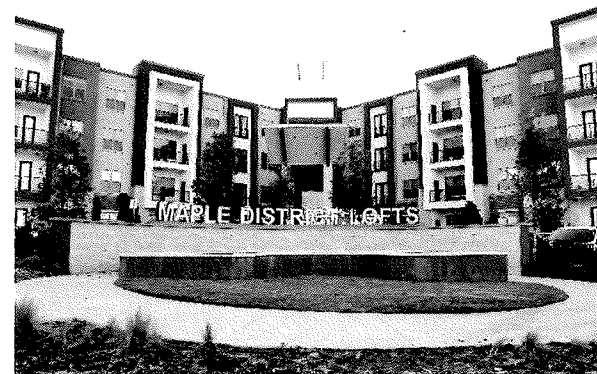
Parkland Ambulatory Center



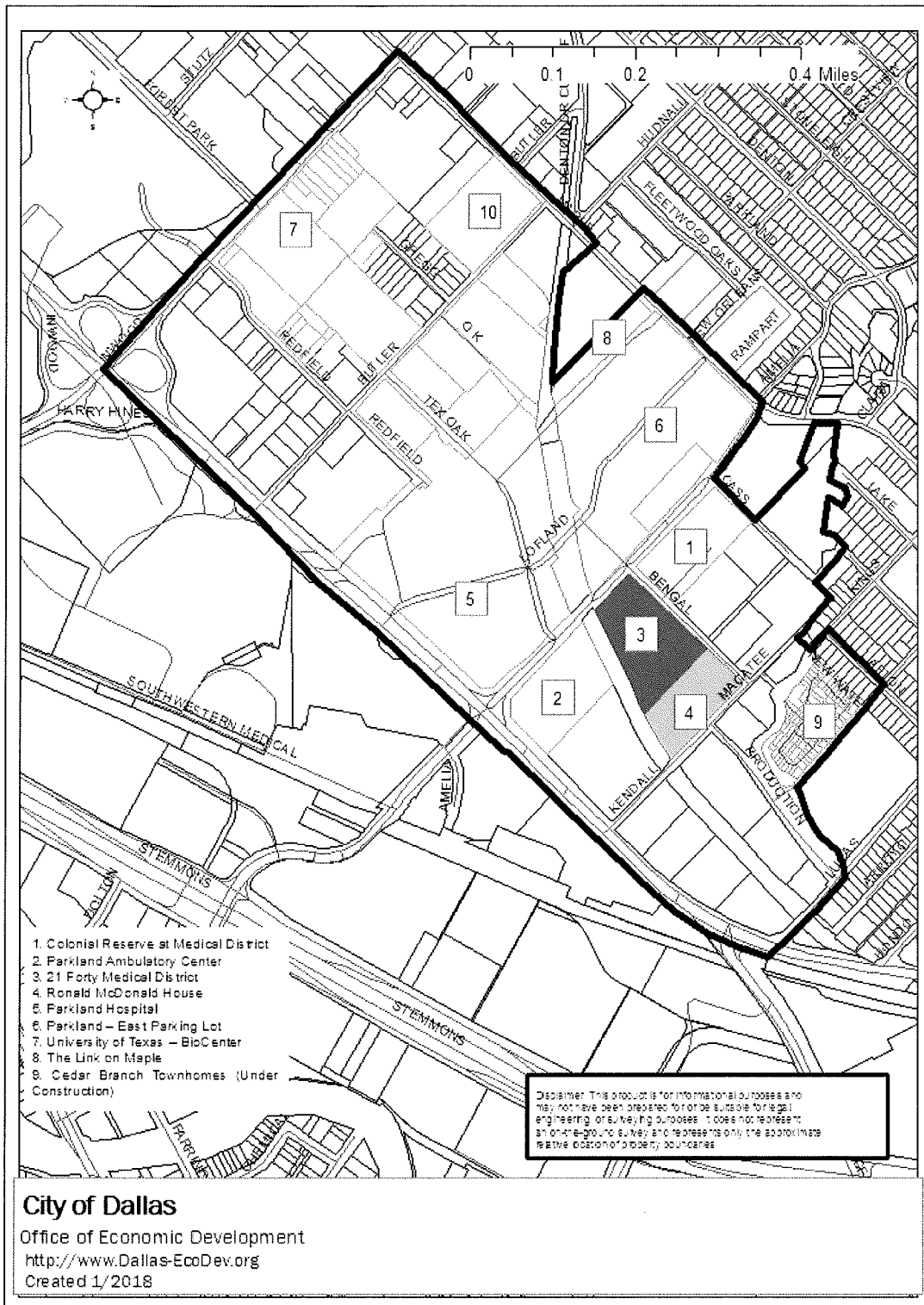
Ronald McDonald House



Vibe Medical District Apts.



Maple District Lofts



Current Development Status in the District Southwestern Medical TIF District Projects

Southwestern Medical TIF District Projects¹						
Projects Within TIF District Utilizing TIF Funding						
Project	Location	Calendar Year Complete	Status	Units/ SF²	Approx. Value³	TIF Investment⁴
Cedar Branch Townhomes	4623 Hawthorne Avenue	2020	Under Construction	112 Townhomes	\$41,398,336	\$7,898,366
Cedar Branch Bridge	Adj to Cedar Branch TH	2022	Planned	Bridge	TBD	\$826,500
Total TIF Projects:					\$41,398,336	\$8,724,866
Projects Within TIF District Not Utilizing TIF Funding⁵						
Project	Location	Calendar Year Complete	Status	Units/ SF	Approx. Value	TIF Investment
Colonial Reserve	2222 Medical District Drive	2007	Complete	278 res. units; 45,000 SF commercial	\$47,315,880	\$0
Vibe Medical District Apts (Fmr. Alexan Project by Trammell Crow Residential)	2140 Medical District Dr.	2009	Complete	396 units	\$55,200,000	\$0
Parkland Ambulatory Center ⁶	4900 Harry Hines Boulevard	2006	Complete	62,267 SF medical office	\$20,487,430 (non-taxable)	\$0
Ronald McDonald House ⁶	4707 Bengal Street	2009	Complete	64,000 SF lodging for 60 families	\$15,091,920 (non-taxable)	\$0
Maple Garden Apartments	5219 Maple Avenue	2011	Complete	120 apartments	\$16,228,000	\$0
Parkland Hospital ⁶	5201 Harry Hines Boulevard	2014	Complete	2,000,000 SF medical office space	\$1,009,892,210 (non-taxable)	\$0
Maple Avenue Lofts By Glenbrook Residential Inc	5415 Maple Avenue	2015	Complete	342 residential units	\$49,900,000	\$0

	Total - Taxable	\$210,042,216	
	Total - (Non-Taxable)	\$1,045,471,560	\$0
Completed: 1136 res. units; 45,000 SF retail; 2,062,267 SF medical office and 64,000 SF lodging.		\$168,643,880	
	Completed	\$41,398,336	
112 Res. Units	Planned		\$8,724,866

¹ All information updated as of September 30, 2018.
² Based upon either the TIF application or required minimum stated in the development agreement. May be updated for completed projects based on actual unit mix and square footage.
³ Based upon 1) market value of comparable projects for anticipated projects, 2) private investment stated in the development agreement for projects that are approved or under construction, or 3) DCAD market value for completed projects (unless project has not yet been assessed). Values may not be fully captured by the TIF district for redevelopment projects once pre-existing value and/or the demolition of structures is netted out.
⁴ Principal amount not to be exceeded per the development agreement. TBD indicates that development agreement has not yet been adopted. Asterisk indicates investment also includes interest not shown.
⁵ Selected significant projects included.
⁶ Tax-exempt properties.

Value and Increment Revenue Summary

The Southwestern Medical TIF District’s assessed 2018 tax value was \$266,009,592, an increase of \$198,598,538 or 295% from the base year value (\$67,411,054) and an increase of \$16,809,203 or (7%) from last year (2017). The total incremental revenue collected in 2018 is expected to be \$1,234,012.

Objectives, Programs, and Success Indicators

The final Southwestern Medical Project Plan and Reinvestment Zone Financing Plan was approved in January 2006 and was amended in December 2008. Among the goals of the Plan are:

- Additional taxable value attributed to new private investment in projects in the Southwestern Medical TIF District shall total approximately \$280 million.

Completed projects within the district provide approximately \$168.7 million (60.2% of goal) in additional taxable value from the inception of the District. Planned projects will contribute approximately \$41.4 million (14.8% of goal). Total completed and planned projects of the term of the district will reach 75% of goal.

- New private development in the Southwestern Medical TIF District shall add a total of approximately 300,000 square feet of retail/office space and at least 3,000 new apartment units.

Projects completed within the district contribute a minimum of 2,107,267 square feet of retail and medical space (702.4% of goal) and 1,136 residential units completed (37.9% of goal). In addition, the Parkland Hospital expansion plan alone features 2,000,000 square feet medical space (included in retail/office goal), 17-story hospital surrounded by new clinics and parking garages, valued approximately \$1.2 billion (non-taxable).

- Support the conversion of the Southwestern Medical area from industrial and warehousing land uses to a mixed-use, transit-oriented neighborhood that complements the Medical District.

Staff and the Board continue to foster a working relationship with Parkland, DART, and potential developers to encourage transit-oriented development that complements the district. The Colonial Reserve at Southwestern Medical and Vibe Medical District Apartments projects have resulted in the conversion of former industrial and warehousing uses to residential and retail uses. The Stemmons Corridor - Southwestern Medical District Area Plan (Vision and Policy Plan) was adopted by the City Council in June 2010.

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.

Staff and the Board continue to seek ways to increase recreational opportunities and trail connections (Trinity Strand Trail) within the district and in association with the Parkland construction. Discussions have occurred about the possible creation of a trail along Cedar Branch. The trail would be on City-owned land and easements plus DISD property that would connect Kings Road to Lucas Drive by running parallel to Cedar Branch. The proposed trail would be adjacent to the proposed Cedar Branch townhomes development along Hawthorne Avenue and run through the lower quarter of DISD property (Esperanza Medrano Elementary School). The aim of the neighborhood trail would link neighborhoods adjacent to the Trinity Strand Trail along DART's overhead rail line. Staff is currently designing Trinity Strand Trail Phase I, with consideration of a Phase II south of Phase I that would be connected to the DART line under development.

- The Southwestern Medical TIF District will generate approximately \$27.5 million in increment over 20 years.

To date, the district has collected \$5,676,014 in increment (in 2006 dollars)

- Develop a grant program to promote private medical industry and economic development in the District.

Staff and the Board will continue to foster a working relationship with UT Southwestern Medical Center, Children's Hospital and Parkland Hospital to create investment opportunities in the District.

Year-End Summary of Meetings

During the fiscal year, the Southwestern Medical TIF District Board of Directors met for one meeting. During FY 2017-18 the Board members were: Robert Prejean – City Representative, Chair (attended 1 of 1 meeting), John Wilson (attended 1 of 1 meeting) – City Representative, Derek Watson – City Representative (attended 1 of 1 meeting), Rob Elmore – City Representative (attended 1 of 1 meeting), Se-Gwen Tyler – City Representative (attended 0 of 1 meeting), and Rick Loessberg – Dallas County Representative (attended 1 of 1 meeting).

During the fiscal year, the City Council approved one (1) item associated with the Southwestern Medical TIF District:

- On February 28, 2018 the City Council approved Resolution 18-0355, a resolution accepting the FY 2016-2017 Annual Report on the status of Tax Increment Financing Reinvestment Zone Number Ten, (Southwestern Medical TIF District), submitted by the Southwestern Medical TIF District's Board of Directors, and authorizing the City Manager to submit the annual report to the Chief Executive Officer of each taxing jurisdiction that levies taxes on real property in the District, and to the State Comptroller, as required by state law - Financing: No cost consideration to the City

Pending TIF Items

- FY 2017-2018 Annual Report, Southwestern Medical TIF District.

Budget and Spending Status

Each TIF district establishes a budget for the public improvement expenditures necessary to support private investment in the district in the Project Plan and Reinvestment Zone Financing Plan. The Southwestern Medical TIF District was established in April 2005, amended in December 2008 and October 2009. The Project Plan estimates for TIF public improvements a total of approximately \$46.0 million (\$27.6 million in 2006 dollars). The final budget for the district is below:

Southwestern Medical TIF District Projected Increment Revenues to Retire TIF Fund Obligations			
Category	TIF Budget*	Allocated**	Balance
Paving, streetscape, utilities, public-use improvements, design & engineering	\$16,951,089	\$1,583,366	\$15,367,723
Environmental remediation and demolition	\$4,787,879	\$610,000	\$4,177,879
Utility burial	\$8,832,199	\$695,000	\$8,137,199
Economic Development Grant	\$13,816,714	\$5,010,000	\$8,806,714
Administration and implementation***	\$1,671,829	\$397,221	\$1,274,608
Total Project Costs	\$46,059,710	\$8,295,587	\$37,764,123
<p><i>*Budget shown above in current dollars; TIF Project Plan shows the budget in net present value</i></p> <p><i>**Includes money expended and committed for existing and future projects including interest accrued on advanced funds as of the end of FY2018.</i></p> <p><i>***TIF administration fees include funds expended or committed through FY 2018.</i></p>			

Southwestern Medical TIF District Project Plan Budget	
Category	Revised TIF Budget (in 2006 \$)
Paving, streetscape, utilities, public-use improvements, design & engineering	\$10,139,247
Environmental remediation and demolition	\$2,863,856
Utility burial	\$5,282,956
Economic Development Grant	\$8,264,428
Administration and implementation	\$1,000,000
Total Project Costs	\$27,550,485
<p><i>* As approved in the Project Plan and Reinvestment Zone Financing Plan.</i></p>	

M/WBE Participation

M/WBE Participation			
Project	Contractor	Total Contract Award Amount	Percentage Minority Participation
Colonial Reserve at Southwestern Medical ¹	Davis Excavation	\$1,376,916.70	27.71% (\$381,544)
¹ voluntarily participated in the M/WBE program			

FY 2019 Work Program

The work items for FY 2019 for the Southwestern Medical TIF District include:

- Increase recreational opportunities and improved connections to the City of Dallas trails and open space system in the Southwestern Medical Area.
- Assist with facility improvements included in Medical District Master Plan coordinated/adopted by Parkland Health and Hospital System, Children’s Medical Center, and UT Southwestern Medical Center.
- Review Project Plan amendment to support redevelopment near the Inwood DART Station.



Cedar Branch Townhomes site - corner of Hawthorne Avenue and Production Drive

Appendix A – Financials

City of Dallas, Texas
Southwestern Medical Tax Increment Financing District
Notes to Financial Statements for the Year Ended September 30, 2018

1. The measurement focus used for the TIF Zone fund is a flow of financial resources. The financial statements are prepared using the modified accrual basis of accounting. Under the modified accrual basis of accounting, tax increment revenues and interest are recognized as revenue when they become both "measurable" and "available" to finance expenditures of the current period. Expenditures are recognized when the liability is incurred.
2. State statute requires that each taxing jurisdiction remit its ad valorem taxes to the Zone by May 1 of each year (remittance to occur no more than 90 days after taxes for the jurisdiction become delinquent).
3. The TIF's cash balances are invested in the City's investment pool and include amounts in demand deposits as well as short-term investments. Pooled investments and short-term non-pooled investments are treated as cash equivalents. Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.
4. The Zone's Financial Plan permits expenditures not to exceed \$1,671,830 over the life of the TIF to reimburse the City for administrative costs. Any future remittance for administrative expenses would come from excess cash as tax increment revenue increases as a result of increased assessed values.
5. All project costs resulting in public improvements which are owned by the City are capitalized.
6. The TIF administration costs for the fiscal year 2017-18 is pending.

City of Dallas, Texas
Southwestern Medical Tax Increment Financing District Fund
Balance Sheet as of September 30, 2018 (Unaudited)
With Comparative Totals for September 30, 2017, 2016, 2015, and 2014 (Audited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assets:					
Pooled cash and cash equivalents	\$6,540,653	\$5,115,944	\$3,996,186	\$3,066,767	\$2,398,625
Interest receivable	\$14,964	\$12,445	\$5,435	\$3,679	\$2,548
Total assets	\$6,555,616	\$5,128,390	\$4,001,621	\$3,070,445	\$2,401,173
Liabilities and Fund Balance (Deficit):					
Liabilities:					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Advances from developers	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$0	\$5,764	\$5,764	\$5,764	\$5,764
Accrued liability	\$0	\$0	\$0	\$0	\$0
Total liabilities	\$0	\$5,764	\$5,764	\$5,764	\$5,764
Fund Balance (Deficit):					
Fund Balance (Deficit)	\$6,555,616	\$5,122,626	\$3,995,857	\$3,064,682	\$2,395,409
Total Liabilities and Fund Equity	\$6,555,616	\$5,128,390	\$4,001,621	\$3,070,445	\$2,401,173
	(\$0)	\$0	(\$0)	\$0	\$0

Southwestern Medical Tax Increment Financing District Fund
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Balance Sheet as of September 30, 2018 (Unaudited)
With Comparative Totals for September 30, 2017, 2016, 2015, and 2014 (Audited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues:					
Tax increment-Governmental	\$5,575,133	\$1,135,066	\$945,089	\$785,111	\$567,873
Tax increment-Intergovernmental	\$1,151,710	\$241,204	\$200,198	\$165,321	\$115,993
Interest income	\$248,075	\$74,407	\$46,404	\$27,619	\$15,030
Developer Participation & other revenue	\$1,481,970	\$0	\$0	\$0	\$0
Net increase (decrease) in fair value of investments	(\$21,389)	(\$17,687)	(\$14,182)	(\$703)	\$6,588
Total revenues	\$8,435,499	\$1,432,990	\$1,177,508	\$977,348	\$705,484
Expenditures:					
Administrative expenses	\$397,221	\$0	\$49,840	\$46,172	\$36,211
Non-Capital Outlay	\$900	\$0	\$900	\$0	\$0
Capital outlay	\$1,481,762	\$0	\$0	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0
Total expenditures	\$1,879,883	\$0	\$50,740	\$46,172	\$36,211
Excess (Deficiency) of Revenues over Expenditures	\$6,555,616	\$1,432,990	\$1,126,768	\$931,175	\$669,273
Fund balance (Deficit) at beginning of year as previously reported	\$0	\$5,122,626	\$3,995,857	\$3,064,682	\$2,395,409
Fund balance (Deficit) at beginning of year, as restated	\$0	\$5,122,626	\$3,995,857	\$3,064,682	\$2,395,409
Fund balance (deficit) at end of year	\$6,555,616	\$6,555,616	\$5,122,626	\$3,995,857	\$3,064,682

Note: Fiscal year 2017-18 unaudited financial statements are based on preliminary close numbers and are subject to review by the City Controller's Office prior to approval by the City Council. In case of any material changes, TIF board will be provided with the updated financial statements.

City of Dallas, Texas
 Southwestern Medical Tax Increment Financing District Fund
 Reinvestment Zone Number Ten
 As of September 30, 2018

Chapter 311.016 of V.C.T.A. requires the following information as part of the annual report on the status of the TIF District. Information is contained in detail on the attached financial statements.

1. Amount and source of revenue in the tax increment fund established for the zone:

\$56,721	Interest Income
\$1,376,270	Ad Valorem Taxes (Collected in FY'2017-18 based on 2017 Final Tax Roll)
\$0	Developer Contribution
<u>\$1,432,990</u>	Total Revenue

2. Amount and purpose of expenditures from the fund:

\$0	Administrative Expense (calculation pending for FY'18)
\$0	Non-Capital Outlay *
\$0	Capital outlay *
\$0	Additional Subsidy in Form of Grant (in lieu of interest expense)
<u>\$0</u>	Total Expenditures

3. The Zone began reimbursing the general fund for administrative costs in fiscal year 2008-09.

4. a. Amount of Principal and Interest due-on outstanding bonded indebtedness is as follows:

Southwestern Medical TIF District has incurred no bonded indebtedness as of September 30, 2018.

b. The Zone entered into a development agreement with Texas InTownHomes, LLC for the development of Cedars Branch Townhomes project in an amount not to exceed \$7,898,366 with anticipated completion by 6/30/2020 and reimbursement to begin thereafter subject to availability of TIF funds.

c. The Zone entered into a development agreement with Texas InTownHomes, LLC for the development of Cedars Branch Bridge project in an amount not to exceed \$826,500 with anticipated completion by 6/30/2022 and reimbursement to begin thereafter subject to availability of TIF funds.

5. Tax increment base and current captured appraised value retained by the zone:

Taxing Jurisdiction	Taxable	Base Year	Est. Captured
	Value 2018**	2005 Value	Value 2018***
City of Dallas	\$266,009,592	\$67,411,054	\$198,598,538
Dallas County	\$266,030,592	\$67,411,354	\$198,619,238
Dallas Independent School District	\$0	\$0	\$0
Dallas County Hospital District	\$0	\$0	\$0
Dallas County Community College Dist.	\$0	\$0	\$0

**2017 taxable value shown for participating taxing jurisdictions. County values are approximate and will vary slightly from the City value due to different exemption levels.

***Based on DCAD Certified Taxable Value. The final values will be determined on February 01, 2019.

6. Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality:

A. Estimated tax increment shared by the municipality and other participating taxing jurisdictions:

Taxing Jurisdiction	Amount of Assessment Estimated 2018	
	Per \$100**	Increment
City of Dallas	0.62136	\$1,234,012
Dallas County	0.13371	\$285,564
Total for all Jurisdictions	<u>\$0.75507</u>	<u>\$1,499,576</u>

***Participation rates for City of Dallas and Dallas County are 80% and 55% respectively for tax years 2008 - 2026.

B. The total amount of estimated tax increment to be billed for the 2018 tax year is \$1,499,576. For the 2017 tax year, increment in the amount of \$1,376,270 was received.

Appendix B – Financial Obligations Estimated Payoff

The Cedar Branch Townhomes and Bridge project is currently under construction and Phase 1 is currently estimated for completion in June 2020. The SWM TIF District is estimated to have \$8,824,630 collected at that time. Based on the contract obligations, up to \$1,650,000 in TIF funding for affordable housing is available for Phase 1 (up to 11 affordable units). Phase 2 will have the remaining TIF funding for affordable housing, up to \$1,800,000 (up to 12 affordable units). The remaining \$2,888,366 TIF funding for the Townhomes public improvement costs is estimated for completion June 2022. Bridge funding is available with TIF funding of up to \$826,500. The bridge and all needed improvements is currently estimated to be completed by June 2022. Based on current projections, the TIF funding will collect up to \$10,511,525 by 2021, well more than need to pay off all current obligations for Cedar Branch Townhomes and Bridge projects.

Project Name	TIF Award	Estimated Payoff
Cedar Branch Townhomes	\$6,338,366	2021
Cedar Branch Bridge	826,500	2022

Appendix C – District-wide Set Aside Funds

The TIF Increment Allocation Policy adopted by the TIF Board for the Southwestern Medical District TIF District currently provides for a 10% set-aside for District-Wide improvements that will be used towards specific improvement projects as determined by the TIF Board. The Cedar Branch Bridge Project will be reimbursed from the District-Wide Improvement Set-Aside and will be given a priority until \$826,500 is paid off for the Cedar Branch Bridge Project.

Funding for District-Wide Improvements will come from the portion of Shared Increment remaining in the Shared Increment category after Developers are paid their portion of the Shared Increment.

Potential uses as defined by the Increment Allocation Policy includes:

- Gateways, trails, open space, public facilities, or utility/streetscape improvements benefiting multiple properties or blocks.

A 10% set-aside for District-Wide improvements will be used towards specific improvement projects as determined by the TIF Board. The Cedar Branch Bridge Project will be reimbursed from the District-Wide Improvement Set-Aside and will be given a priority until \$826,500 is paid off for the Cedar Branch Bridge Project.

This set aside will be reviewed by the TIF Board annually based on updated financial projections and District needs.