

Memorandum



DATE October 31, 2014

TO Members of the Economic Development Committee: Tennell Atkins (Chair),
Rick Callahan (Vice Chair), Scott Griggs, Adam Medrano, Jerry R. Allen, Lee Kleinman

SUBJECT **Oak Cliff Gateway TIF District
Plan Amendment/Bishop Arts Project**

On Monday, November 3, 2014, the Economic Development Committee will be briefed on the proposed amendments to the TIF plan and the proposed Bishop Arts Project Phase I (Oak Cliff Gateway TIF District). Briefing material is attached for your review.

Should you have any questions, please contact me.



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Oak Cliff Gateway TIF District *Plan Amendment / Bishop Arts Project*

Economic Development Committee
November 3, 2014



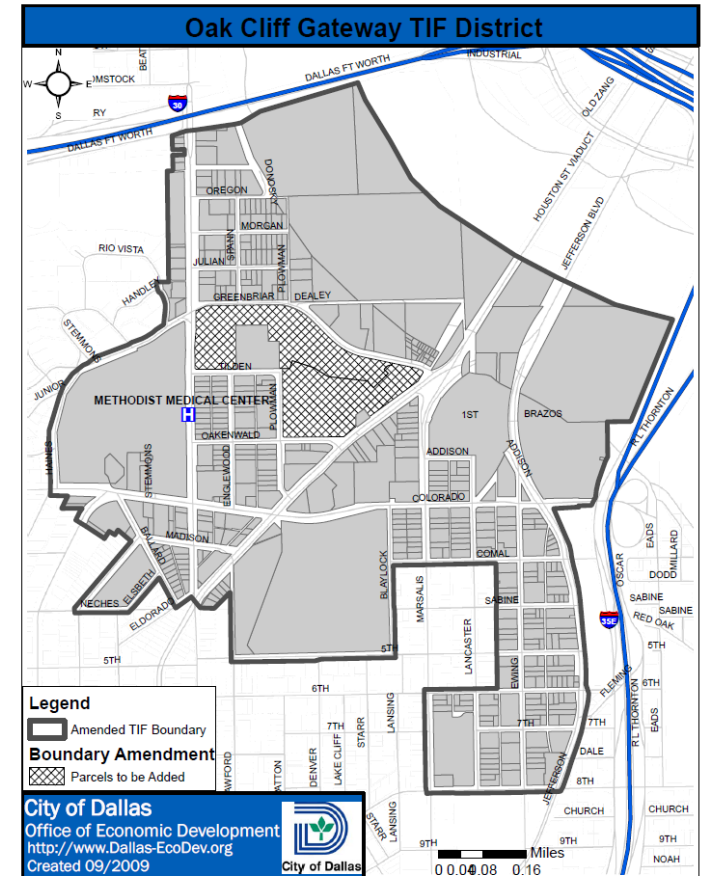
Purpose

- Provide background information on Oak Cliff Gateway TIF District
- Review proposed TIF District plan amendments
- Review Bishop Arts Phase I Project
- Obtain Economic Development Committee's approval for City Council consideration of the following:
 - Call public hearing on November 12th to amend TIF District plan
 - Conduct public hearing on December 10th to consider plan amendments
 - Bishop Arts Phase I Project incentives on December 10th

Oak Cliff Gateway TIF District

Background

- Created in 1992 to encourage development in the north Oak Cliff area of Dallas
- District was amended in 2009 to:
 - Add two parcels (previously removed) back into the district (total of 30 acres)
 - Extend term of district by 10 years
 - Decrease City participation rate from 100% to 85%
 - Decrease Dallas County's participation rate from 100% to 65%
 - Decrease other jurisdictions' participation from 100% to 0%
 - Increase total budget from \$13M total dollars to \$33M total dollars
- District is currently set to expire in 2022.



Oak Cliff Gateway TIF District

Development Projects

- TIF projects from 1999 to 2014:

- Walgreens (1999)
- Greenbriar Lane infrastructure (2004)
- Lake Cliff Tower (2006)
- Grand Bank building (2008)
- Bishop/Colorado retail (2009)
- Zang Triangle (2012)
- Alexan Trinity (2014)

- Non-TIF projects from 2000 to 2014:

- Oak Cliff Academy (2000)
- Grand Peaks at Kessler Park (2002)
- Grand Peaks at Founders Park (2004)
- Beckley Properties retail (2007)
- Trinity Townhomes (2007)
- Trinity Townhomes II (ongoing)
- Methodist Medical Center Pavilion III (2008)
- Methodist Medical Center Sammons Tower (2014)



Grand Estates at Kessler Park



Alexan Trinity



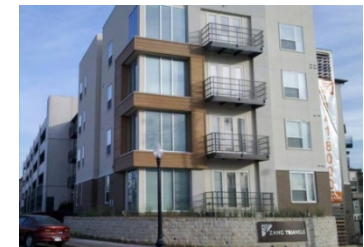
Sammons Critical Care Tower
(credit: Methodist Dallas Medical Center)



Trinity Townhomes



Lake Cliff Tower

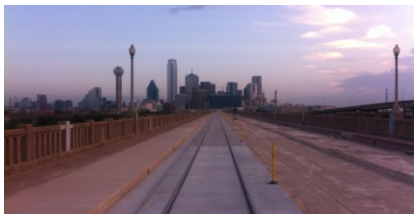


Zang Triangle

Oak Cliff Gateway TIF District

Oak Cliff Streetcar

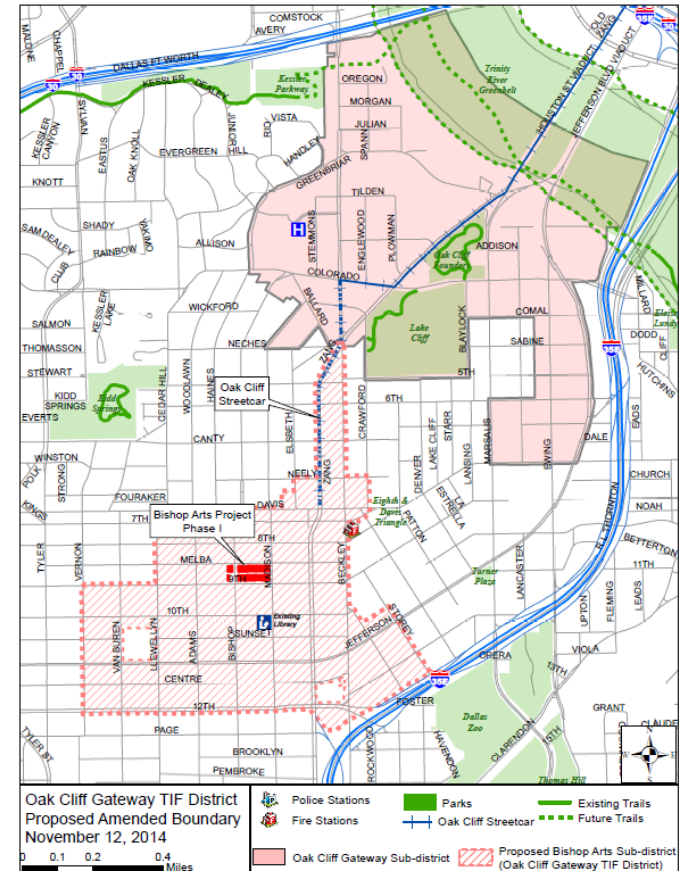
- **Streetcar background**
 - Streetcar TIGER grant project planned to connect Union Station and the Dallas Convention Center with Methodist Medical Center and the Bishop Arts area.
- **Status**
 - Phase I construction complete; first streetcar vehicle anticipated to be delivered January/February 2015. Revenue service anticipated April/May 2015.
 - Phase II extension from Methodist Hospital to Bishop Arts - construction to begin with utility relocation in January 2015. Project construction to be completed by December 31, 2015.
 - Phase III extension - Union Station/Omni Loop is proposed to begin construction in July 2015 with anticipated completion in April 2016.



Credit: Don Raines



Proposed streetcar



Oak Cliff Gateway TIF District

Current Status and Proposed Amendments

- Since 1992, taxable value in district has increased by \$120 million, including recent developments such as Zang Triangle and Alexan Trinity.
- However, district lost ground between 2008 and 2011.
- Several important properties are still available to be redeveloped, such as parcels east of Methodist Regional Medical Center, Burnett Field, and Oak Farms Dairy.
- Current expansion and extension of term of district allows time for these properties to redevelop and to capitalize on potential in district to benefit area between Bishop Arts and Jefferson corridor.
- Expansion supports proposed new Gateway zoning.
- Potential future development in existing boundary valued at over \$100M.
- Potential future development in expansion area valued at over \$200M.
- Bishop Arts Project Phase I (Bishop/Jefferson Sub-district) revitalizes under-utilized property between Bishop Arts and Jefferson Corridor.

Oak Cliff Gateway TIF District

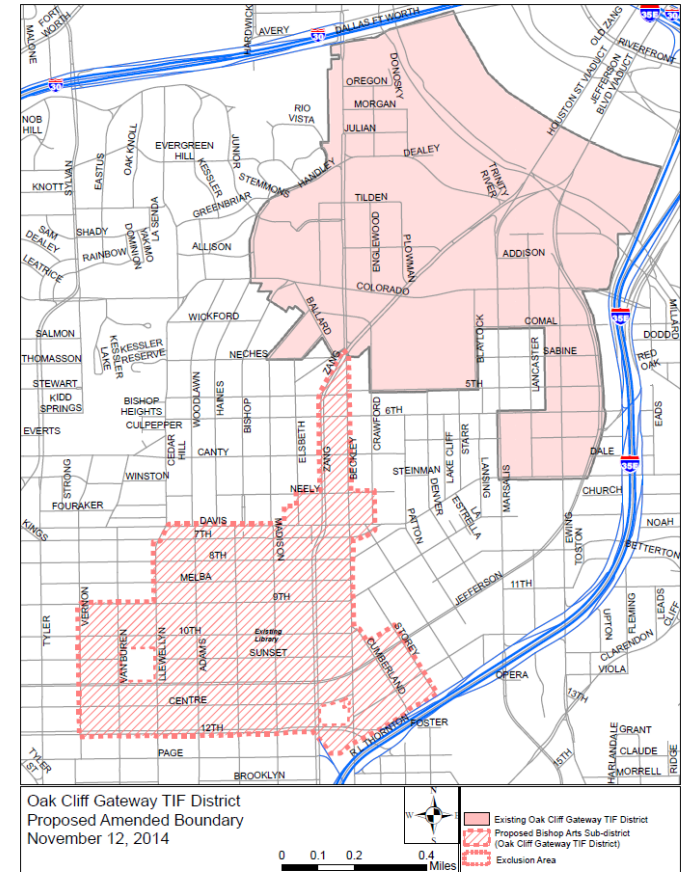
Proposed Amendments

- Following amendments recommended for district:
 - Adjust boundary – create two sub-districts: Oak Cliff Gateway (original boundary) and Bishop/Jefferson (additional 193 acres)
 - Extend termination date of District from 2022 to 2027 for the Oak Cliff Gateway Sub-district to allow the Sub-district to reach its full potential.
 - Second extension is an exception to City of Dallas TIF policy.
 - No increase in district's NPV budget.
 - Establish a termination date for Bishop/Jefferson Sub-district of December 31, 2044
 - Maintain City participation for Oak Cliff Gateway Sub-district at 85% and establish city participation in Bishop/Jefferson Sub-district at 90%
 - Request County participation for 20 years at 65% for the Bishop/Jefferson Sub-district only.
 - Authorize an amendment to participation agreement with Dallas County
 - Increase the District's total budget from \$33,432,572 total dollars to approximately \$76,665,998 total dollars (no change in NPV budget for Oak Cliff Gateway Sub-district).
 - Restructure TIF budget to consolidate and broaden categories of eligible project costs
 - Make corresponding modifications to TIF Plan

Oak Cliff Gateway TIF District

Proposed Amendments

- Creation of Sub-districts
 - Oak Cliff Gateway Sub-district – original boundary of the district
 - Bishop/Jefferson Sub-district
 - Extends south along proposed Oak Cliff Trolley route to Bishop Arts area
 - Bounded by Llewellyn Avenue and Vernon Avenue on the west, 12th Street on south; and IH-35, Storey Street, and Beckley Avenue on east.
 - Excludes established single-family residential neighborhoods; includes primarily vacant and underdeveloped properties.
 - Boundary adjustment includes input from Kidd Springs NA, Bishop Arts NA, Bishop Arts Merchants' Association, and others.
 - Redevelops vacant and under-utilized lots, aging multi-family structures, etc.



Oak Cliff Gateway TIF District

Proposed Amendments

- District's total budget will increase from approximately \$33,432,572 total dollars (\$10,066,977 NPV) to \$76,665,998 total dollars (\$28,621,027 NPV)
 - Provide a source of funding to support:
 - Additional development in the original boundary
 - Connection along streetcar line from downtown, past Bishop Arts, to Jefferson Corridor
 - Bishop Arts Project Phase I
 - Additional development in the Bishop/Jefferson Sub-district
 - Increase taxable value in expanded district to over \$1 billion.

Oak Cliff Gateway TIF District	
Category	Recommended TIF Budget (total dollars)
Oak Cliff Gateway Sub-district <ul style="list-style-type: none"> • Public Infrastructure Improvements – Streets, Streetscape, Water, Wastewater, Utility Burial, etc. • Façade Improvements • Environmental Remediation and Demolition • Pedestrian Linkages/Lighting • Economic Development Grants 	\$34,463,508
Bishop/Jefferson Sub-district <ul style="list-style-type: none"> • Public Infrastructure Improvements – Streets, Streetscape, Water, Wastewater, Utility Burial, etc. • Façade Improvements • Environmental Remediation and Demolition • Pedestrian Linkages/Lighting • Economic Development Grants 	\$38,611,351
Educational/Training Facilities	\$756,029
Administration	\$2,835,110
Total Project Costs	\$76,665,998

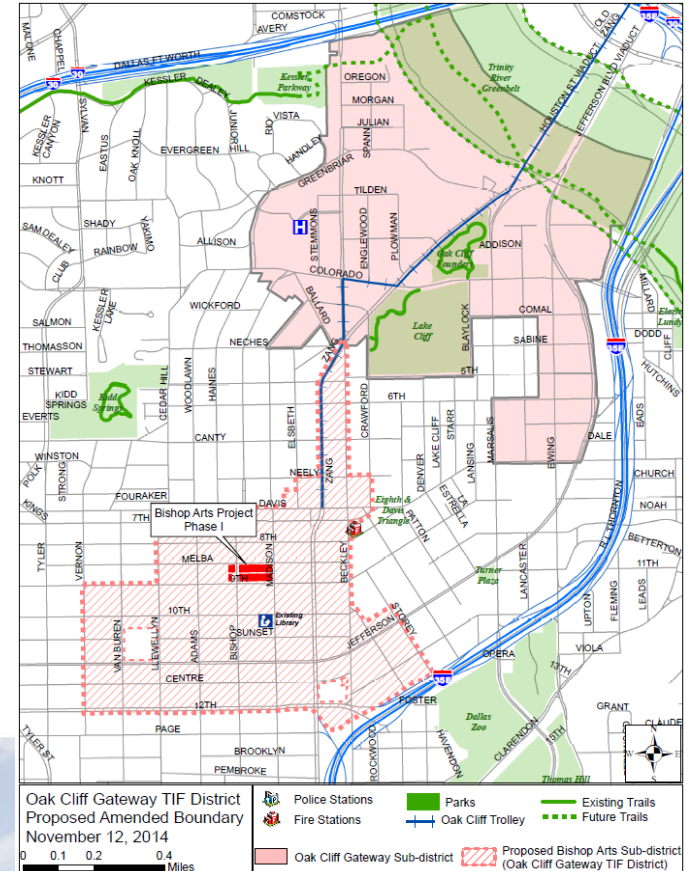
*In order to encourage development in the Bishop/Jefferson Sub-district, Administration expenses and Educational/Training Facilities expenses for the entire District shall be paid out of the Oak Cliff Gateway Sub-district until the Oak Cliff Gateway Sub-district expires. Remaining Administration and Educational/Training Facilities expenses shall then be paid from the Bishop/Jefferson Sub-district.

Bishop Arts Project Phase I Description

Project Description

- Mixed use development – 218 residential units, 26,670 sf retail/restaurant/office space, parking garage
- 20% (approximately 44 units) will meet the district’s affordable housing requirements and be disbursed spatially within the development and among unit sizes
- Total investment: \$42M (minimum required - \$30M)
- TIF funding - \$5M
- Start: June 2015
- Completion: December 2017
- Enhanced design and landscaping improvements
- 30 publicly-available, non-valet, parking spaces above the amount required by code

BISHOP ARTS PROJECT • East Elevation Along Bishop Ave



Bishop Arts Project Phase I

Project Description

South Elevation along 9th



North elevation along Melba



Bishop Arts Project Phase I

Proposed City Incentives

TIF funding

- \$5M in proposed TIF funding for this project will offset expenses such as environmental remediation, infrastructure improvements (wide sidewalks, street trees, pedestrian lighting), utility improvements (improved water and wastewater lines, franchise utility burial), and will include an economic development grant to offset other development costs such as structured parking and mixed income housing.
- TIF funding for the project is contingent on approval of proposed District amendment

Economic development grant funding

- In December 2010, developer received \$2M in economic development grant funding for land assemblage
- Staff recommends an additional \$2M in economic development grant funding, to be received after project completion and all requirements of the TIF development agreement have been completed.

Incentive funding from bond program

- \$4.1M in general obligation bond funding for the streets will be reprogrammed to support public infrastructure proximate to the project.

This market is unproven and this project would not be viable without funding at this level.

TIF Board Recommendations

Plan Amendment/ Bishop Arts Project Phase I

- On October 23, 2014 Oak Cliff Gateway TIF District board of directors reviewed and recommended approval of:
 - Amendments to the Oak Cliff Gateway TIF District to create a new sub-district and amend the budget in support of this project.
 - A development agreement with Bishop Arts Village LLC, and TIF funding for Bishop Arts Project Phase I in an amount not to exceed \$5,000,000, of which a portion is in the form of an economic development grant.
 - Amendments to the Oak Cliff Gateway TIF Allocation Policy to provide for the new sub-district
 - In general, funding created in each sub-district will be spent in that sub-district, with the following exception: Administrative costs and district-wide improvements will be paid out of the Oak Cliff Gateway sub-district until that sub-district's expiration.
 - Amendments to the Oak Cliff Gateway TIF Grant Program to update the geographical location of the grant program to include the new sub-district.

Strategic Importance of Proposed Plan

Plan Amendment/ Bishop Arts Project Phase I

- **District Amendment**
 - Provides time needed to provide funding for likely infrastructure needed for future planned development within original boundary
 - Additional time allows Oak Cliff Gateway Sub-district to grow to its originally intended value, spurring an additional \$100 million in private investment
 - Taxable value will increase from \$168M in 2014 to \$405M in 2027
 - At termination, approximately \$2.5 million will flow to general fund each year, as opposed to \$1.7M if not extended.
 - Inclusion of the Bishop/Jefferson Sub-district provides funding to spur more than \$200 million in private investment.
 - Taxable value will grow from \$105 million to \$659 million in 2044
 - At termination, approximately \$4.4 million will flow to general fund each year.
- **Bishop Arts Project Phase I**
 - Helps to spur additional investment in area by providing a source for comparable rental rates.
 - Sets tone for new development in area to both blend with existing architecture and increase density to area's potential.
 - Provides additional residential space to encourage new residents in Southern Dallas
 - Begins to connect Bishop Arts to Jefferson corridor

Recommendation

- Staff requests ECO Committee's approval of City Council's consideration of the following:
 - November 12, 2014 – Call a public hearing to be held on December 10, 2014, for proposed plan amendments
 - December 10, 2014 – Conduct public hearing and consider proposed plan amendments
 - December 10, 2014 – consider development agreement and related incentives for Bishop Arts Project Phase I

APPENDICES

Appendix A: Oak Cliff Gateway TIF District

TIF Budget

Oak Cliff Gateway TIF District			
Category	Estimated TIF Expenditures (Current dollars)	Allocated	Balance
Oak Cliff Gateway Sub-district *Public Infrastructure Improvements – Streets, Streetscape, Water, Wastewater, Utility Burial, etc. *Façade Improvements *Environmental Remediation and Demolition *Pedestrian Linkages/Lighting *Economic Development Grants	\$34,463,508	\$18,319,760	\$16,143,748
Bishop/Jefferson Sub-district *Public Infrastructure Improvements – Streets, Streetscape, Water, Wastewater, Utility Burial, etc. *Façade Improvements *Environmental Remediation and Demolition *Pedestrian Linkages/Lighting *Economic Development Grants	\$38,611,351	\$5,000,000	\$33,611,351
Educational/Training Facilities	\$756,029	0	\$756,029
Administration	\$2,835,110	\$700,461	\$2,134,649
Total Project Costs	\$76,665,998	\$24,020,221	\$52,645,777
<i>Budget shown in total dollars and based on proposed 2014 amendments and district extension. Amount allocated for Bishop/Jefferson Sub-district includes proposed Bishop Arts Project Phase I. Administration allocation is as of FY 2013.</i>			
<i>All values are estimated expenditures based on annual TIF project costs. These values depend on the timing of projects and will fluctuate.</i>			

Appendix B: Oak Cliff Gateway TIF District

TIF Increment Chart – Oak Cliff Gateway Sub-district

Projected TIF Increment Schedule									
Tax Year		Net Taxable	Captured	Tax	Accumulated	Tax	Tax	Tax	Tax
	tax	Assessed	Appraised	Increment	Net	Increment	Increment	Increment	Increment
	Year	Value	Value	Revenue	Present	Revenue	Revenue	Revenue	Revenue
		City	City	Total Dollars	Value	City	Dallas County	DCHD	DCCCD
Base Year	1992	\$38,570,128							
1	1993	\$38,245,158	(\$324,970)	\$0	\$0	\$0	\$0	\$0	\$0
2	1994	\$38,099,612	\$129,564	\$0	\$0	\$0	\$0	\$0	\$0
3	1995	\$38,323,980	(\$246,148)	\$0	\$0	\$0	\$0	\$0	\$0
4	1996	\$39,118,366	\$548,238	\$0	\$0	\$0	\$0	\$0	\$0
5	1997	\$41,514,962	\$2,944,834	\$59,146	\$44,722	\$19,189	\$5,919	\$5,471	\$1,472
6	1998	\$43,746,236	\$5,176,108	\$103,331	\$118,606	\$33,598	\$10,207	\$9,312	\$2,588
7	1999	\$45,659,848	\$7,089,720	\$142,199	\$214,752	\$47,324	\$13,868	\$13,868	\$3,566
8	2000	\$51,431,069	\$12,860,941	\$266,401	\$385,083	\$85,847	\$25,188	\$32,641	\$6,444
9	2001	\$54,818,286	\$16,248,158	\$339,026	\$590,062	\$108,456	\$31,827	\$41,245	\$9,771
10	2002	\$56,761,977	\$18,191,849	\$385,383	\$810,400	\$127,307	\$35,636	\$46,181	\$10,947
11	2003	\$52,797,457	\$14,227,329	\$260,649	\$951,319	\$85,116	\$24,785	\$30,875	\$9,496
12	2004	\$55,421,996	\$16,851,868	\$324,311	\$1,117,124	\$111,266	\$30,582	\$36,950	\$11,695
13	2005	\$57,308,839	\$18,738,711	\$412,881	\$1,316,733	\$138,985	\$40,039	\$47,546	\$15,336
14	2006	\$60,675,614	\$22,105,486	\$485,923	\$1,538,881	\$161,193	\$47,284	\$56,148	\$17,905
15	2007	\$76,125,212	\$37,555,084	\$772,572	\$1,872,871	\$256,776	\$84,545	\$87,155	\$27,649
16	2008	\$95,665,708	\$57,095,580	\$1,212,775	\$2,368,657	\$402,920	\$129,094	\$136,763	\$43,384
17	2009	\$104,589,616	\$66,019,488	\$1,453,846	\$2,930,677	\$469,662	\$150,499	\$167,588	\$53,176
New Base		\$40,097,623							
18	2010	\$98,972,493	\$58,874,870	\$1,374,736	\$3,433,219	\$469,233	\$143,015	\$159,429	\$55,978
19	2011	\$95,104,431	\$55,006,808	\$1,270,510	\$3,872,408	\$433,545	\$132,142	\$147,357	\$51,697
20	2012	\$139,484,827	\$99,387,204	\$2,397,184	\$4,656,007	\$811,126	\$272,455	\$275,705	\$97,671
1	2013	\$153,397,659	\$113,300,036	\$946,511	\$4,948,582	\$767,551	\$178,960	\$0	\$0
2	2014	\$168,670,265	\$128,572,642	\$1,074,179	\$5,262,567	\$871,015	\$203,164	\$0	\$0
3	2015	\$211,862,113	\$171,764,490	\$1,435,032	\$5,659,222	\$1,163,619	\$271,414	\$0	\$0
4	2016	\$229,017,976	\$188,920,353	\$1,578,363	\$6,071,774	\$1,279,841	\$298,522	\$0	\$0
5	2017	\$250,888,516	\$210,790,893	\$1,428,003	\$6,424,729	\$1,428,003	\$0	\$0	\$0
6	2018	\$258,415,171	\$218,317,548	\$1,478,992	\$6,770,410	\$1,478,992	\$0	\$0	\$0
7	2019	\$266,167,626	\$226,070,003	\$1,531,511	\$7,108,904	\$1,531,511	\$0	\$0	\$0
8	2020	\$274,152,655	\$234,055,032	\$1,585,606	\$7,440,298	\$1,585,606	\$0	\$0	\$0
9	2021	\$339,766,635	\$299,669,012	\$2,030,108	\$7,841,523	\$2,030,108	\$0	\$0	\$0
10	2022	\$349,959,634	\$309,862,011	\$2,099,160	\$8,233,837	\$2,099,160	\$0	\$0	\$0
1	2023	\$360,458,423	\$320,360,800	\$2,170,284	\$8,617,390	\$2,170,284	\$0	\$0	\$0
2	2024	\$371,272,175	\$331,174,552	\$2,243,542	\$8,992,330	\$2,243,542	\$0	\$0	\$0
3	2025	\$382,410,341	\$342,312,718	\$2,318,998	\$9,358,808	\$2,318,998	\$0	\$0	\$0
4	2026	\$393,882,651	\$353,785,028	\$2,396,717	\$9,716,974	\$2,396,717	\$0	\$0	\$0
5	2027	\$405,699,130	\$365,601,507	\$2,476,767	\$10,066,977	\$2,476,767	\$0	\$0	\$0
				\$38,054,647	\$10,066,977	\$29,603,257	\$2,129,144	\$1,294,232	\$418,776

Appendix C: Oak Cliff Gateway TIF District

TIF Increment Chart - Bishop/Jefferson Sub-District

Oak Cliff Gateway TIF District Increment Collection Chart - Bishop/Jefferson Village Sub-district								
Tax Year	Property Value Estimate	Anticipated Captured Value	Tax Increment Revenue City	Tax Increment Revenue (NPV) City	Tax Increment Revenue Dallas County	Tax Increment Revenue (NPV) Dallas County	Tot. Anticipated Increment Revenue	Tot. Anticipated Accumulated Revenue (NPV)
2014	\$105,400,615							
2015	\$108,562,633	\$3,162,018	\$22,681	\$21,448	\$4,996	\$4,725	\$27,678	\$26,173
2016	\$111,819,512	\$6,418,897	\$46,043	\$62,620	\$10,143	\$13,795	\$56,186	\$76,414
2017	\$121,365,483	\$15,964,868	\$114,516	\$159,453	\$25,227	\$35,126	\$139,743	\$194,579
2018	\$150,832,881	\$45,432,266	\$325,886	\$420,035	\$71,790	\$92,530	\$397,675	\$512,565
2019	\$207,092,304	\$101,691,689	\$729,434	\$971,584	\$160,688	\$214,032	\$890,123	\$1,185,616
2020	\$260,007,296	\$154,606,681	\$1,108,994	\$1,764,536	\$244,302	\$388,712	\$1,353,295	\$2,153,248
2021	\$281,128,987	\$175,728,372	\$1,260,500	\$2,616,812	\$277,677	\$576,461	\$1,538,177	\$3,193,273
2022	\$304,455,774	\$199,055,159	\$1,427,823	\$3,529,729	\$314,537	\$777,569	\$1,742,360	\$4,307,297
2023	\$313,589,447	\$208,188,832	\$1,493,338	\$4,432,619	\$328,970	\$976,468	\$1,822,308	\$5,409,086
2024	\$350,337,447	\$244,936,832	\$1,756,932	\$5,437,121	\$387,037	\$1,197,751	\$2,143,969	\$6,634,872
2025	\$375,959,851	\$270,559,236	\$1,940,721	\$6,486,372	\$427,524	\$1,428,892	\$2,368,246	\$7,915,263
2026	\$387,238,647	\$281,838,032	\$2,021,624	\$7,519,932	\$445,346	\$1,656,576	\$2,466,971	\$9,176,508
2027	\$398,855,806	\$293,455,191	\$2,104,954	\$8,537,581	\$463,703	\$1,880,755	\$2,568,657	\$10,418,336
2028	\$410,821,480	\$305,420,865	\$2,190,784	\$9,539,134	\$482,611	\$2,101,389	\$2,673,395	\$11,640,523
2029	\$423,146,125	\$317,745,510	\$2,279,189	\$10,524,448	\$502,086	\$2,318,445	\$2,781,274	\$12,842,893
2030	\$435,840,509	\$330,439,894	\$2,370,245	\$11,493,411	\$522,145	\$2,531,899	\$2,892,390	\$14,025,311
2031	\$448,915,724	\$343,515,109	\$2,464,034	\$12,445,945	\$542,805	\$2,741,734	\$3,006,839	\$15,187,679
2032	\$462,383,196	\$356,982,581	\$2,560,636	\$13,381,999	\$564,086	\$2,947,939	\$3,124,722	\$16,329,938
2033	\$476,254,691	\$370,854,076	\$2,660,136	\$14,301,552	\$586,005	\$3,150,509	\$3,246,141	\$17,452,061
2034	\$490,542,332	\$385,141,717	\$2,762,622	\$15,204,607	\$608,582	\$3,349,444	\$3,371,203	\$18,554,050
2035	\$505,258,602	\$399,857,987	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2036	\$520,416,360	\$415,015,745	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2037	\$536,028,851	\$430,628,236	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2038	\$552,109,716	\$446,709,101	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2039	\$568,673,008	\$463,272,393	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2040	\$585,733,198	\$480,332,583	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2041	\$603,305,194	\$497,904,579	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2042	\$621,404,350	\$516,003,735	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2043	\$640,046,480	\$534,645,865	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
2044	\$659,247,875	\$553,847,260	\$0	\$15,204,607	\$0	\$0	\$0	\$18,554,050
Totals		\$553,847,260	\$31,641,092		\$6,970,259	\$2,318,445	\$38,611,351	\$18,554,050

Appendix D: Bishop Arts Project Phase I

Project Funding Sources and Uses

Funding Source	Amount		Use
Private Equity	\$14,884,061	35%	Acquisition and Construction
Construction Loan	\$27,641,826	65%	Construction
Total	\$42,525,887		

Appendix E: Bishop Arts Project Phase I

Project Increment Chart

PROJECTED TIF INCREMENT SCHEDULE - BISHOP ARTS PROJECT PHASE I										
Tax Year		Property Value Total	Cumulative Prop Val Growth	Anticipated Captured Value	Part'n Rate City	TIF Contribution City	Part'n Rate County	TIF Contribution Dallas County	Total TIF Contribution	TOTAL TIF 2014 NPV @ 4.00%
Base	2014	\$2,086,148								
1	2015	\$2,117,440	129.4%	\$31,292	90%	\$224	65%	\$49	\$275	\$264
2	2016	\$2,149,202	132.8%	\$63,054	90%	\$452	65%	\$100	\$553	\$775
3	2017	\$2,181,440	158.1%	\$95,292	90%	\$684	65%	\$151	\$835	\$1,517
4	2018	\$28,910,180	191.2%	\$26,824,032	90%	\$192,409	65%	\$42,386	\$234,795	\$202,221
5	2019	\$29,343,833	255.3%	\$27,257,685	90%	\$195,519	65%	\$43,071	\$238,591	\$398,326
6	2020	\$29,783,990	539.1%	\$27,697,842	90%	\$198,677	65%	\$43,767	\$242,444	\$589,933
7	2021	\$30,230,750	610.9%	\$28,144,602	90%	\$201,881	65%	\$44,473	\$246,355	\$777,142
8	2022	\$30,684,211	777.9%	\$28,598,063	90%	\$205,134	65%	\$45,189	\$250,324	\$960,051
9	2023	\$31,144,474	869.4%	\$29,058,326	90%	\$208,435	65%	\$45,917	\$254,353	\$1,138,756
10	2024	\$31,611,641	948.6%	\$29,525,493	90%	\$211,786	65%	\$46,655	\$258,442	\$1,313,350
11	2025	\$32,085,816	964.3%	\$29,999,668	90%	\$215,188	65%	\$47,404	\$262,592	\$1,483,925
12	2026	\$32,567,103	980.3%	\$30,480,955	90%	\$218,640	65%	\$48,164	\$266,805	\$1,650,570
13	2027	\$33,055,610	1039.0%	\$30,969,462	90%	\$222,144	65%	\$48,936	\$271,081	\$1,813,375
14	2028	\$33,551,444	1086.8%	\$31,465,296	90%	\$225,701	65%	\$49,720	\$275,421	\$1,972,423
15	2029	\$34,054,716	1104.6%	\$31,968,568	90%	\$229,311	65%	\$50,515	\$279,826	\$2,127,801
16	2030	\$34,565,536	1122.6%	\$32,479,388	90%	\$232,975	65%	\$51,322	\$284,298	\$2,279,590
17	2031	\$35,084,019	1141.0%	\$32,997,871	90%	\$236,694	65%	\$52,142	\$288,836	\$2,427,870
18	2032	\$35,610,280	1159.6%	\$33,524,132	90%	\$240,469	65%	\$52,973	\$293,442	\$2,572,722
19	2033	\$36,144,434	1178.5%	\$34,058,286	90%	\$244,300	65%	\$53,817	\$298,118	\$2,714,221
20	2034	\$36,686,600	1197.6%	\$34,600,452	90%	\$248,189	65%	\$54,674	\$302,864	\$2,852,444
21	2035	\$37,236,899	1217.1%	\$35,150,751	90%	\$252,136	0%	\$0	\$252,136	\$2,963,090
22	2036	\$37,795,453	1236.9%	\$35,709,305	90%	\$256,143	0%	\$0	\$256,143	\$3,071,171
23	2037	\$38,362,385	1256.9%	\$36,276,237	90%	\$260,209	0%	\$0	\$260,209	\$3,176,745
24	2038	\$38,937,821	1277.3%	\$36,851,673	90%	\$264,337	0%	\$0	\$264,337	\$3,279,868
25	2039	\$39,521,888	1297.9%	\$37,435,740	90%	\$268,527	0%	\$0	\$268,527	\$3,380,597
26	2040	\$40,114,716	1318.9%	\$38,028,568	90%	\$272,779	0%	\$0	\$272,779	\$3,478,986
27	2041	\$40,716,437	1340.2%	\$38,630,289	90%	\$277,095	0%	\$0	\$277,095	\$3,575,087
28	2042	\$41,327,183	1361.8%	\$39,241,035	90%	\$281,476	0%	\$0	\$281,476	\$3,668,953
29	2043	\$41,947,091	1383.7%	\$39,860,943	90%	\$285,923	0%	\$0	\$285,923	\$3,760,634
30	2044	\$42,576,298	1406.0%	\$40,490,150	90%	\$290,436	0%	\$0	\$290,436	\$3,850,181
						\$6,437,871		\$821,425	\$7,259,309	
2014 NPV						\$3,335,240		\$514,932	\$3,850,181	

Appendix F: Bishop Arts Project Phase I

Site Layout and Landscaping

BISHOP ARTS PROJECT • Illustrative Site Plan Phase I



SITE PLAN LEGEND

- ① SPECIMEN TREE IN PLANTER
SEE TREE SELECTION BELOW
- ② STREET TREE IN OPEN WELL
SEE TREE SELECTION BELOW
- ③ CONCRETE SIDEWALK
COLOR: NATURAL GRAY
FINISH: LIGHT BROOM FINISH
PERPENDICULAR TO BUILDINGS
- ④ PRECAST CONCRETE PAVERS
TO MATCH EXISTING PAVERS ON BISHOP AVENUE
- ⑤ BRICK PAVING
TO MATCH EXISTING BRICKS ON BISHOP AVENUE
- ⑥ LIGHT POLE
MANUFACTURER: TARGETTI POULSEN USA, INC.
MODEL: TO MATCH COMMERCE STREET, JOB #20316
FINISH: RAL 9005/ANTI-GRAFFITI
SIZE: 14.5 FT
INSTALLATION: REF. MANUFACTURER'S SPEC.S
CONTACT: (P) 954-349-2525; (F) 954-349-2550
- ⑦ BOLLARDS AT 7'-0" O.C.

DEVELOPMENT ACCENT MATERIALS:
DECOMPOSED GRANITE BLUESTONE
FLAGSTONE LIMESTONE

TREE MIX SELECTION



AMERICAN SWEETGUM
Liquidambar styraciflua



CHINESE PISTACHE
Pistacia chinensis



SHUMARD RED OAK
Quercus shumardi



LIVE OAK
Quercus virginiana



BURR OAK
Quercus macrocarpa



LACEBARK ELM
Ulmus parvifolia



CEDAR ELM
Ulmus crassifolia



CHINQUAPIN OAK
Quercus muhlenbergii

BIKE RACK
MANUFACTURER: LANDSCAPE FORMS
MODEL: RIDE
INSTALLATION: REF. MANUFACTURER'S SPEC.S
CONTACT: LARA MOFFAT (800) 430-6206 X1309;
WWW.LANDSCAPEFORMS.COM

TABLE AND CHAIRS
MANUFACTURER: LANDSCAPE FORMS
MODEL: CHIPMAN
INSTALLATION: REF. MANUFACTURER'S SPEC.S
CONTACT: LARA MOFFAT (800) 430-6206 X1309;
WWW.LANDSCAPEFORMS.COM

LITTER RECEPTACLE
MANUFACTURER: LANDSCAPE FORMS
MODEL: POE
INSTALLATION: REF. MANUFACTURER'S SPEC.S
CONTACT: LARA MOFFAT (800) 430-6206 X1309;
WWW.LANDSCAPEFORMS.COM

BENCH
MANUFACTURER: LANDSCAPE FORMS
MODEL: AUSTIN
INSTALLATION: REF. MANUFACTURER'S SPEC.S
CONTACT: LARA MOFFAT (800) 430-6206 X1309;
WWW.LANDSCAPEFORMS.COM

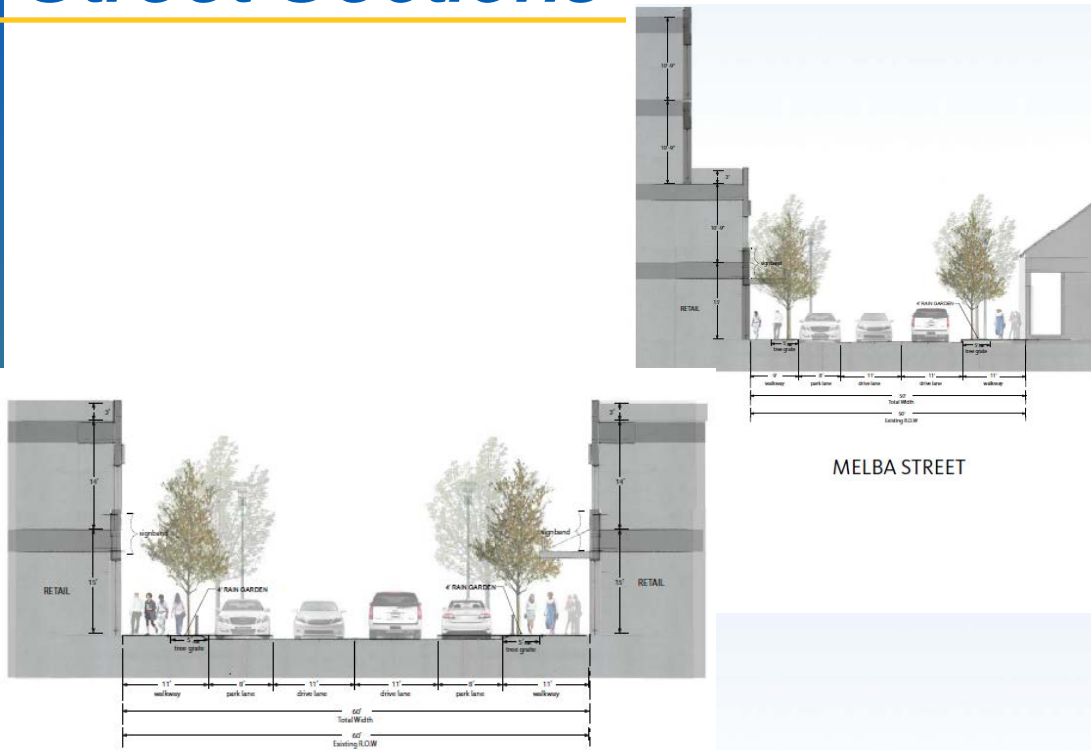
Exxir Development

Bishop Arts - Garden District | October 23, 2014 | 4

JHP studioOutside Gensler

Appendix G: Bishop Arts Project Phase I

Street Sections



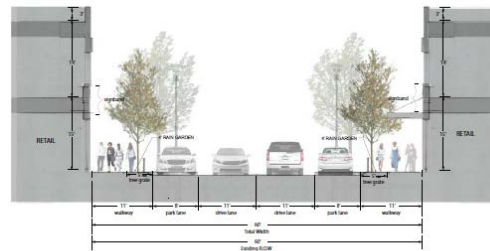
BISHOP AVENUE



MELBA STREET



MADISON AVENUE



9TH STREET
23

Appendix H: Bishop Arts Project Phase I

Conditions of TIF Funding

- Minimum private investment of \$30,000,000 for the project (acquisition, construction and construction related soft costs)
- Redevelopment of project shall include:
 - Minimum 180,000 square feet of residential space
 - Minimum 20,000 square feet of retail/restaurant/commercial space
 - Minimum of 30 publicly-accessible, non-valet, off-street parking spaces above the amount required by code shall be provided within the Property or nearby
 - Plaza and open space improvements
- Submit a building permit application for the project by June 30, 2015
- Fund construction for the project by September 30, 2015
- Obtain a certificate of occupancy (CO) for the residential portion of the project by December 31, 2017.
- Complete construction and pass final building inspection for the commercial portion by December 31, 2017

Appendix H: Bishop Arts Project Phase I

Conditions of TIF Funding (Continued)

- Obtain final acceptance of non-bond-funded public infrastructure improvements associated with the project by the CO date
- Execute an operating and maintenance agreement for public infrastructure improvements associated with the project by December 31, 2017 , for a period of 20 years
- At least 20% of the residential units (approximately 44 units) will be affordable for a period of fifteen (15) years and will be disbursed both spatially within the development and among unit sizes
- A minimum of at least 50% of commercial space, not including office lobby space, must be occupied prior to TIF reimbursement and economic development grant payment
- Provide public access easements (for a term to be negotiated)
- TIF reimbursement for the project is subject to City Council's approval of boundary amendment to expand the Oak Cliff Gateway TIF District

Appendix H: Bishop Arts Project Phase I

Conditions of TIF Funding (Continued)

- Owner shall submit to Director of the OED a quarterly status report for ongoing work on project, as well as public improvements. Status reports will be due once every three months after Council approval date
- Owner will make good faith efforts to comply with the Business Inclusion and Development (“BID”) goals of twenty-five percent (25%) Minority/Women-owned Business Enterprise (M/WBE) participation for TIF reimbursable improvements, and ten percent (10%) certified M/WBE participation for the remainder of the project construction expenditures, not including land acquisition or soft costs, and meet all reporting requirements for each
- If necessary, project deadline can be extended up to 6 months, subject to the Office of Economic Development Director’s and Oak Cliff Gateway TIF District Board of Directors’ approval.

Appendix I: Project Requirements/Other Information

Bishop Arts Project Phase I	
Minimum Residential space	180,000
Minimum retail space	20,000
Required private investment	\$30,000,000
Expected total project cost	\$42,525,887
TIF funding	\$5,000,000
ED grant assistance	\$4,000,000
% public funds to total project cost	21.1%
Return on cost without public assistance	5.60%
Return on cost with public assistance	7.11%
Deadline to apply for building permit	6/30/2015
Deadline to obtain final CO	12/31/2017

Appendix J: Bishop Arts Project Phase I

Project Proforma

Project name	Bishop Arts Project Phase I		
Project location	SEQ Bishop Ave. and Melba St.		
Project type	mixed use		
Construction start date	6/30/2015		
Construction finish date	12/31/2017		
Use breakdown			
	Net SF	Gross SF	
Residential	171,518	222,750	
Commercial	26,671	29,634	
Project Costs		Income (Annual)	
Acquisition & demolition	\$7,008,347	Residential Rental Income	\$3,604,841
Hard Cost	\$26,545,946	plus misc income	\$154,291
Soft Cost	\$7,371,553	plus commercial space	\$702,463
Public costs	\$1,600,041	less vacancy	-\$585,612
Total Project Cost (incl. public)	\$42,525,887	less expenses	-\$1,493,121
		NOI (w/o City \$)	\$2,382,862
Total Project Cost (incl. public)	\$42,525,887	Return on Cost Analysis	
TIF assistance	\$5,000,000	NOI/Total Project Costs	
ED Grant assistance	\$4,000,000	Return on Cost (no City \$)	5.60%
Total Project Cost (with City \$)	\$33,525,887	Return on Cost (with City \$)	7.11%

Appendix K: Bishop Arts Project Phase I

Development Team – Bishop Arts Village LLC

- Bishop Arts Village LLC is an affiliate of Exxir Capital
 - Exxir - family-owned real estate company in Texas since 1991. In 2000 Exxir acquired 20+ acres across 3 infill sites in Uptown and the Bishop Arts District with the aim of delivering top-class, beautifully designed urban, infill mixed-use projects.
 - Exxir maintains a local management and development office in Dallas and finances all transactions through its own resources. Its local development team has delivered 900+ multi-family units within Dallas County in the last decade, the majority with LEED certification, and it directly owns and operates an additional 850+ units.
 - Exxir and its development team have an average of over 25 years of real estate experience and have transacted over 9 million square feet in the past decade alone. They have participated in the development of innovative, high-quality projects across the United States and England including projects in New York, London and Santa Barbara in addition to markets like Phoenix, Dallas, and Nashville.

Appendix K: Bishop Arts Project Phase I

Development Team – Bishop Arts Village LLC

- Farrokh Nazerian, Principal/President - Exxir Capital, LLC
 - Farrokh has over 35 years' experience in businesses spanning real estate, international trading and finance. Real estate investor and developer in London before moving to the US
- Michael Nazerian, COO - Exxir Capital, LLC
 - Resident of Dallas since 2006. Oversees day to day operations of Exxir Capital's acquisitions, property management and development divisions. His staff of 30 manage over \$75m in commercial assets. Michael's specialty is acquisition and preparation of the challenging, highly-sought after urban development sites. Assembled more than 30 parcels from over 20 sellers in Bishop Arts. Involved in the Bishop Arts community since 2008 as a member of the Bishop-Davis Land Use initiative and the Bishop Arts Foundation.
- Thea Van Loggerenberg, Project Manager – Exxir Capital, LLC
 - Manages and directs new construction projects for Exxir Capital LLC, overseeing and coordinating strategic acquisitions, financing, design and construction. With over 17 years' experience in the construction industry practicing as a licensed architect, she designed, secured state funding and managed large scale commercial, educational, and civic projects in California and more recently in Dallas, Texas.
- Eric Little - President
 - 15 years' experience in commercial and multifamily construction. Has managed construction of over 3,000 apartments, including the 464 unit Belmont Apartments, completed in 2008 and the first LEED Silver multifamily community in North Texas.