

Status of New TIF Districts:

Fort Worth Avenue

Twelve Hills

- ◆ Economic Development and Housing Committee
- ◆ April 16, 2007



Overview

- ◆ On March 26, 2007, the Finance & Audit Committee reviewed a proposed set of policy initiatives approved by the Joint Economic Development and Housing, and Transportation and Environment Committees that will:
 - Secure Dallas' share of emerging market demand for dense, mixed-use development
 - Address a legacy of problems associated with deteriorated / dilapidated multifamily properties
 - Accomplish these two objectives while enhancing our fiscal position:
 - More revenue into the City's General Fund quicker
 - Reduce City's service costs
- ◆ Today we will be discussing two proposed new TIF Districts based on these policy initiatives:
 - Fort Worth Avenue TIF District; and
 - Twelve Hills TIF District

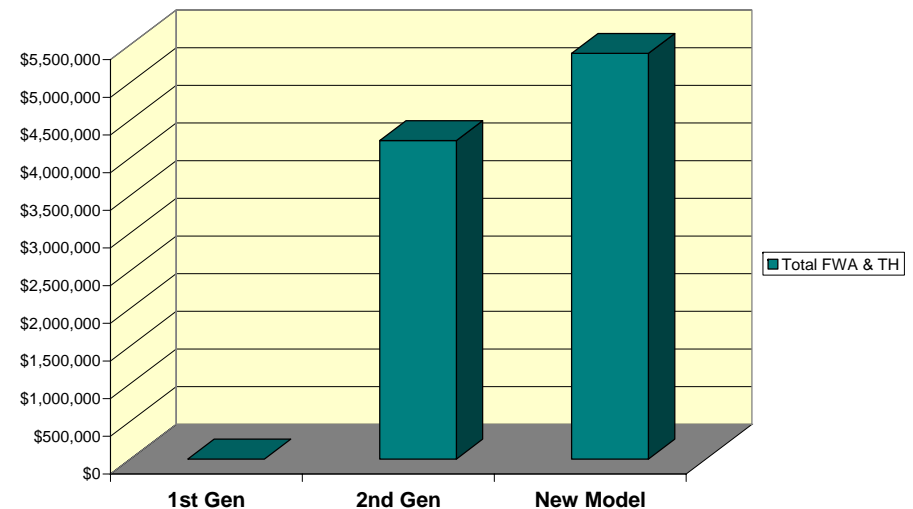
Background

- ◆ Following the March 26, 2007 briefing, on April 11, 2007, City Council approved raising the City's "cap" on TIF and other reinvestment zones from 5% of the City's taxable base to 10%. Prior to this action, the City was prohibited from creating new TIF Districts under its Financial Management Performance Criteria (FMPC).
- ◆ The TIF Program was first implemented in the City of Dallas in 1988. Fourteen TIF Districts were created since then. The City continues to adjust policy to insure that the TIF program continues to serve evolving City financial needs.
- ◆ As of 2006, the proportion of the City's tax base contained in TIF Districts is 4.8% of the City's tax base. The creation of two proposed TIF districts will raise the percentage to 5.3% based on 2007 projections. The proposed new districts raise the proportion of real property in reinvestment zones to 7% (the state cap is 15%).

Background (continued)

- ◆ Several enhancements to the TIF Program were recommended in the March 26 briefing:
 - Accelerated delivery of property tax revenue to the General Fund by adjusting the City's participation as development progresses.
 - This chart shows the difference in cash to the City over the first five years of both proposed TIF Districts based on City participation rates –
 - 1st generation TIF – 100% participation
 - 2nd generation TIF – 85%
 - New model – variable rate

Comparison of Added General Fund Revenue 5-years by TIF Model



Background (continued)

- ◆ Several enhancements to the TIF Program were recommended in the March 26 briefing (continued):
 - Significant (over \$200 million) minimum project commitment required
 - Early termination if negotiated private investment requirements are not met in five years
 - TIF incentives cease when targeted return on investment is achieved based on project pro forma (12% target, but varies according to risk)
 - Increased mix-use densities for sustainability
 - Target redevelopment opportunities with continued focus on mixed-income affordability and relocation priorities
 - Implementation of *forwardDallas!*

Background (Continued)

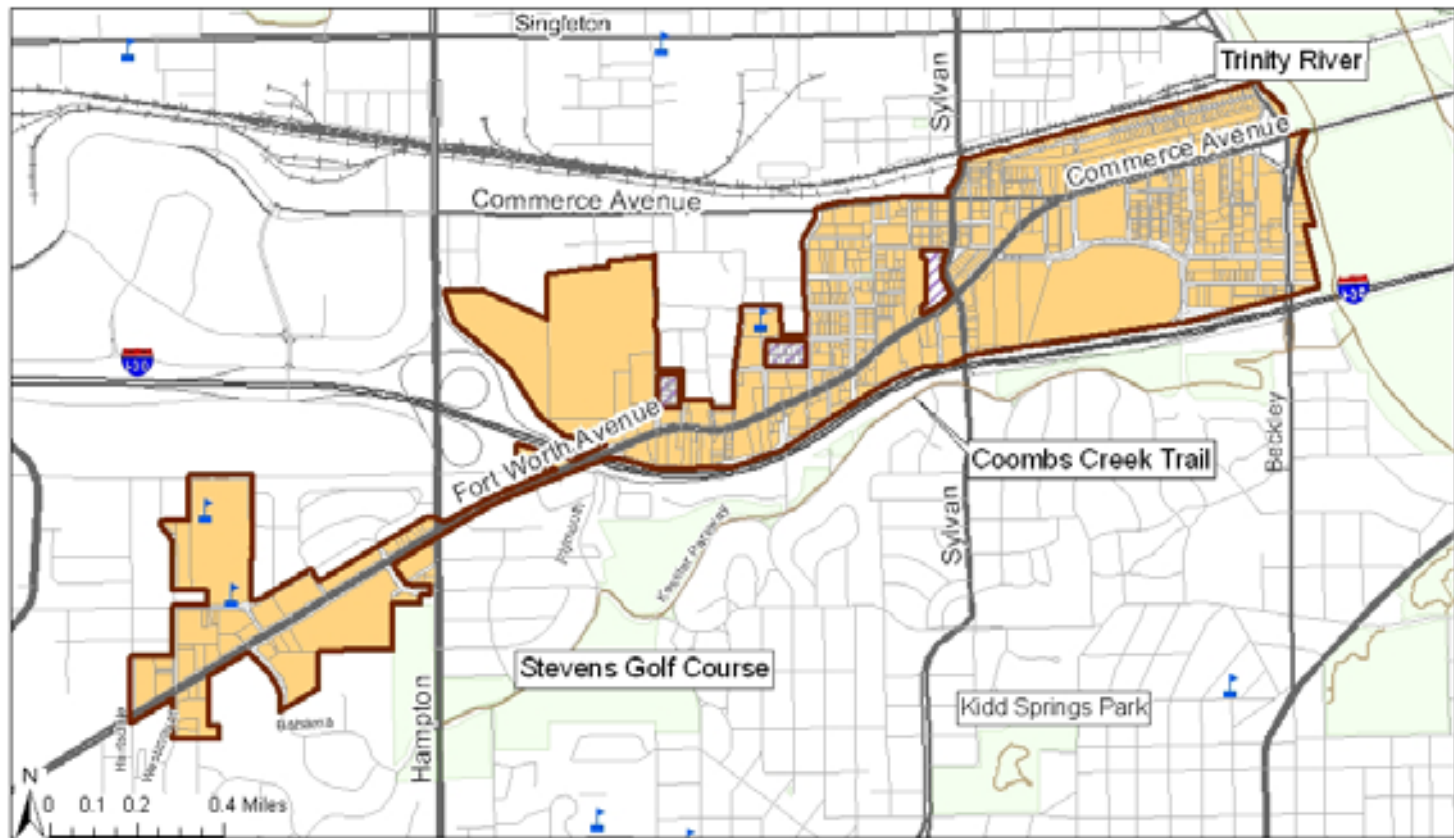
- ◆ Provisions of the proposed TIF Districts were negotiated to follow these new guidelines:
 - Both districts will receive a lower proportion of City property taxes over the early term of the TIF District to accelerate delivery of property tax revenue to the General Fund
 - Both have significant minimum project commitment (over \$200 million) – in the La Reunion project – Fort Worth Avenue; and a variety of projects to be developed by the INCAP Fund – Twelve Hills.
 - Both proposals include early termination if negotiated private investment requirements are not met in five years
 - Both Districts will include policies that cease TIF incentives when targeted return on investment numbers are achieved based on a negotiated rate based on project risk.
 - Both proposals increase mix-use densities for sustainability
 - Both proposals target redevelopment opportunities and are committed to providing mixed-income affordability and relocation opportunities for current residents
 - Both proposals promote the implementation of *forwardDallas!*



Fort Worth Avenue TIF Proposal Overview

- ◆ The Fort Worth Avenue Development Group (FWADG) worked for the past two years to create community consensus on the redevelopment of the corridor. They worked with staff to develop PD 714 so that zoning provisions reflected the community vision for the neighborhood and developed a Preliminary TIF Project Plan and Reinvestment Zone Financing Plan for the 470-acre Fort Worth Avenue Corridor area.
- ◆ The TIF proposal focuses on:
 - Making a stronger connection between the historic residential neighborhoods in North Oak Cliff with Trinity Corridor, Downtown and Victory areas
 - Confining the TIF boundaries to a tight area on either side of Fort Worth Avenue and Commerce Street west of the Trinity River and including larger sites with redevelopment potential such as City auto impound lot and main Post Office that are currently non-taxable for greater returns
 - Creating sufficient residential density to support a potential DART Light Rail line in the area

Fort Worth Avenue TIF Proposal Boundary Map



Fort Worth Avenue TIF Proposal

Existing Conditions

- The neighborhood currently contains a large proportion of non-conforming uses, vacant land, underutilized commercial property, aging motor courts, and some deteriorated multi-family housing.
- Much of the infrastructure in the area is inadequate, and redevelopment will require environmental remediation.
- In 2005, City Council approved PD 714, which provided for mixed use redevelopment.



Aging motor courts



Current uses

Fort Worth Avenue TIF Proposal Existing Conditions (continued)



Commercial uses



Vacant Land



Skyline View from Auto Pound



Views of Downtown

Fort Worth Avenue TIF Proposal

How the plan meets new TIF enhancements

- ◆ To increase the immediate impact on the General Fund, TIF collections will be lower in the initial years:
 - 0% in 2008
 - 55% in 2009 and 2010
 - 70% in 2011, 2012, and 2013
 - 85% in 2014 through 2020
 - 70% in 2021 & 2022, and
 - 55% in 2023 and thereafter
- ◆ The proposal includes a catalyst project (La Reunion) that will occur initially with a total anticipated private investment of over \$200 million.
- ◆ The district has provisions to be terminated early if an investment of at least \$100 million does not occur in the first 5 years of the TIF District.
- ◆ This TIF District will include policies that cease TIF incentives when a negotiated target rate of return is met and will require target occupancy levels to be met as a condition of TIF funding.

Fort Worth Avenue TIF Proposal

How the plan meets new TIF enhancements



La Reunion - Catalyst Project for the Fort Worth Avenue TIF District

Fort Worth Avenue TIF Proposal

How the plan meets new TIF enhancements

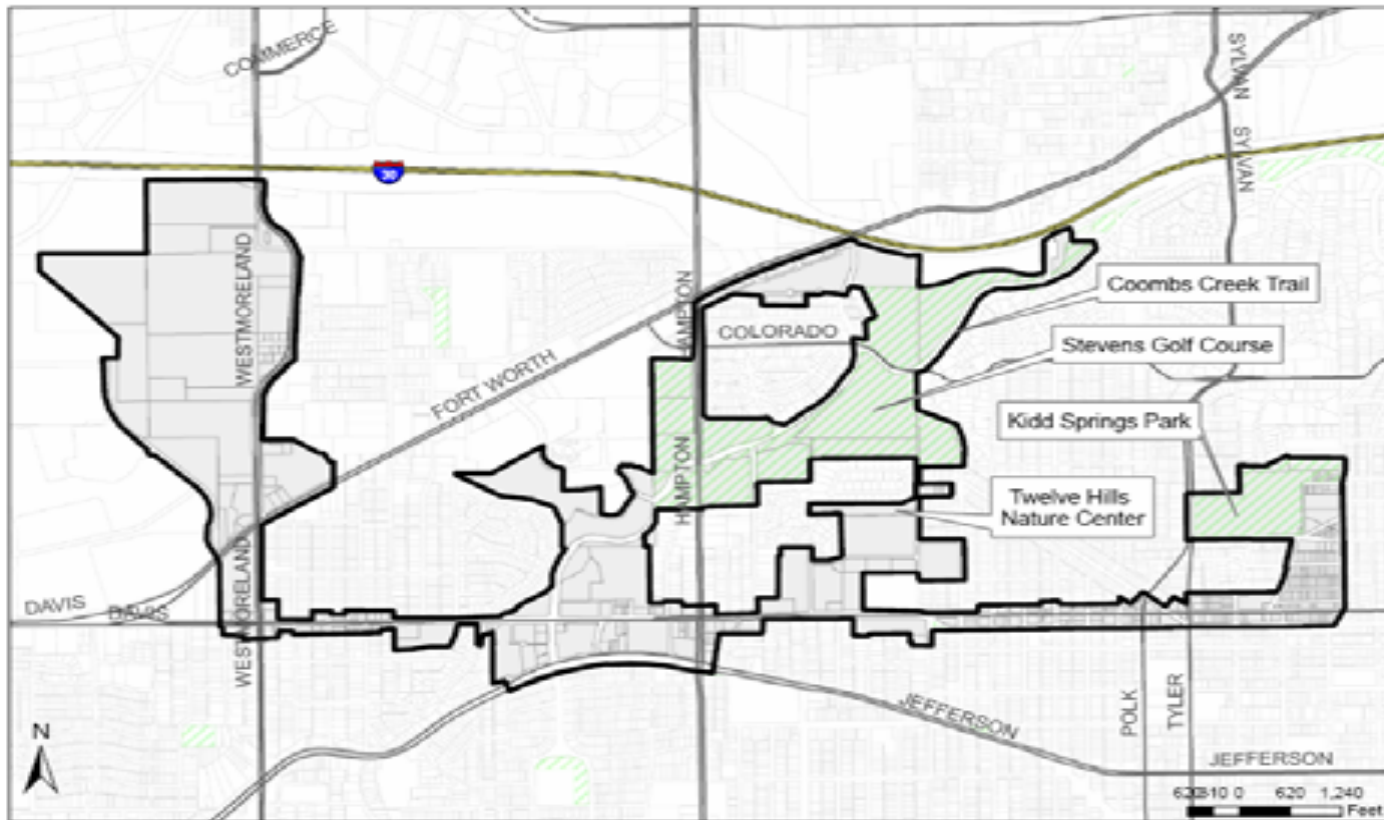
- ◆ The implementation of the district will greatly increase residential and retail density in the corridor to support a potential DART rail line on Fort Worth Avenue/Commerce and connect the historic residential areas in North Oak Cliff to the Trinity River and the downtown.
- ◆ Requires a minimum of 20% of new residential units built to meet affordable housing guidelines and requires a relocation assistance plan for displaced residents of the area.
- ◆ This proposal supports the implementation of *forwardDallas!*
- ◆ The expected return in initial private investment for each TIF dollar spent is \$11.

- ◆ *A more detailed review of the TIF proposal and an analysis of how it meets guidelines is included in the Appendix.*

Twelve Hills TIF Proposal Overview

- INCAP Fund (INCAP) has been working over the last two years to develop a plan for replacing deteriorating apartment communities in the North Oak Cliff area with owner-occupied housing. Within the last six months, redevelopment plans were finalized and INCAP developed a Preliminary TIF Project Plan and Reinvestment Zone Financing Plan for the Twelve Hills area.
- The TIF Plan focuses on:
 - Making stronger connection between the historic neighborhoods in North Oak Cliff to Pinnacle Park to build on this major City investment
 - Increasing and improving linkages to Coombs Creek, Stevens Park Golf Course, and Kidd Springs Park and including the addition of an open space preserve with Balcones escarpment near Pinnacle Park
 - Creating new mixed-income communities that are integrated into existing residential neighborhoods and providing relocation assistance for residents that may be displaced
 - Encouraging the redevelopment of aging and underutilized retail centers in the District
 - Providing better connectivity between the commercial corridors and established residential neighborhoods

Twelve Hills TIF Proposal Boundary Map



Twelve Hills TIF Proposal

Existing Conditions

- The present conditions in the area include deteriorating multifamily, dilapidated buildings, and inadequate public infrastructure.



Lack of pedestrian amenities and connectivity to parks and open space

Aging and deteriorating multifamily



Twelve Hills TIF Proposal

How the plan meets new TIF enhancements

- ◆ To increase the immediate impact on the General Fund, TIF collections will be lower in the initial years:
 - 0% in 2008
 - 55% in 2009 and 2010
 - 70% in 2011, 2012, and 2013
 - 85% in 2014 through 2020
 - 70% in 2021, 2022, and 2023
 - 55% in 2024 and thereafter
- ◆ The proposal includes a catalyst project INCAP (multiple sites), that will occur initially with a total anticipated private investment of over \$200 million.
- ◆ The district has provisions to be terminated early if an investment of at least \$100 million does not occur in the first 5 years of the TIF District.
- ◆ This TIF District will include policies that cease TIF incentives when a negotiated target rate of return is met and will require target occupancy levels to be met as a condition of TIF funding.

Twelve Hills TIF Proposal

How the plan meets new TIF enhancements

- ◆ Catalyst Project – INCAP, Phase I. Initial redevelopment in the first three years of the TIF would include 583 residential units and 7,000 square feet of retail space. The estimated additional taxable value is \$108.7 million.
- ◆ Redevelopment concepts are shown below:



Twelve Hills TIF Proposal

How the plan meets new TIF enhancements



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Twelve Hills TIF Proposal

How the plan meets new TIF enhancements

- ◆ The implementation of the district will greatly increase residential and retail density in the corridor to support a potential DART rail line on Fort Worth Avenue/Commerce and connects the historic residential areas in North Oak Cliff to the Pinnacle Park employment/retail center.
- ◆ Requires a minimum of 20% of new residential units built to meet affordable housing guidelines and requires a relocation assistance plan for displaced residents of the area.
- ◆ This proposal supports the implementation of *forwardDallas!*
- ◆ The expected return in initial private investment for each TIF dollar spent is \$11.

- ◆ *A more detailed review of the TIF proposal and an analysis of how it meets guidelines is included in the Appendix.*

Conclusion

- ◆ The Fort Worth Avenue and Twelve Hills TIF proposals:
 - Secure Dallas' share of emerging market demand for dense, mixed-use development
 - Address a legacy of problems associated with deteriorated / dilapidated multifamily properties
 - Accomplish these two objectives while enhancing our fiscal position:
 - More revenue into the City's General Fund more quickly
 - Reduce City's service costs
- ◆ Total projected redevelopment in the two TIFs: Over 12,000 residential units and over 1.8 million square feet of retail and other commercial space.

Next Steps

- On April 25, 2007, City Council will consider calling a public hearing for May 23, 2007 to consider the creation of the Fort Worth Avenue and Twelve Hills TIF Districts.
- Following the public hearing, City Council will consider an ordinance creating the TIF District, approving the Preliminary Plan, and establishing the TIF Board of Directors (with appointments to be filled at a later date).

Appendix – Detailed review of Fort Worth Avenue and Twelve Hills TIF Plans

Fort Worth Avenue TIF Proposal : Evaluation

Criteria	Points (Max)	Points Scored
Financial		
Total new taxes generated by the District from all revenue sources exceed amount of taxes foregone - Direct monetary benefits to all taxing jurisdictions exceeds public funds invested during term of TIF District; Cash benefits to the City exceeds City expenditures - full points if within the term of the TIF; 10 fewer points for each 3 years without City payback	50	50
Other taxing units participation	15	5
Comprehensive Review of Project Pro Forma - including rental rates, land costs, site analysis, construction costs, other sources of funds and grants, operating expenses and rate of return for the developer	20	10
A minimum of \$15 million in new private investment will occur within 3 years of adoption of TIF District	15	15
Subtotal	100	80
Policy		
Provides affordable housing - 10 points max. (5 points for each 10% affordable units). A minimum of 10% affordable housing is required for each TIF District	10	10
Plan provides Urban Design Guidelines and/or historic preservation guidelines, if applicable	10	10
Provides preferential hiring for neighborhood residents for new jobs created	5	5
Enhances public investments over \$10 million made within last 5 years or expected within the next 5 years (i.e. DART Light Rail System, Trinity River, bond improvements)	20	10
Enhances core assets of City	25	25
Provides direct benefits to distressed areas	20	20
Adds park or green space or to City/County Trail system and provides for ongoing maintenance of these amenities	5	5
Complies with Fair Share Guidelines for private investment.	5	5
Subtotal	100	90
Grant Total : Financial & Policy	200	170

- The ranking of the proposed TIF based on the City's criteria is shown on the table.
- The TIF Proposal scored 170 out of 200 possible points. This exceeds the 140 points needed for a staff recommendation.

Fort Worth Avenue TIF Proposal Financial Evaluation

- ✓ Total new taxes generated by the proposed TIF exceed the amount of taxes forgone:

Fort Worth Avenue TIF District - Financial Summary						
Taxing Jurisdictions	Total Revenues to Taxing Jurisdictions and Fund During TIF Term				Less:	Net Benefit
	Real Property Tax (to fund and to general revenues)	BPP Tax	Sales Tax	Total Tax Revenue	Contribution to TIF Fund	
Participating Jurisdictions:						
City of Dallas:	\$84,434,130	\$1,402,622	\$19,927,325	\$105,764,076	\$50,709,204	\$55,054,873
Dallas County: 55%	\$24,767,499	\$411,438	-	\$25,178,937	\$11,474,076	\$13,704,861
Other Jurisdictions:						
DISD	\$173,986,181	\$2,890,262	-	\$176,876,444	\$0	\$176,876,444
DCHD	\$29,410,682	\$488,571	-	\$29,899,252	\$0	\$29,899,252
DCCCD	\$9,378,997	\$155,804	-	\$9,534,801	\$0	\$9,534,801
DART	-	-	\$19,927,325	\$19,927,325	\$0	\$19,927,325
Total:	\$321,977,488	\$5,348,697	\$39,854,650	\$367,180,836	\$62,183,280	\$304,997,556
% of Total Tax Revenue	87.69%	1.46%	10.85%	100.00%		

TIF Term	22
Estimated TIF Collection Period	18 years
Windfall to City of Dallas at TIF Expiration (2030)	\$15,797,122
Windfall to Dallas County from Property Tax Revenue at TIF Expiration (2030)	\$3,817,686

Notes:

(1) All values are projections and expressed in year 2008 dollars with the exception of windfall values which are expressed in nominal dollars.

(2) The legal TIF life will be set at 22 years. Based on projections, TIF collections will begin in 2009 and continue for 18 years, at which time the budget cap of \$62,183,280 (2008 dollars) is expected to be reached. If the budget cap is not reached, TIF collections can continue through tax year 2029.

(3) Forecasts project City participation for 18 years at varying rates and County participation for 18 years at 55%.

(4) Windfall defined as total new tax revenue (RPT, BPP, and Sales) generated as a result of new development in TIF District as of the expiration of the TIF.

Fort Worth Avenue TIF Proposal Planned Development

- ◆ Over a 22-year period, projected redevelopment includes approximately 1,032,910 square feet of retail, 231,367 square feet of office and 9,535 residential units.
- ◆ Additional taxable value attributed to new private investment is projected to be over \$1.2 billion during the 22-year period with a TIF investment of \$112 million, for a ratio of \$11 private dollars invested for every \$1 in TIF incentives.
- ◆ This TIF District helps implement part of the Fort Worth Avenue Corridor Land Use and Urban Design Plan.

Fort Worth Avenue TIF Proposal

Public Improvements

- ◆ The TIF investment in public infrastructure will encourage private redevelopment at a higher capacity and with additional public benefits that would not otherwise occur.
- ◆ Preliminary estimates for TIF public improvements total \$112.2 million (\$62.2 million in 2008 dollars) for:
 - Water, Wastewater & Storm Water
 - Paving, Streetscape & Utility Burial
 - Land Acquisition
 - Environmental Remediation & Demolition
 - Façade Restoration
 - Parks, Open Spaces, Trails & Gateways
 - Grants for high density projects
 - Administration

Fort Worth Avenue TIF Proposal

Financial Evaluation

- ◆ Revenues for this TIF District are estimated to be collected in 18 years although the TIF District will be set up for 22 years in case of shortfalls in the captured increment (the capture of TIF funds will be delayed for one year to allow the City to collect 100% of revenue for the general fund). During this initial year, the City's general fund is projected to collect approximately \$589,000.
- ◆ In addition, with City participation being phased between 55% and 85% during the life of the TIF, there will be some additional revenue to the general fund throughout.
- ◆ The estimated 2007 base real property value of the zone is approximately \$79 million.
- ◆ The City is expected to break even (direct monetary benefits exceeding public funds invested) within the life of the TIF. City contributions to the TIF fund result in public improvements.
- ◆ In addition, its estimated the City's general fund will have \$55 million in added revenue during the life of the TIF District.

Fort Worth Avenue TIF Proposal Financial Evaluation (*continued*)

- ◆ Financial benefits to all taxing jurisdictions from anticipated increases in real property, business personal property, and sales taxes is positive throughout the life of the TIF – net \$305 million.
- ◆ Pro Formas for initial projects are reasonable and TIF assistance is needed for development to occur.
- ◆ A minimum of \$15 million in new investment will occur within the first 3 years – the proposal estimates \$363 million in new private investment during this period
- ❖ A total of 80 out of 100 possible financial criteria points

Fort Worth Avenue TIF Proposal Policy Evaluation

- ✓ TIF projects will provide for 20% affordable housing
- ✓ Urban design guidelines have been developed through PD 714. More refined urban design guidelines will be developed through the TIF board of directors.
- ✓ Preferential hiring of neighborhood residents for new jobs created is incorporated in the TIF Plan.
- ✓ The TIF will enhance the Trinity River Corridor, a core asset of the City.

Fort Worth Avenue TIF Proposal Policy Evaluation (*continued*)

- ✓ The TIF provides direct benefits to distressed areas:
 - ✓ Most of the area is in CDBG eligible census tract (20% or more of households below the poverty level)
 - ✓ Physical blight, deteriorated conditions, and potential brownfields in most of the area.
- ✓ Adds green space with pocket parks, connections to Coombs Creek Trail, and other pedestrian connections.
- ✓ Fair Share Guidelines for private investment is incorporated in the TIF Plan.
- ❖ A total of 90 out of 100 possible policy criteria points

Fort Worth Avenue TIF Proposal Summary

- The TIF Proposal scored 170 out of 200 possible points. This exceeds the minimum 140 points needed for a Staff recommendation.

Twelve Hills TIF Proposal Evaluation

Criteria	Points (Max)	Points Scored
Financial		
Total new taxes generated by the District from all revenue sources exceed amount of taxes foregone - Direct monetary benefits to all taxing jurisdictions exceeds public funds invested during term of TIF District; Cash benefits to the City exceeds City expenditures - full points if within the term of the TIF; 10 fewer points for each 3 years without City payback	50	40
Other taxing units participation	15	5
Comprehensive Review of Project Pro Forma - including rental rates, land costs, site analysis, construction costs, other sources of funds and grants, operating expenses and rate of return for the developer	20	10
A minimum of \$15 million in new private investment will occur within 3 years of adoption of TIF District	15	15
Subtotal	100	70
Policy		
Provides affordable housing - 10 points max. (5 points for each 10% affordable units). A minimum of 10% affordable housing is required for each TIF District	10	10
Plan provides Urban Design Guidelines and/or historic preservation guidelines, if applicable	10	10
Provides preferential hiring for neighborhood residents for new jobs created	5	5
Enhances public investments over \$10 million made within last 5 years or expected within the next 5 years (i.e. DART Light Rail System, Trinity River, bond improvements)	20	10
Enhances core assets of City	25	15
Provides direct benefits to distressed areas	20	10
Adds park or green space or to City/County Trail system and provides for ongoing maintenance of these amenities	5	5
Complies with Fair Share Guidelines for private investment.	5	5
Subtotal	100	70
Grant Total : Financial & Policy	200	140

The ranking of the proposed TIF based on the City's criteria is shown on the table.

✓ The Twelve Hills TIF Proposal scored 140 out of 200 possible points. This meets the 140 points needed for a staff recommendation.

Twelve Hills TIF Proposal Financial Evaluation

- ✓ Total new taxes generated by the proposed TIF exceed the amount of taxes forgone:

Twelve Hills TIF District - Financial Summary						
Taxing Jurisdictions	Total Revenues to Taxing Jurisdictions During TIF Term				Less:	Net Benefit
	Real Property Tax	BPP Tax	Sales Tax	Total Tax Revenue	Contribution to TIF Fund	
Participating Jurisdictions:						
City of Dallas: varies	\$44,475,412	\$129,342	\$2,128,510	\$46,733,264	\$26,574,509	\$20,158,755
Dallas County: 55%	\$13,353,236	\$38,834	-	\$13,392,070	\$5,854,239	\$7,537,831
Other Jurisdictions:						
DISD	\$91,646,674	\$266,525	-	\$91,913,199	\$0	\$91,913,199
DCHD	\$15,491,984	\$45,053	-	\$15,537,037	\$0	\$15,537,037
DCCCD	\$4,940,357	\$14,367	-	\$4,954,725	\$0	\$4,954,725
DART	-	-	\$2,128,510	\$2,128,510	\$0	\$2,128,510
Total:	\$169,907,663	\$494,122	\$4,257,019	\$174,658,805	\$32,428,748	\$142,230,057
% of Total Tax Revenue	97.28%	0.28%	2.44%	100.00%		

TIF Term	22 years
Estimated TIF Collection Period	17 years
Windfall to City of Dallas at TIF Expiration (2030)	\$6,908,932
Windfall to Dallas County from Property Tax Revenue at TIF Expiration (2030)	\$1,950,066

Notes:

(1) All values are projections and expressed in year 2008 dollars with the exception of windfall values which are expressed in nominal dollars.

(2) The legal TIF life will be set at 22 years. Based on projections, TIF collections will begin in 2009 and continue for 17 years, at which time the budget cap of \$32.4 million is expected to be reached. If the budget cap is not reached, TIF collections can continue through tax year 2029.

(3) Forecasts project City participation for 17 years at 0% in 2008, 55% in 2009 and 2010, 70% in 2011, 2012, and 2013, 85% in 2014 through 2020, 70% in 2021, 2022, and 2023, and 55% in 2024 and 2025, and County participation for 17 years at 55%.



Twelve Hills TIF Proposal

Private Investment

- Over a 22-year period, projected redevelopment includes 472,000 square feet of retail and other commercial development, and 2,725 residential units including town homes, condos, and upgraded apartments.
- Additional taxable value attributed to new private investment is projected to be \$599 million (2008 dollars) over the 22 year period.
- It is estimated that there will be adequate revenue from the TIF District to collect the needed increment over 17 years although the TIF District will be set up for 22 years in case of shortfalls in the captured increment (the capture of TIF funds will be delayed for one year to allow the City to collect 100% of revenue for the general fund). During this initial year, the City's general fund is projected to collect approximately \$769,000.
- In addition, with City participation being phased between 55% and 85% during the life of the TIF, there will be some additional revenue to the general fund throughout.
- The estimated 2007 base real property value of the zone is approximately \$103 million.

Twelve Hills TIF Proposal

Private Investment (*continued*)

- ◆ The Twelve Hills TIF District represents the City's effort to provide a model for redeveloping deteriorating multifamily and commercial corridors.
- ◆ Much of the property in the Twelve Hills area corridors is in poor condition or structurally obsolete and negatively impacts surrounding stable neighborhoods.
- ◆ The existing multi-family housing in the corridor was primarily built in the 1960s and does not seem to be sustainable. Opportunity exists to transition to more ownership units and higher quality rental, in conformance with the City's Comprehensive Plan, ForwardDallas.
- ◆ Staff reviewed the plan and found it to conform with the TIF guidelines.

Twelve Hills TIF Proposal

Public Improvements

- ◆ The TIF investment in public infrastructure will encourage private redevelopment in a capacity and with greater public benefits that would not otherwise occur.
- ◆ Preliminary estimates for TIF public improvements total \$57.1 million (\$32.4 million in 2008 dollars) for:
 - Water, Wastewater, Storm
 - Paving, Streetscape, and utility burial/relocation
 - Environmental Remediation and Demolition
 - Parks, Open Space, Trails, and Streetscapes
 - Façade Restoration
 - Administration

Twelve Hills TIF Proposal

Financial Evaluation

- ✓ The City contribution to the TIF fund is estimated at \$26.6 million (2008 dollars) over the life of the TIF.
- ✓ The City would breakeven (direct monetary benefits exceeding public funds invested) by 2032 (within three years of the District's expiration). City contributions to the TIF fund result in public improvements.
- ✓ County participation is assumed to be 0% in 2008 and 55% in 2009 and thereafter.
- ✓ Financial benefits to all taxing jurisdictions from anticipated increases in real property, business personal property, and sales taxes is positive throughout the life of the TIF – net \$142.2 million (2008 dollars).
- ✓ In addition, it is estimated that the City's general fund will have \$20 million in added revenue during the life of the TIF District.

Twelve Hills TIF Proposal: Financial Evaluation (*continued*)

- ✓ Staff has reviewed the key projects at and has determined that TIF assistance is needed for development to occur given the cost of remediation for deteriorated apartments, infrastructure upgrades, and creating new street and pedestrian networks.
- ✓ A minimum of \$15 million in new investment will occur within the first 3 years – the proposal estimates \$108.7 million in new private investment during this period.
- ***A total of 70 out of 100 possible financial criteria points***

Twelve Hills TIF Proposal Policy Evaluation

- ✓ Twenty percent of all new residential units will be affordable.
- ✓ Urban Design Guidelines will be developed.
- ✓ Preferential hiring of neighborhood residents for new jobs created is incorporated in the TIF plan.
- ✓ The TIF will enhance public investments over \$10 million including City investment in Pinnacle Park.
- ✓ The TIF will enhance a core asset of the City, including:
 - ✓ Pinnacle Park
 - ✓ Stevens Park Golf Course;
 - ✓ Kidd Springs Park; and
 - ✓ Balcones escarpment near Pinnacle Park.

Twelve Hills TIF Proposal Policy Evaluation (*continued*)

- ✓ The TIF provides direct benefits to distressed areas:
 - ✓ Part of district is located in CDBG eligible census tract (20% or more of households below the poverty level)
 - ✓ District exhibits physical blight and deteriorated conditions
- ✓ Adds green space or to a trail system and provides for on-going maintenance – some green space and potential trail connections are contemplated for Coombs Creek and Stevens Park.
- ✓ Fair Share Guidelines for private investment is incorporated in the TIF plan.
- ***A total of 70 out of 100 possible policy criteria points***

Twelve Hills TIF Proposal Conclusion

- ◆ The TIF proposal scored 140 out of 200 possible points. This meets the 140 points needed for a Staff recommendation.