

Exhibit A

**Cypress Waters TIF District  
FY 2018-2019  
Annual Report**



*Source: Billingsley Company*



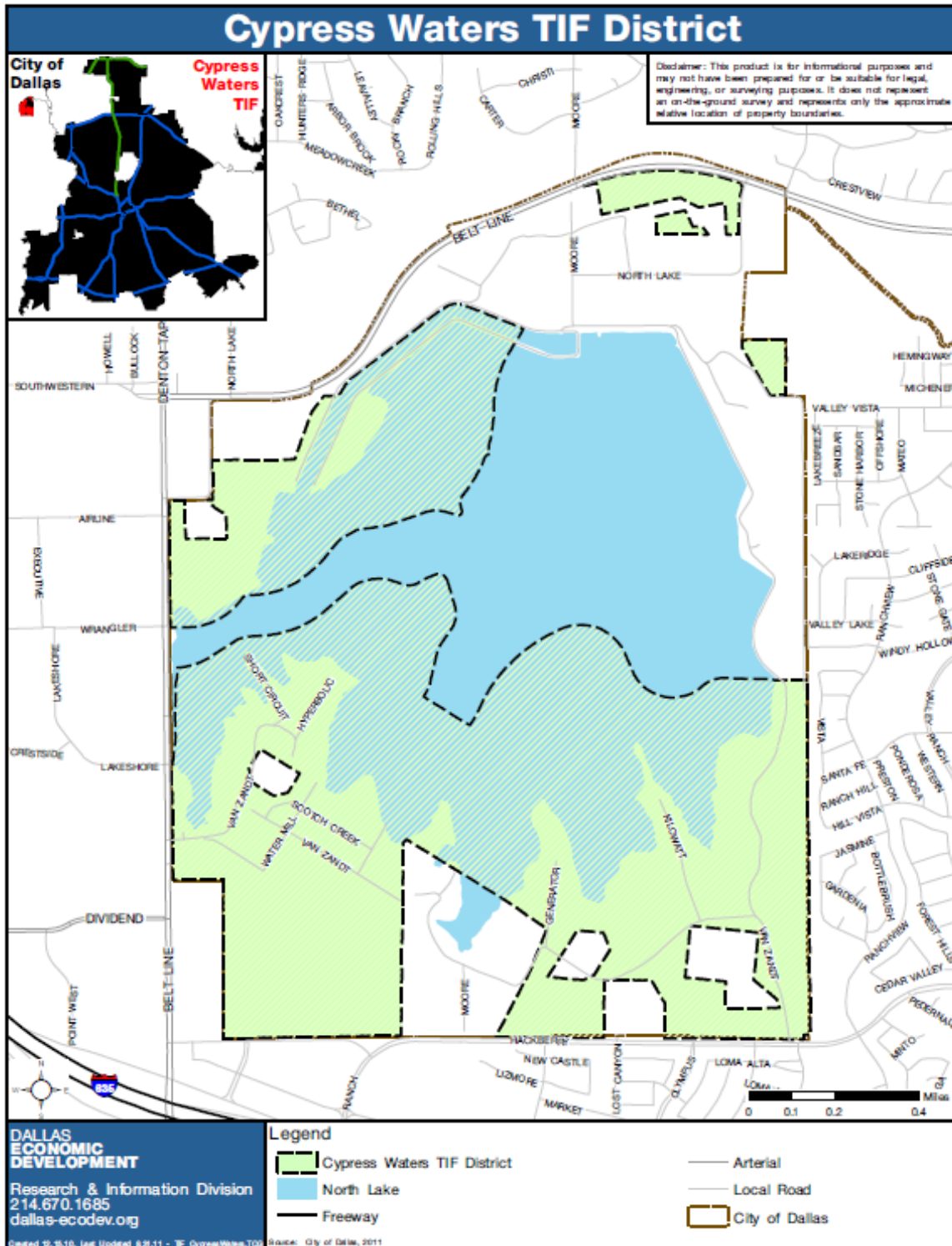
**City of Dallas**

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**October 1, 2018 to September 30, 2019**

# Reinvestment Zone Number Nineteen Cypress Waters Tax Increment Financing District



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## Mission Statement

The Cypress Waters Tax Increment Financing (TIF) District (the “District”) represents the outgrowth of the City of Dallas’ effort to provide a model for supporting the development of land near DFW Airport and to take full advantage of the planned expansion of the DART light rail system along the Cotton Belt Line.

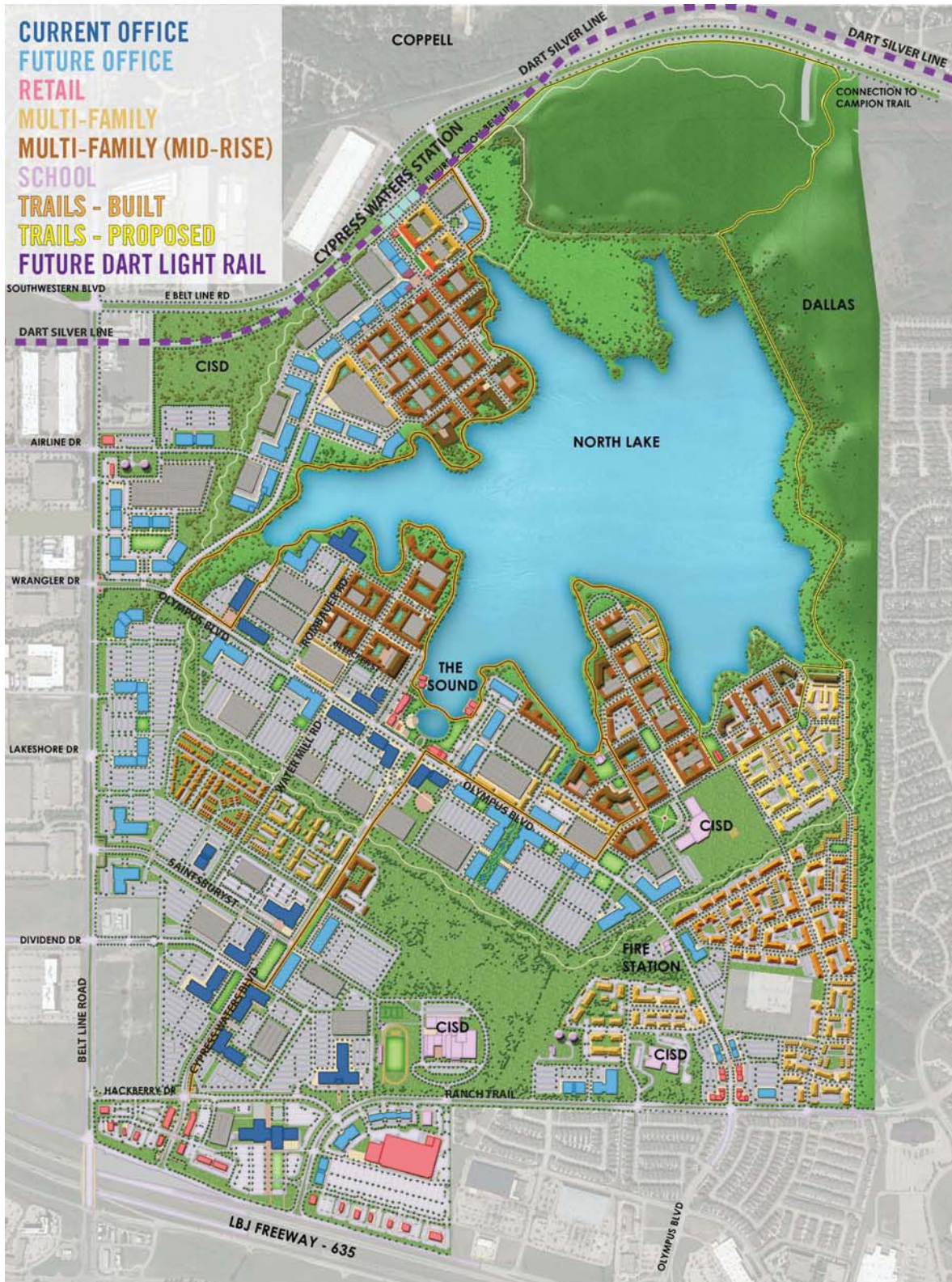
The Cypress Waters TIF District was established on December 8, 2010 to encourage the initial development of a large tract of undeveloped land within the city of Dallas (approximately 1,661 acres in total) surrounding North Lake. This District promotes the creation of pedestrian-oriented, traditional neighborhood development (TND) containing multifamily and residential development, a potential senior housing component, pedestrian-oriented retail development, offices, and additional commercial development.

The Dallas City Council established the Cypress Waters TIF District by Ordinance Number 28074 on December 8, 2010. The Cypress Waters District began collecting funds on January 1, 2012, and it is scheduled to terminate on December 31, 2040 (including collection of the 2040 increment in calendar year 2041 and any related matters to be concluded in 2041) or when the full budget has been collected or when all of the District’s obligations have been retired. The City of Dallas and Dallas County are the two participating jurisdictions. The City started to participate at 85% in 2012. The County’s participation is 55% from 2014 to 2033 or until the County’s participation reaches its budget limit of \$10,500,000.

In 2015, City Council amended the District’s Final Plan to remove approximately 28 acres on the northern end of the District, making the estimated new base \$71,317. City Council also reduced the budget from \$65,698,583 to \$25,779,665 NPV, 2010 dollars. The new budget provided for Cypress Waters Phases 1 and 2 TIF infrastructure projects, construction of a temporary public safety building within the District, a budget line item for a future permanent public safety building, administration expenses, and funding to support a proposed interlocal agreement with the City of Irving to more efficiently provide water service to the District.



# Cypress Waters District Master Plan



## District Projects

<b>Projects Within the Cypress Waters TIF District Utilizing or Supported by TIF Funding<sup>1</sup></b>						
Project	Location	Calendar Year Complete	Status	Units/ SF <sup>2</sup>	Approx. Value <sup>3</sup>	TIF Investment <sup>4</sup>
Cypress Waters Phase 1 <i>Public Infrastructure Improvements</i>	Cypress Waters Blvd. & Chapel Oaks Dr., northeast of Belt Line and Hackberry Rd.	2014	Complete	N/A	N/A	\$9,527,524*
Parsons Green I <i>Supported by Phase 1 Public Improvement Project</i>	3325 Scotch Creek Dr. 3330 Scotch Creek Dr.	2014	Complete	65 res. units	\$14,356,800	\$0
Scotch Creek <i>Supported by Phase 1 Public Improvement Project</i>	3211 Scotch Creek Dr. 3220 Scotch Creek Dr.	2014	Complete	608 res. units	\$66,000,000	\$0
Sycamore Park <i>Supported by Phase 1 Public Improvement Project</i>	9190 Cypress Waters Blvd.	2014	Complete	Included in Scotch Creek	\$17,600,000	\$0
Parson's Green II Townhomes	3451 Chapel Oaks Dr.	2016	Complete	141 res. units	\$31,143,200	\$0
Cypress Waters Phase 2 <i>Public Infrastructure Improvements</i>	Cypress Waters Blvd. and Saintsbury St.	2015	Complete	N/A	N/A	\$6,522,398*
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8950 Cypress Waters Blvd.	2015	Complete	175,585 sf office	\$25,910,000	\$0
Multi-Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8951 Cypress Waters Blvd.	2015	Complete	187,710 sf office	\$26,925,000	\$0
Multi-Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	8840 Cypress Waters Blvd.	2015	Complete	166,140 sf office	\$23,550,000	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	9001 Cypress Waters Blvd.	2016	Complete	214,520 sf office	\$30,560,000	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	3001 Hackberry Rd	2016	Complete	327,183 sf office	\$46,980,000	\$0
Single Tenant Office Bldg <i>Supported by Phase 2 Public Improvement Project</i>	9111 Cypress Waters Blvd.	2017	Complete	217,000 sf office	\$32,000,000	\$0
Signet Repair Center	9121 Watermill Rd.	2017	Complete	31,000 sf office	\$4,195,000	\$0
<b>Total</b>				814 res. units 1,161,138 sf office	\$319,220,000	\$16,049,922*

Projects Within the Cypress Waters TIF District Not Utilizing or Supported by TIF Funding <sup>1</sup>						
Project	Location	Calendar Year Complete	Status	Units/ SF <sup>2</sup>	Approx. Value <sup>3</sup>	TIF Investment <sup>4</sup>
Signet Jewelers/Zales Campus	9797 Rombauer Rd	2018	Complete	250,000 sf office	36,500,000	\$0
The Sound Retail	Olympus Blvd and Wharf Rd	2018	Complete	35,000 sf retail	\$3,973,300	\$0
The Wharf at The Sound	9655 Wharf Rd	2018	Complete	296 res. units	\$45,634,000	\$0
Bleecker Street at The Sound	3333 Bleecker St	2018	Complete	243 res. units	\$30,220,000	\$0
Brinker International	3000 Olympus Blvd.	2018	Complete	216,400 sf office	\$28,960,000	\$0
Multi-Tenant Office Building	3100 Olympus Blvd.	2018	Complete	250,000 sf office	\$24,495,000	\$0
Nokia of America Corporation	3201 Olympus Blvd	2018	Complete	250,000 sf office	\$20,926,930	\$0
Multi-Tenant Office Bldg	3200 Olympus Blvd	2019	Under Construction	250,000 sf office	\$25,000,000	\$0
Harpers Bay at The Sound	3203 Mulberry Rd	2020	Under Construction	272 res. units	\$32,000,000	\$0
Byron Bay at The Sound	9707 Harpers Rd	2020	Under Construction	262 res. units	\$31,000,000	\$0
Bleeker Townhomes	3301 Olympus Blvd	2020	Under Construction	50 res. units	\$10,000,000	\$0
Rombauer Townhomes	9595 Rombauer Rd	2020	Under Construction	14 res. units	\$4,000,000	\$0
Multi-Tenant Office Bldg	3401 Olympus Blvd	2020	Under Construction	420,000 sf office	\$50,000,000	\$0
<b>Subtotal</b>				1,137 res. units 1,636,400 sf office 35,000 sf retail	\$342,709,230	\$0
<b>Total</b>				1,951 res. units 2,797,538 sf office 35,000 sf retail	\$661,929,230	\$16,049,922*

<sup>1</sup> All information updated as of September 30, 2019.

<sup>2</sup> Based upon either the TIF application, required minimum stated in the development agreement or project information from outside sources. May be updated for completed projects based on actual unit mix and square footage.

<sup>3</sup> Reflects 1) DCAD value for completed projects (unless project has not yet been assessed) and 2) estimated DCAD value for projects under construction.

<sup>4</sup> Principal amount not to be exceeded per the development agreement. Asterisk indicates TIF investment does not include interest.

**Note:**

- Dallas Water Utilities has committed over \$2.2 million to water and wastewater infrastructure improvements within the district.

## Mixed-Income Housing Summary

Successful development efforts support a variety of housing options. Accordingly, twenty percent (20%) of all housing units in residential projects using direct, site-specific TIF funding assistance from the District are subject to the City's and County's established criteria for mixed income housing. In this District, four residential projects were supported by TIF funding. Of the 814 residential units constructed with the support of TIF funding, 163 (20%) have been set-aside as affordable. During the fiscal year, an additional 539 units were completed, and 598 units began or continued construction in the District without TIF assistance.

## Value and Increment Revenue Summary

The Cypress Waters TIF District's adjusted base tax value for 2010 was \$71,437. This base value reflects final adjusted 2010 values for parcels in the District. The District's 2019 assessed tax value, as determined by the Dallas Central Appraisal District, is \$539,761,036. This represents an increase of approximately \$481,705,272 (755,476%) over the assessed base year value.

The District's value increased by \$111,511,789 (12%) from the previous year's value (\$428,249,247). This increase in District value will result in the collection of approximately \$3,823,849 in incremental revenue for the District (City - \$3,179,785; County - \$644,064). The final amount of increment collected may increase as roll back taxes for 2019 are paid.

## Objectives, Programs, and Success Indicators

The final Cypress Waters Project Plan and Reinvestment Zone Financing Plan was adopted on June 8, 2011. In 2015, the District's Project and Reinvestment Zone Financing Plan was amended, and two of the development goals and objectives were revised to reflect a decrease in the budget for the District. The amended goals are in bold. Specific actions addressing each goal and objective follow in italics.

- Create additional taxable value attributable to new private investment in projects in the Cypress Waters TIF District totaling approximately ~~\$2.2 billion~~ **\$1.5 billion** over the thirty-year life of the TIF district.

*The District has seen an increase in value of approximately \$481 million, (or 29% of amended goal) from a combination of agricultural exemption being removed from some parcels and completed private development within the District.*



- Attract new private development, including approximately 10,000 new residential units, 4,000,000 square feet of commercial space (including approximately 700,000 square feet of data center use and 2,000,000 square feet of light warehouse/industrial use), and an estimated 150,000 square feet of pedestrian-oriented retail space, all of which are anticipated to create an estimated 9,000 on-site jobs.

*Three residential development projects supported by Phase 1 public infrastructure improvements completed December 2014, adding 673 multi-family units to the District (including 135 affordable units). Construction of an additional 141 residential units, as part of Phase II of the Parson's Green development, completed during the 2016 fiscal year. In total, approximately 814 residential units (inclusive of approximately 163 affordable units) have been supported by TIF funding. An additional 539 residential units were completed in 2019, and 598 units are currently under construction all without the assistance of TIF funding. Approximately 1,953 residential units have completed construction or are under construction within the District, representing 20% of the housing goal.*

*Three office buildings totaling 716,400 square feet completed construction in 2019 and three office buildings totaling 670,000 square feet began or continued construction during the fiscal year. In total, approximately 2,797,538 square feet of office space has completed construction or is currently under construction within the District, representing 70% of the commercial space goal.*

*During FY 2018-2019 construction of 35,000 square feet of retail was completed in the District, representing 23% of the pedestrian-oriented retail space goal.*

*To date, an estimated 11,225 on-site jobs have been added to the District, exceeding the on-site jobs goal.*

- To improve ridership on DART via the planned expansion along the Cotton Belt Line.

*The master plan for the District includes development adjacent to the planned Cotton Belt Station on the north side of the District.*

- Improve recreational opportunities for the community and the future residents within the TIF District via extensive, publicly accessible green space on the site along the lake edge and along power line easements, in addition to multiple parks, hike and bike trails, and pedestrian connections throughout the District. Additional open space may be available through the utilization of Coppell ISD land and as part of an MMD and/or TIF-funded public amenity center.

*The Phase 1 development installed wide sidewalks leading to the adjacent power line easement and to a future connection to the lake trail.*

*The Phase 2 development installed a combination cycle track and pedestrian path along Cypress Waters Boulevard and three large green spaces in the District.*

*In 2018, Dallas County provided \$3 million for the construction of a trail that connects the TIF District with Irving's Campion Trail providing a continuous 12-mile trail from Cypress Waters to Irving's Las Colinas Urban Center. It is anticipated that TxDOT will also provide \$3 million for this trail.*

- Create a model for exceptional development standards in terms of its complexity, scope, design, environmental sensitivity, and connectivity.

*The private development and public infrastructure improvements completed with Cypress Waters Phases 1 and II projects is a model for dense, pedestrian-oriented development on under-utilized, infill property.*

*On August 13, 2012, the TIF board approved the Urban Design Guidelines for Projects Located in City of Dallas Tax Increment Financing Districts.*

*The City Design Studio reviewed design for the Phase 2 public and private development, which provided pedestrian and bicycle connectivity between the housing, commercial, and recreational space.*

*Coppell Independent School District opened Richard J. Lee Elementary School in the fall of 2014. Lee Elementary is the first net-zero elementary school in the state of Texas. The campus includes daylight harvesting, rainwater collection, and geothermal heating and cooling.*

- Generate an NPV of ~~\$65 million~~ **\$26 million** or approximately ~~\$160 million~~ **\$46 million** in total dollars in projected TIF revenues over the 30-year life of the District.

*City participation in TIF increment collections began in tax year 2012. As of the end of the 2018-2019 fiscal year, approximately \$12.8 million in TIF revenue has been generated, representing 28% of the District's amended goal.*

## Year-End Summary of Meetings and Council Items

The Cypress Waters TIF District Board of Directors met once during the 2018-2019 fiscal year, January 14, 2019.

The Board of Directors consists of seven (7) members, including six (6) City of Dallas appointees and one (1) Dallas County appointee. During FY 2018-2019, the Cypress Waters TIF Board consisted of the following members:

Victor Toledo, City appointee (Attended 1 of 1 meeting)  
Marguerite Buccino, City appointee (Attended 1 of 1 meeting)  
Claire Oliver, City appointee (Attended 1 of 1 meeting)  
Elizabeth Solender, City appointee (Attended 1 of 1 meeting)  
Lindsay Lauber, City appointee (Attended 1 of 1 meeting)  
Vacant, City appointee  
Rick Loessberg, Dallas County appointee (Attended 0 of 1 meeting)

During fiscal year 2018-2019, the City Council approved two (2) items directly or indirectly associated with the Cypress Waters TIF District. The City Council actions are listed below:

- On November 28, 2018, City Council approved Resolution No. 18-1685 authorizing the nomination of Brinker International Payroll Company, L.P. located at 3000 Olympus Boulevard, Dallas, Texas 75019 to receive designation as an Enterprise Project under the Texas Enterprise Zone Act, as amended (Government Code, Chapter 2303) to the Office of the Governor Economic Development and Tourism through the Economic Development Bank.
- On February 27, 2019, City Council approved Resolution No. 19-0377 accepting the FY 2017-2018 Annual Report, on the status of Tax Increment Financing Reinvestment Zone Number Nineteen, (Cypress Waters TIF District), submitted by the Cypress Waters 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.

## Budget and Spending Status

Each TIF district, in the Project Plan and Reinvestment Zone Financing Plan, establishes a budget for public improvement expenditures necessary to support private investment in the district. The District's budget was reduced in 2015. The amended budget and spending status is shown below.

<b>Cypress Waters TIF District                      Projected Increment Revenues to Retire TIF Fund Obligations*</b>			
Category	TIF Budget	Allocated	Balance
<b>Public infrastructure improvements</b>	\$32,516,075	\$19,600,000	\$12,916,075
<b>Public safety improvements</b>	\$10,672,868	\$0	\$10,672,868
<b>Administration and implementation**</b>	\$2,668,217	\$276,997	\$2,391,220
<b>Total project costs</b>	<b>\$45,857,160</b>	<b>\$19,876,997</b>	<b>\$25,980,163</b>
<i>*Budget shown above in current dollars, updated yearly; TIF Project Plan shows the budget in net present value. Values above do not include estimated interest on TIF subsidies.</i>			
<i>**Administration and implementation costs for FY 2018-2019 are not included in the above allocation.</i>			

<b>Cypress Waters TIF District                      Project Plan Budget (NPV, 2010 dollars)</b>	
Category	TIF Budget*
<b>Public infrastructure improvements:</b> paving, streetscape, water/wastewater, storm sewer, utility burial/relocation, and land acquisition	\$18,279,665
<b>Public safety</b>	\$6,000,000
<b>Administration and implementation</b>	\$1,500,000
<b>Total project costs</b>	<b>\$25,779,665</b>
<i>* As approved in the Final Project Plan and Reinvestment Zone Financing Plan.</i>	

## M/WBE Participation

Public bidding is not required for TIF projects. All TIF-funded projects must follow the City’s adopted Business Inclusion and Development Plan and make a good faith effort to include certified Minority and Women-Owned Business (M/WBE) participation in TIF-funded projects. The BID Plan goal for TIF projects is 25 percent M/WBE participation in construction costs.

<b>Cypress Waters TIF Project M/WBE Participation</b> <small>(completed projects only)</small>					
<b>Project</b>	<b>Total Construction Contract Amount</b>	<b>Local M/WBE Amount</b>	<b>Non-Local M/WBE Amount</b>	<b>Total M/WBE Participation</b>	<b>Total M/WBE Participation Percentage</b>
Cypress Waters Phase I	\$9,301,593	\$914,998	\$1,077,591	\$1,992,589	21%
Cypress Waters Phase II	\$6,273,789	\$695,260	\$552,087	\$1,247,346	20%
Totals	\$15,575,382	\$1,610,258	\$1,629,678	\$3,239,936	21%

## FY 2019-2020 Work Program

Pending items for the Cypress Waters TIF District include:

- Adoption of FY 2019-2020 Annual Report
- Encourage development projects within the District, in accordance with the final Project Plan and Reinvestment Zone Financing Plan.
- City Council consideration of TIF funding to reimburse design and construction costs of a Cypress Waters Public Safety Building.
- Provide assistance, if necessary, with any efforts to partner with potential jurisdictions to facilitate and fund the construction and operation of a Public Safety facility in the District.



## Appendix A: District Financials

**City of Dallas, Texas**  
**Cypress Waters Tax Increment Financing District Fund**  
**Balance Sheet as of September 30, 2019 (Unaudited)**  
**With Comparative Totals for September 30, 2018, 2017, 2016, and 2015 (Audited)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Assets:</b>					
Pooled cash and cash equivalents	\$403,426	\$883,620	\$229,885	\$1,812,043	\$712,405
Interest receivable	\$435	\$5,938	\$611	\$1,680	\$908
Total assets	<u>\$403,862</u>	<u>\$889,557</u>	<u>\$230,497</u>	<u>\$1,813,723</u>	<u>\$713,313</u>
<b>Liabilities and Fund Balance (Deficit):</b>					
<b>Liabilities:</b>					
Accounts and contracts payable	\$0	\$0	\$0	\$0	\$0
Due to general fund	\$90,514	\$60,000	\$112,097	\$112,097	\$112,097
Total liabilities	<u>\$90,514</u>	<u>\$60,000</u>	<u>\$112,097</u>	<u>\$112,097</u>	<u>\$112,097</u>
<b>Fund Balance (Deficit):</b>					
Fund Balance (Deficit)	\$313,348	\$829,558	\$118,400	\$1,701,627	\$601,217
Total Liabilities and Fund Equity	<u>\$403,862</u>	<u>\$889,558</u>	<u>\$230,497</u>	<u>\$1,813,724</u>	<u>\$713,313</u>

**Cypress Waters Tax Increment Financing District Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit)**  
**For the period September 30, 2019 (Unaudited)**  
**With Comparative Totals for September 30, 2018, 2017, 2016, and 2015 (Audited)**

	<u>ITD</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Revenues:</b>						
Tax increment-Governmental	\$7,662,300	\$2,757,927	\$1,974,753	\$1,269,441	\$955,735	\$548,572
Tax increment-Intergovernmental	\$1,452,350	\$569,205	\$388,864	\$243,919	\$171,003	\$79,359
Interest income	\$46,606	\$7,799	\$19,450	\$7,440	\$8,088	\$3,304
Net increase (decrease) in fair value of investments	\$1,499	\$11,816	(\$9,879)	(\$2,209)	\$202	\$1,583
Total revenues	<u>\$9,162,755</u>	<u>\$3,346,746</u>	<u>\$2,373,188</u>	<u>\$1,518,592</u>	<u>\$1,135,027</u>	<u>\$632,818</u>
<b>Expenditures:</b>						
Administrative expenses	\$276,996	\$30,514	\$0	\$23,881	\$34,617	\$53,276
Non-Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
Capital outlay	\$8,572,411	\$3,832,442	\$1,662,031	\$3,077,937	\$0	\$0
Interest and fiscal charges	\$0	\$0	\$0	\$0	\$0	\$0
Total expenditures	<u>\$8,849,406</u>	<u>\$3,862,956</u>	<u>\$1,662,031</u>	<u>\$3,101,818</u>	<u>\$34,617</u>	<u>\$53,276</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$313,348</u>	<u>(\$516,209)</u>	<u>\$711,157</u>	<u>(\$1,583,227)</u>	<u>\$1,100,410</u>	<u>\$579,542</u>
<b>Fund balance (Deficit) at beginning of year</b>						
as previously reported	\$0	\$829,558	\$118,400	\$1,701,627	\$601,217	\$21,674
<b>Fund balance (Deficit) at beginning of year,</b>						
as restated	<u>\$0</u>	<u>\$829,558</u>	<u>\$118,400</u>	<u>\$1,701,627</u>	<u>\$601,217</u>	<u>\$21,674</u>
Fund balance (deficit) at end of year	<u>\$313,348</u>	<u>\$313,348</u>	<u>\$829,558</u>	<u>\$118,400</u>	<u>\$1,701,627</u>	<u>\$601,217</u>

**Note: Fiscal year 2018-19 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  
 Cypress Waters Tax Increment Financing District Fund  
 Reinvestment Zone Number Nineteen  
 As of September 30, 2019

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.

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

\$19,615	Interest Income
\$0	Affordable housing payment
\$3,327,132	Ad Valorem Taxes (Collected in FY'2018-19 based on 2018 Final Tax Roll)
<u>\$3,346,746</u>	<b>Total Revenue</b>

**Amount and purpose of expenditures from the fund:**

\$30,514	Administrative Expense - TIF admin cost for FY 18*
\$3,832,442	Capital Outlay - Cypress Waters Phase I**
<u>\$3,862,956</u>	<b>Total Expenditures</b>

\*Actual FY 2018-2019 (in Process) Admin costs will be reflected in the FY 2019-2020 Financial Statements.

\*\*Capital Outlay - Cypress Waters Phase I

\$2,508,041.14	Water Transmission, Construction & Engineering
\$565,183.51	Sewer Transmission, Construction & Engineering
\$759,217.66	Primary Roadway Improvements
<u>\$3,832,442.31</u>	<b>Total Capital Outlay expenditures</b>

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

Cypress Waters TIF District has incurred no bonded indebtedness as of September 30, 2019.

**b. The Zone has entered into a development agreement for each of the following projects and their status is as follows as of September 30, 2019:**

Developer	Project	Balance Due (Since Inception)			Payment To Date			Net Balance Due
		Principal	Add'l Subsidy <sup>1</sup>	Total Due	Principal	Add'l Subsidy <sup>1</sup>	Total Paid	
Billingsley LD, Ltd.	Cypress Waters Phase I	\$9,527,524	\$1,371,357	\$10,898,881	\$7,201,053	\$1,371,357	\$8,572,411	\$2,326,470
Billingsley LD, Ltd.	Cypress Waters Phase II	\$6,522,398	\$0	\$6,522,398	\$0	\$0	\$0	\$6,522,398

<sup>1</sup>Additional Subsidy in Form of Grant (in lieu of interest expense)

<sup>2</sup>Cypress Waters Phase II: Reimbursement to the developer in an amount not to exceed \$6,522,398, plus an additional subsidy in the form of a grant (in lieu of interest) will begin upon completion of reimbursement payments to Billingsley LD, Ltd. for Cypress Waters Phase I, subject to the availability of TIF funds.

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

Taxing Jurisdiction <sup>1</sup>	Taxable Value Value 2019 <sup>2</sup>	Base Year 2010 Value	Est. Captured Value 2019**
City of Dallas	\$539,761,036	\$71,437	\$539,689,599
Dallas County	\$539,761,036	\$71,340	\$539,689,696

<sup>1</sup>Taxable value shown for participating taxing jurisdictions. County began participating in tax year 2014. County values will vary slightly from the City value due to different exemption levels.

<sup>2</sup>Based on DCAD Certified Taxable Value. The final values will be determined on February 1, 2020.

**Captured appraised value by the municipality and other taxing units, the total amount of the tax increment received, an 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	Assessment	Estimated 2019
	Per \$100 <sup>1</sup>	Increment
City of Dallas	0.66011	\$3,562,545
City of Dallas-2017 PH I Rollback Taxes	0.00000	\$0
Dallas County	0.13371	\$721,592
Dallas County-2017 PH I Rollback Taxes	0.00000	\$0
Total for all Jurisdictions	<u>\$0.79382</u>	<u>\$4,284,137</u>

<sup>1</sup>Participation rates for City of Dallas and Dallas County are 85% for tax years 2012 to 2034 and 55% for tax years 2014 to 2033.

b. The total amount of estimated tax increment to be billed for the 2019 tax year is \$4,284,137. For 2018 tax year, the Zone received increment of \$3,327,132.

**City of Dallas, Texas**  
**Cypress Waters Tax Increment Financing District**  
**Notes to Financial Statements for the Year Ended September 30, 2019**

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. 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.
3. 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).
4. The Zone's Financial Plan permits expenditures not to exceed \$2,065,585 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. "Due to general fund" amount of \$90,514 at September 30, 2019 represents the TIF administration costs that have been earned for prior fiscal years in the amount of \$60,000 and \$30,514 for the fiscal year 2017-2018, but will be reimbursed to the General Fund in future years based on the availability of TIF funds.
6. Actual FY 2018-2019 (in Process) administration costs will be reflected in the FY 2019-2020 Financial Statements.
7. All expenditures resulting in capital improvements that are owned by the City are capitalized on the City's books.

## Appendix B: Project Pay-Off Estimates

Developer	Project Name	TIF Award	Pay-Off Date
<b>Victory Sub-district</b>			
Billingsley LD, Ltd.	Cypress Waters TIF Phase I	\$9,757,267*	2020
Billingsley LD, Ltd.	Cypress Waters TIF Phase II	\$6,522,398*	2022

Estimated pay-off dates may change and are subject to the following

- (1) Changes in increment collected annually;
- (2) Changes in the real property tax rates of participating taxing jurisdictions (City of Dallas and Dallas County);
- (3) Changes in the participation rate of participating taxing jurisdictions; and/or
- (4) Completion dates of projects listed in the District's reimbursement queue

\*Indicates TIF Award principal, interest not shown

## Appendix C: District Set-Aside Funds

There are no District set-aside funds.