

**TAX INCREMENT FINANCING  
DEVELOPMENT AGREEMENT**

Project Name: Evans and Rosedale

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This **TAX INCREMENT FINANCING DEVELOPMENT AGREEMENT** (“**Agreement**”) is entered into by and between the **BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER FOUR, CITY OF FORT WORTH, TEXAS** (“**Board**”), an administrative body appointed in accordance with Chapter 311 of the Texas Tax Code (“**TIF Act**”) to oversee the administration of Tax Increment Reinvestment Zone Number Four, City of Fort Worth, Texas, a reinvestment zone designated by ordinance of the City of Fort Worth (“**City**”) in accordance with the TIF Act, and **CENTRAL CITY LOCAL GOVERNMENT CORPORATION** (“**CCLGC**”), a non-profit local government corporation created pursuant to Chapter 431 of the Texas Transportation Code.

**A.** On November 25, 1997 the City Council adopted Ordinance No. 13259, establishing Tax Increment Reinvestment Zone Number Four, City of Fort Worth, Texas (“**TIF District**”), and establishing the tax increment fund of the TIF District (“**TIF Fund**”).

**B.** On August 30, 1999 the Board adopted a project and financing plan for the TIF District, as amended by the Board on November 1, 2012 pursuant to Board Resolution No. Resolution No. 2012-2 (collectively the “**TIF Project Plan**”). The TIF Project Plan was approved by the City Council on August 31, 1999, as amended by the City Council on December 11, 2012, pursuant to Ordinance No. 20536-12-2012.

**C.** The Historic Southside neighborhood and the area in and around the intersections of Evans Avenue and Rosedale Street played a vital role in Fort Worth's African-American community and the City of Fort Worth, as a whole, during the first half of the twentieth century.

**D.** The area housed numerous businesses and well-known music venues as well as Our Mother of Mercy, a private school facility for African Americans that educated a number of neighborhood children who went on to become professionals, and was home to a number of prominent members of the African-American community, including Dr. R.A. Ransom, who opened one of the first African-American hospitals in Fort Worth and the State of Texas.

**E.** Over time, commercial patterns changed, more affluent individuals left the area in favor of new suburban developments, and the area began to suffer a severe economic decline.

**F.** The City has long sought to redevelop the area in a way that is sensitive to its historic roots and that takes into account its importance to the community.

**G.** As early as 1998, the City undertook efforts to revitalize the area by applying for a \$7.5 million Section 108 Loan Guarantee from the Department of Housing and Urban Development (M&C C-16898), which was awarded and later modified to support the development of a new public health/code compliance facility and library in the area (M&C C-19859; City Secretary Contract Number 32336).

**H.** Other progress toward redevelopment includes the creation of a new plaza and streetscape as called for in the area’s October 2000 Vision Plan, designation of the area as an urban village, and establishment of the Evans & Rosedale Urban Village Master Plan.

**I.** In concert with the revitalization efforts over the years, the City, the Fort Worth Housing Finance Corporation ("HFC"), and the Fort Worth Local Development Corporation ("LDC") have collectively amassed a total of thirty-six parcels of real property in the area ("Property"), undertaken environmental assessment and remediation, and rezoned land in an effort to facilitate redevelopment.

**J.** A few small-scale private development and redevelopment projects have been successfully undertaken in the area, but larger redevelopment projects have failed to come to fruition due to a variety of factors, including cyclical economic downturns and lack of support from the neighborhood.

**K.** In December of 2018, the City, in concert with the HFC and LDC, issued a Request for Expressions of Interest (RFEI) seeking a Master Developer arrangement for the Property and the area in and near the historic Evans & Rosedale Urban Village.

**L.** After a lengthy review and negotiation process that included extensive stakeholder and community input but that was substantially prolonged due to the negative impacts of the COVID-19 pandemic, the City, HFC, LDC, and Board all took action to move forward with Hoque Global Properties, LLC or an affiliate ("Hoque") as developer for an Evans and Rosedale Redevelopment and Affordable Housing Project, consisting of the following: (1) a parking structure; commercial and retail space; a cultural square, parks, and other public spaces; and housing consisting of approximately 292 multifamily units, and 28 live-work units ("Phase 1"); and 20 townhomes ("Phase 2") (collectively, the "Project").

**M.** At least 20% of the total number of housing units in the Project will be affordable housing.

**N.** As part of the Project, the City allocated \$4,245,533.42 from the American Rescue Plan Act, Subtitle M (Coronavirus State and Local Fiscal Recovery Funds) to pay fair market value for the Property, consisting of thirty HFC properties (\$3,595,977.13), five (5) LDC properties (\$537,076.29), and one (1) City property (\$112,500.00) (M&C 21-0810).

**O.** The City agreed to convey all of the Property to Hoque for the Project in exchange for nominal monetary consideration of \$1.00 per Property plus the granting of deeds of trust covering all property to ensure the Property is used for the development and continued operation of affordable housing for a period of at least fifteen (15) years from the date of issuance of the certificate of occupancy.

**P.** In further support of the Project, the City also authorized an economic development program agreement with Hoque, with the aggregate value of all grant payments capped at a gross

amount of \$9,000,000.00 and the amount of grant payments to actually be awarded being made contingent on Hoque meeting certain specifically identified investment, development, and employment criteria (“380 Agreement”).

**Q.** The Board agreed to provide funding to the Central City Local Government Corporation (“CCLGC”) in an amount up to \$6,500,000.00 to fund an easement for Hoque’s parking garage and secure public parking spaces, which easement will be owned by the CCLGC and leased to Hoque to for operations and maintenance and to benefit the Project.

**R.** The Board also agreed to provide funding to Hoque in an amount not to exceed \$500,000.00 for sidewalks and walkways, streetscape improvements, street lights and landscaping within public rights-of-way and other publicly accessible spaces, and enhancements to plaza and park spaces in and around Evans Avenue Plaza, all of which are improvements that will benefit the Project (“Hoque TIF Agreement”).

**S.** The TIF Project Plan specifically authorizes the Board to enter into agreements dedicating revenue from the TIF fund for public improvements within the TIF District. Accordingly, the costs of funding the Project’s parking garage qualify as lawful “project costs,” as that term is defined in Section 311.002(1) of the TIF Act (“Project Cost”). Accordingly, the Board is willing to reimburse the CCLGC for certain Project Costs solely in accordance with and pursuant to this Agreement.

**NOW, THEREFORE,** the Board and CCLGC, for and in consideration of the terms and conditions set forth herein, do hereby contract, covenant and agree as follows:

**1) INCORPORATION OF RECITALS.**

a) The Board and CCLGC agree that the recitals set forth above, which are incorporated herein by reference, are true and correct and form the basis of this Agreement.

**2) CCLGC’S OBLIGATIONS.**

a) Purchase and Lease Agreement. CCLGC must enter into an agreement with Hoque for the acquisition of a perpetual easement for, and lease back of, the parking garage (“Parking Garage”) to be constructed as part of the Project (“Purchase and Lease Agreement”).

i) At a minimum, the Purchase and Lease Agreement must contain the following terms and conditions:

(1) Purchase Price: CCLGC will purchase an easement from Hoque for the entire Parking Garage for an amount up to Six Million Five Hundred Thousand Dollars and Zero Cents (\$6,500,000.00) (“Parking Easement”).

(2) Phase 1 Completion: Hoque must complete Phase 1 of the Project in accordance with the terms and conditions of the Hoque TIF Agreement and the 380 Agreement.

- (3) Wayfinding and Signage: Hoque must install signage, as approved by the CCLGC, on the exterior of the Parking Garage or other building in the Project and within the Parking Garage, itself, directing users to the Public Parking and clearly marking the Public Parking spaces.
- (4) Lease: CCLGC must enter into a lease agreement with Hoque for the operation and maintenance of the Parking Garage.
- (a) Term: The initial term of the lease must be twenty (20) years (“Initial Term”) with the option to renew for four additional periods of twenty (20) years each by mutual written agreement of the CCLGC and Hoque (each a “Renewal Term”).
- (b) Rent: For the Initial Term, Hoque must pay rent in the amount of \$1.00 per year, which will be discounted based upon the identified gap in finances for the Project to be completed and to secure the Parking Garage. At the time of any optional Renewal Term, the rent paid by Hoque may not exceed \$10,000.00 per year.
- (c) Use of Parking Garage:
- (i) Hoque must make a minimum of 200 parking spaces available for public use (“Public Parking”) during certain agreed upon times.
- (ii) CCLGC will have the rights to approve all restrictions and conditions for the Public Parking, which may include time restrictions, use of public parking spaces, fees, validation programs, and the like.
- (iii) Public Parking must be located on the bottom levels of the Parking Garage from the street level ascending upwards, unless otherwise approved, in writing, by the CCLGC.
- (d) Maintenance and Repairs, Management, and Security: Hoque must be responsible for all maintenance, repairs, and any significant renovations or periodic repairs that might be necessary for the Parking Garage.
- (e) Customer Service: Hoque must provide on-site attendees or easily accessible and convenient on-demand service to assist Public Parking patrons.
- (5) Option: CCLGC may include a call option for the purchase of the Parking Garage Easement on or after the final year of the initial term of the Lease Agreement on terms to be negotiated by the CCLGC and Hoque.

### **3) FUNDING BY BOARD.**

- a) Funding. The Board will pay the CCLGC an amount up to **Six Million Five Hundred Thousand Dollars and Zero Cents (\$6,500,000.00)** (“Funds”) within thirty (30) days after the Board verifies that all of the following conditions have been met:
- i) CCLGC and Hoque have executed a Purchase and Lease Agreement that substantially complies with the terms set forth above in Section 2;
  - ii) The Parking Easement has been filed as a matter of public record with Tarrant County, Texas; and
  - iii) Hoque has completed Phase 1 of the Project in accordance with the terms and conditions of the Hoque TIF Agreement and 380 Agreement as verified by the appropriate documentation from the Board or the City, or both, applicable.
- b) Limitations. The following limitations will apply to the payment of Funds under this Agreement:
- i) Payment of the Funds will be limited to the actual cost to purchase the Parking Garage Easement, as set forth in the Purchase and Lease Agreement.
  - ii) If there are not sufficient revenues in the TIF Fund at the time of payment, the financial obligations of the Board to CCLGC under this Agreement will be carried forward without interest to the next fiscal year.
  - iii) The Board will only be required to pay the Funds from available revenues in the TIF Fund that are attributable solely to tax increment (as defined in Section 311.012 of the Texas Tax Code) generated annually from property located in the TIF District and deposited into the TIF Fund in accordance with the TIF Act.
  - iv) Any obligation of the Board to pay all or any portion of the Funds is subject and subordinate to the Board’s right to retain reserves in the TIF Fund in any fiscal year to meet all existing contractual obligations of the Board. Specifically, and without limiting the generality of the foregoing, the following payments, as obligated by the following existing contractual obligations, have priority over payment by the Board of all or any portion of the Funding.

#### **4) PRIORITY OF PAYMENT**

- a) Notwithstanding anything to the contrary herein, CCLGC understands and agrees that any obligation of the Board to pay all or any portion of the Reimbursement is subject and subordinate to the Board’s right to retain reserves in the TIF Fund in any fiscal year to meet all existing contractual obligations of the Board. Specifically, and without limiting the generality of the foregoing, the following payments, as obligated by the following existing

contractual obligations, will have priority over payment by the Board of all or any portion of the Reimbursement:

- i)** Payments made pursuant to that certain Agreement by and among the City, the Board, and the Central City Local Government Corporation dated to be effective December 7, 2005 (Magnolia Green Parking Garage);
- ii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board, Fort Worth South, Inc. and the City, approved by the Board on June 24, 2009 (Magnolia Streetscape Repair and Maintenance, Phase III);
- iii)** Payment made pursuant to that certain Tax Increment Funding Agreement between the Board and the City of Fort Worth for public improvements associated with the 2014 CIP Match approved by the Board on November 6, 2013 (2014 CIP/TIF Street Improvement);
- iv)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Fort Worth Bike Sharing (and later assigned to Trinity Metro) for System Support associated with the Bike Share Stations located within the TIF#4 Boundary, approved by the Board on August 12, 2015 (Fort Worth Bike Share);
- v)** Payment made pursuant to Amendment No.2 to a Tax Increment Financing Development Agreement between the Board and Fort Worth South, Inc., to authorize a multi-year TIF Maintenance Agreement with Fort Worth South, Inc. for annual landscaping, fertilizing, grass cutting, trash pick-up, pedestrian lighting, and irrigation of the Watts Park, approved by the Board on December 16, 2015 (Watts Park Maintenance continued);
- vi)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Fort Worth South, Inc. for final design, engineering, and construction of two public parks located on parcels adjacent to the E. Broadway Apartments project located on E. Broadway Ave. approved by the Board on April 19, 2017 (S. Main Village Public Parks Final Design/ Engineering/Construction);
- vii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and SoMa District Development, LLC for public improvements associated with the redevelopment and restoration of four 1920's buildings fronting South Main Street and transformation of the public alley behind the building into a public plaza and play space located at 105 and 125 S. Main St., approved by the Board on June 7, 2017 (SoMa District Development);
- viii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and BoonPetro Real Estate LLC for public improvements associated with the adaptive reuse of the historic Katy Depot property

at the southwest corner of Vickery Boulevard and Jones Street approved by the Board on June 5, 2019 (Katy Depot);

- ix)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Near Southside, Inc. the design and engineering of safety and circulation improvements to 8th Avenue between Magnolia and Pennsylvania Avenues approved by the Board on June 5, 2019 (8<sup>th</sup> Avenue Phase One Improvements – Design);
- x)** Payment made pursuant to that certain Tax Increment Financing Funding Agreement between the Board and the City of Fort Worth for the construction of safety and circulation improvements to 8th Avenue between Magnolia and Pennsylvania Avenues approved by the Board on June 5, 2019 (8<sup>th</sup> Avenue Phase One Improvements – Construction);
- xi)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Kalong Realty LLC for public improvements associated with a mixed-use development project at 1016-1024 Travis approved by the Board on December 4, 2019 (Travis Avenue and Rosedale);
- xii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and The SLS Group LLC for public improvements associated with a commercial development project at 301 St. Louis Ave. and 311-315 Daggett Avenue approved by the Board on December 4, 2019 (Daggett Avenue Commercial Project);
- xiii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and 701 Magnolia, LLC for public improvements associated with a commercial development project at 701 W. Magnolia Ave. approved by the Board on March 4, 2020 (701 W. Magnolia Avenue);
- xiv)** Payment made pursuant to that certain Tax Increment Financing Funding Agreement between the Board and the City of Fort Worth for the design and construction of street improvements in the Historic Southside and Evans & Rosedale Village areas (Historic Southside Street Repair);
- xv)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Near Southside, Inc. for public improvements associated with maintenance for streets, streetscapes, and public spaces located within the TIF#4 boundary approved by the Board on December 2, 2020 (2021 Street, Streetscape, and Public Space Maintenance Agreement);
- xvi)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Near Southside, Inc. for Magnolia Avenue Trash

Receptacles approved by the Board on December 2, 2020 (Magnolia Avenue Trash Receptacles); and

- xvii)** Payment made pursuant to that certain Tax Increment Financing Development Agreement between the Board and Near Southside, Inc. for design, engineering, fabrication, and installation of phase two of Near Southside Wayfinding Program approved by the Board on December 2, 2020 (Wayfinding Program Phase Two).

**5) TERM.**

This Agreement is effective beginning on October 13, 2021 (“**Effective Date**”) and expires upon the earlier of (i) the complete performance of all obligations and conditions precedent by the Board and CCLGC; or (ii) termination by either the Board or CCLGC as permitted by this Agreement.

**6) NOTICES.**

All written notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail, postage prepaid, or by hand delivery:

**Board:**

Board of Directors  
Southside TIF  
Attn: Mike Brennan, Administrator  
1606 Mistletoe Boulevard  
Fort Worth, TX 76104

**CCLGC:**

Director  
Economic Development Department  
200 Texas Street  
Fort Worth, TX 76102

***with a copy to:***

City Manager  
City Attorney  
200 Texas Street  
Fort Worth, TX 76102

**7) VENUE AND CHOICE OF LAW.**

This Agreement will be construed in accordance with the laws of the State of Texas and applicable ordinances, rules, regulations or policies of the City. Venue for any action under this Agreement lies in the State Courts of Tarrant County, Texas, or the United States District Court for the Northern District of Texas, Fort Worth Division. This Agreement is performable in Tarrant County, Texas.



**8) COMPLIANCE WITH LEGAL REQUIREMENTS.**

This Agreement is subject to all applicable federal, state and local laws, ordinances, rules and regulations, including, but not limited to, all provisions of the City’s Charter and ordinances, as amended, and violation of the same constitutes a default under this Agreement.

**9) NO WAIVER.**

The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party’s right to insist upon appropriate performance or to assert any such right on any future occasion.

**10) GOVERNMENTAL POWERS.**

It is understood that by execution of this Agreement, neither the Board nor the City waives or surrenders any of their governmental powers or immunities.

**11) FORCE MAJEURE.**

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, governmental restrictions, regulations, or interferences, unreasonable delays by the City in issuing any permits or certificates of occupancy or conducting any inspections of or with respect to the Project (based on the amount of time that the City customarily requires in undertaking such activities and based on the then-current workload of the City department(s) responsible for undertaking such activities), or delays caused by unforeseen construction or site issues, fire or other casualty, court injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

**12) BOARD REPRESENTATIVE.**

CCLGC understands and agrees that, in addition to the Administrator, which for purposes of this Agreement is Near Southside, Inc., the Board, in its sole discretion, may also appoint certain City staff members, a City department, or another entity to serve as its representative in carrying out any or all of the responsibilities of the Board hereunder, and that references to “the Board” in this Agreement mean the Board in its entirety or any such designated representative.

**13) NO THIRD PARTY RIGHTS.**

This Agreement is solely for the benefit of the parties hereto and is not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

**14) SEVERABILITY.**

If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

**15) COUNTERPARTS.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

**16) CAPTIONS.**

The captions to the various clauses of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

**17) ELECTRONIC SIGNATURES.**

This Agreement may be executed by electronic signature, which will be considered as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, “electronic signature” means electronically scanned and transmitted versions (e.g. via pdf file or facsimile transmission) of an original signature, or signatures electronically inserted via software such as Adobe Sign.

**18) ASSIGNMENTS.**

CCLGC may not assign its rights or obligations under this Agreement to any other party without the advance written approval of the Board, which will not be unreasonably withheld or delayed, provided that the any proposed assignee first executes an agreement with the Board pursuant to which the assignee agrees to be bound by the duties and obligations of CCLGC hereunder. This Agreement is binding on and inures to the benefit of the parties, their respective successors, and assigns. Notwithstanding anything to the contrary, upon the expiration of the TIF District on December 31, 2022, this Agreement will be assigned, either automatically by operation of law or otherwise, from the Board to the City of Fort Worth without any further approvals from the Board or the CCLGC, and the City will assume all liabilities, duties, and obligations of the Board and agrees to perform all duties and obligations of the Board under or related to this Agreement.

**19) ENTIRETY OF AGREEMENT.**

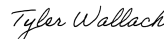
This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the Board and CCLGC, their assigns and successors in interest, as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement. This Agreement shall not be amended unless executed in writing by both parties and approved by the Board in an open meeting held in accordance with Chapter 551 of the Texas Government Code.

**IN WITNESS WHEREOF**, the undersigned have caused this Agreement to be executed effective as of the Effective Date:


**BOARD OF DIRECTORS OF TAX  
INCREMENT REINVESTMENT  
ZONE NUMBER FOUR CITY OF  
FORT WORTH, TEXAS:**

By:   
Elizabeth M. Beck (Feb 18, 2022 14:44 CST)  
Elizabeth Beck  
Chair


APPROVED AS TO FORM  
AND LEGALITY:

By:   
Tyler F. Wallach  
Tyler F. Wallach  
Senior Assistant City Attorney

**CENTRAL CITY LOCAL  
GOVERNMENT CORPORATION,  
a Texas Local Government Corporation**

By:   
Leonard Firestone (Feb 21, 2022 11:20 CST)  
Leonard Firestone  
President

APPROVED AS TO FORM  
AND LEGALITY:

By:   
Leann Guzman (Feb 18, 2022 15:21 CST)  
Leann Guzman  
Deputy City Attorney

Resolution No. 04-2021-01 (October 13, 2021)