



DALLAS COUNTY
COMMISSIONERS COURT
DEPARTMENT OF PLANNING & DEVELOPMENT

December 16, 2025

TO: Commissioners Court

FROM: Luis Tamayo, Director of Planning & Development

SUBJECT: 2025 Tax Increment Finance Districts Status Report

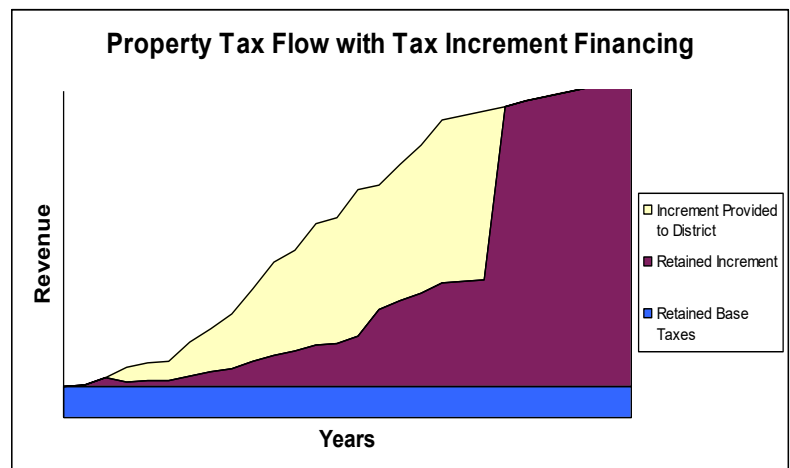
BACKGROUND

Dallas County first began financially participating in tax increment finance (TIF) districts in 1989 and has now participated in twenty-nine such districts. So that the County can determine the effectiveness of this economic development tool, staff annually prepares a report on the performance of the districts. What follows below is a report outlining the 2025 status of all past and current TIF districts.

DESCRIPTION OF TAX INCREMENT FINANCING

Tax increment financing involves delineating a specific geographic area (i.e., a "TIF district") and having taxing entities allocate to this district some or all of any increase in tax revenue that results beyond a base level when the area's assessed valuation increases (i.e., "tax increment"). This increment is used to either directly finance certain activities and public improvements (drainage, utilities, streetscape, historic façade renovation, demolition, environmental remediation, parks, affordable housing, streets, etc.) or to reimburse developers who have undertaken such activities. Dallas County uses a formal policy to determine whether to participate in a TIF district, and if so, at what level.

Under the County's current TIF policy, the County will only participate in a TIF district if it either encourages development in a blighted/distressed area or will substantially enhance the level of development that would not have otherwise occurred within a non-distressed area. The County will provide up to 75% of its increment to an eligible district, and prior to 2002, the Hospital District also participated in such districts.



Property-owners within a TIF district continue to pay all of their applicable taxes, and the County only financially contributes to a TIF district when the district’s property values increase. Because of this, the County’s opportunity costs of participating in a district are very limited. If a district is not successful, the district will collect the same amount of revenue it would have whether the district was in place or not. Conversely, if a district *is* successful, then the County, because it retains about one-half of the new increment generated, immediately begins receiving additional tax revenue.

2025 TIF PARTICIPATION ACTIVITY

In 2025, the County financially participated in seventeen TIF districts. These districts are as follows:

Carrollton TIF #1	(Carrollton)	Irving Boulevard TIF#2	(Irving)
West End/City Center	(Dallas)	Maple-Mockingbird	(Dallas)
Cypress Waters	(Dallas)	Oak Cliff Gateway	(Dallas)
Transit-Oriented Development	(Dallas)	Richardson TIF#1	(Richardson)
Davis Garden	(Dallas)	Skillman Corridor	(Dallas)
Design District	(Dallas)	Southwestern Medical	(Dallas)
Fort Worth Avenue	(Dallas)	Sports Arena	(Dallas)
I-30 Corridor/Bass Pro Zone#2	(Garland)	Vickery Meadow	(Dallas)
Grand Park South	(Dallas)		

Each of these areas were designed to spur new development that might not otherwise happen without the districts, and almost all these districts have sought to create high-quality, high-density communities. In addition to these districts the County contributed to in 2025, the County remains on the board of the Downtown Connection, Deep Ellum, and Farmers Market TIF districts. While the County’s participation has ended, these TIF districts have not expired, and County funds continue to be used within the TIF.

Updates in 2025 include the conclusion of County participation in the Garland I-30 Bass Pro Zone #2 TIF district and the projected participation in the Cedar Hill TIF district did not begin. The Garland I-30 Bass Pro Zone #2 will expire on December 31, 2025. The Cedar Hill TIF did not meet the participation trigger event in its agreement. Staff is working with Cedar Hill staff on drafting agreement amendments which will be brought to the County for consideration.

IMPACT ON FINANCE

For the seventeen districts the County participated in, performance and the impact on the County’s finances was positive. In 2025, the total value (market value) of the property in these districts increased by \$1.5 billion from \$25.7 billion in 2024 to \$27.2 billion. This represents an increase of 5.9 percent. While still strong, this is a decrease in growth compared to the 10 percent growth from 2023 to 2024. This growth rate is also above the County’s 2025 taxable value increase of 3.2 percent.

In terms of increment over their initial base, last year the active TIF districts generated \$15.8 billion, as compared to \$24.4 billion in 2024. While this may not appear to show growth, it is worth noting that

the number of active districts is lower in 2025 (17) than 2024 (23). Seven districts generated over \$1 billion in increment. These are the Dallas Sports Arena (\$1.9 billion), Dallas City Center TIF (\$1.7 billion), Richardson TIF#1 (\$1.7 billion), Skillman Corridor (\$1.3 billion), Dallas' Oak Cliff Gateway (\$1.4 billion), Cypress Waters (\$1.3 billion), and the Dallas Design District (\$1.1 billion).

The table below shows, by year, the number of active districts, valuation increases generated by these districts, and the portion of the County's tax base the districts represent.

REVIEW OF ACTIVE TIF DISTRICTS WITH DALLAS COUNTY FINANCIAL PARTICIPATION			
Year	# Active Districts	AV Increase Generated by Active Districts	TIF-Generated AV Increase as % of Tax Base
2005	10	\$1.0 billion	0.7%
2006	10	\$1.3 billion	0.9%
2007	12	\$2.5 billion	1.6%
2008	19	\$3.7 billion	2.2%
2009	19	\$2.6 billion	1.6%
2010	19	\$2.3 billion	1.5%
2011	20	\$2.3 billion	1.5%
2012	21	\$2.7 billion	1.7%
2013	24	\$4.2 billion	2.6%
2014	25	\$5.1 billion	2.9%
2015	24	\$6.4 billion	3.4%
2016	24	\$8.0 billion	3.9%
2017	24	\$9.8 billion	4.4%
2018	24	\$11.5 billion	4.7%
2019	24	\$13.1 billion	4.9%
2020	24	\$15.1 billion	5.7%
2021	23	\$16.1 billion	6.1%
2022	23	\$19.7 billion	6.8%
2023	23	\$22.3 billion	5.9%
2024	23	\$24.4 billion	6.7%
2025	17	\$15.8 billion	4.7%
Source: Dallas County Appraisal District TIF reports and annual certification letter.			

Both the increase in assessed valuation generated by the TIF districts and the amount of the County's tax base contained within these districts increased during 2005-2008 because of the growth that was experienced by districts like City Center, Cityplace, and the Sports Arena (these districts each saw their assessed valuations increase by \$250 million-\$330 million during this timeframe). These figures then declined after 2008 because of decline in the economy and because the County's initial participation in the Cityplace and the Sports Arena districts ended. They have since increased because of the resurgence of the local economy and the corresponding performance of many of the districts and because the County has chosen to participate in some new TIF districts (i.e., Cypress Waters, Design District, etc.).

EVALUATING TIF DISTRICT PERFORMANCE

Attached to this update is a more detailed report on the performance of each of the districts in which the County participated in 2025. Although no longer tracked, also included in this report is historic information about the districts and sub-districts in which the County previously participated.

In terms of performance from 2024 to 2025, we can categorize the districts into three categories, depending on how they compared to the increase in values in the County as a whole: Low increase, Solid growth, and Exceptional growth.

Low increase (4 districts) – These districts either grew or decreased at a rate below the County’s 3.2 percent growth from 2024 to 2025. There were four such districts: Vickery Meadow – Dallas (6.8% decrease), Southwestern Medical Dallas (3.8% decrease), Fort Worth Avenue – Dallas (2.1% decrease), and Sports Arena TIF Dallas (1.5% increase).

Solid growth (9 districts) – Growth in these ten districts ranged from 3.5 percent to 10.9 percent. Generally, these are either these larger, older districts that previously saw solid to exceptional growth and are still growing steadily or are newer districts with parts that are doing well but also have areas of little growth. Solid growth districts include the following: Oak Cliff Gateway – Dallas (3.5% increase), City Center TIF – Dallas (3.7% increase), Skillman Corridor (4.3% increase), Dallas TOD TIF (4.7% increase), Design District (5.8% increase), Cypress Waters – Dallas (6.7% increase), Maple Mockingbird – Dallas (7.5% increase), Davis Garden – Dallas (8.7% increase), and Richardson TIF #1 (10.9% increase).

Exceptional Growth (4 districts) – The values of these four districts grew over five times the County’s rate of 3.2 percent, that is at least 18.5 percent growth. In the case of a number of these districts, large projects have catapulted value growth. This category includes the Carrollton TIF #1 (18.5% increase), Grand Park South (20.4% increase), Irving TIF #2 (21.7% increase), and Garland I-30 Zone #2 (36.1% increase).

CONCLUSION

The County’s participation in TIF districts featuring a mix of commercial development and high-quality housing is allowing the County to significantly increase property values, help redevelop older areas and create higher-density/mixed-use development that is typically not associated with the Dallas area. That it has been able to do so is critical to the County’s future as it seeks to attract new residents, retain residents that might otherwise move to a “newer” suburb in an adjacent county, and adapt to new economic trends and population patterns.

attachment

cc: Darryl Martin, Administrator
Jonathon Bazan, Asst. Administrator
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Ronica Watkins, Budget Officer
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John Ames, Tax Assessor/Collector
Joe Mayer, Hospital District

DISTRICT	STATUS	CITY	YEAR CREATED	INITIAL ASSESSED VALUATION	2025 ASSESSED VALUATION	PROJECTED FINAL ASSESSED VALUATION	DISTRICT REQUESTED BY DEVELOPER	% COUNTY INCREMENT PROVIDED	YEAR COUNTY INVOLVEMENT ENDS	STATUS/COMMENTS
Carrollton	County participation	Carrollton	2006	\$131.0 million	\$753.6 million	\$628.0 million	No	65%	2029	Overall this TIF has seen 900 units of housing have been built, with over 600 units in last five years. 2025 values are up \$89.9 million from 2024. Funds are currently directed towards long-term infrastructure improvements for two of Carrollton's DART Light Rail stations.
State-Thomas	District has concluded	Dallas	1989	\$47.5 million	n/a	\$722.4 million	No	100%	2004	This first TIF district in County is one of the most successful with over 3,000 housing units. DCAD is no longer tracking the State - Thomas district as it has ceased operations nineteen years ago. Anecdotaly, however we know its values continue to rise.
Cityplace	District has concluded	Dallas	1992	\$45.1 million	n/a	\$655.8 million	Yes	100%	2008	Created in 1992, Cityplace, now completed, was another very successful TIF district. It created a unique form of mixed-use development with over 3,000 housing units.
Oak Cliff Gateway	County participation	Dallas	1992	\$38.6 million	\$2.44 billion	\$350.0 million	No	65%	2027	Since the inception of the TIF District funding of \$33.7 million assisted with the development of 929 residential units and 61,523 square feet of retail/flex/commercial space. Market values increased by \$209 million from 2024 to 2025. Plans for the East Dock redevelopment project are in process, with the first phase of construction estimated to start by the end of 2025.
Bishop/ Jefferson Subdistrict	County participation	Dallas	2014	\$105.4 million	\$980.7 million	\$490.5 million	No	65%	2044	The Bishop/Jefferson Subdistrict's 2025 taxable value was \$980.7 million, an increase of \$98.4 million over 2024.
Cedars	District has concluded	Dallas	1992	\$34.8 million	\$588.0 million	\$334.7 million	No	75%	2022	Like the Oak Cliff Gateway, this district was created to help revitalize an older area of the City and was also initially slow to redevelop. However, in recent years values have increased and the district has seen over 1,000 new housing units. The last figures available after the districts conclusion show 2024 values at \$588 million, compared to the 2023 values of \$519 million, a \$68 million increase for that period.
City Center	County participation only in one sub-district	Dallas	1996	\$577.7 million	\$2.8 billion	\$1.4 billion	No	45%	2017	Participation in the City Center portion of the district has ended, having created over 2,900 housing units and solidified area's tax base. While the City continues to run the City Center sub-district, County participation is focused only in the Lamar Corridor / West End sub-district, slated for years 2013 - 2037, with County participation ending in 2032. The City Center district market values continue increasing with \$2.8 billion in 2025, up from \$2.7 billion in 2024.
West End/ Lamar Sub-district	County participation	Dallas	2013	\$97.1 million	\$352.6 million	\$365.1 million	No	53%	2037	Values in the West End / Lamar subdistrict decreased. Overall, the City Center TIF District has been an instrumental part in creating a positive climate in the historic downtown core, Lamar Corridor, and West End Historic District. From its inception through FY 2022-2023, forty-four projects have generated over \$1.3 billion in new investment. Plans for new development in the West End at 805 Elm, are still planned. The development project will add more housing to the area and rehab over 20 thousand square feet of retail/commercial space. Additionally, TIF funds were approved for the expansion of Klyde Warren Park.
Sports Arena	County participation	Dallas	1998	\$20.6 million	\$2.9 billion	\$1.5 billion	Yes	45%	2028	Since its inception, the Sports Arena TIF District has leveraged approximately \$2.4 billion in new development completed or under construction through fiscal year 2023. TIF District funds (\$114 million) assisted in the development of 352 residential units (70, or 20% of the total, are affordable), 1,625 parking spaces, and 185,200 square feet of retail space. Construction of the trail and design of the trail head began during the 2022-2023 fiscal year. The Hi Line Connector Trail Project trail portion of the project completed construction in 2024, while the Katy Trail trail head will be finished in 2025.
Downtown Connection	County participation complete	Dallas	2005	\$465.2 million	\$9.3 billion	\$3.1 billion	No	55%	2020	The Downtown Connection TIF has been incredibly successful and 2020 was last year of County participation. The district saw over 6,500 housing units built and dramatically exceeded growth projections. Recent plan amendments allowed for major redevelopment projects such as the Bank of America Tower.
Grand Park South	County participation	Dallas	2005	\$44.9 million	\$378.3 million	\$665.7 million	No	65%	2026	During 2023, the Board recommended a development agreement with Vector Studies, LLC for support up to \$2.3 million for the Legacy of Hope DFW Project, redeveloping the former Forest Avenue Hospital at 2516 Martin Luther King Jr. Boulevard. The City authorized the agreement in June, 2023 as the first TIF District-funded development project in this TIF District. The Board also approved Grant Program Guidelines and an Increment Allocation Policy for the TIF District. In 2025, the TIF will receive a funds transfer from the Deep Ellum TIF to support home improvement and homebuyer assistance initiatives. Funding will also support new development projects such as Legacy of Hope medical facility.
Vickery Meadow	County participation	Dallas	2005	\$161.3 million	\$653.0 million	\$637.0 million	Yes	55%	2027	Since its creation, TIF funds were directly used to create 600 housing units and 700,000 square feet of office/retail. Additional housing development has occurred in the district without TIF participation. The TIF value decreased in 2025 by \$31.9 million. With the participation of the City and Dallas County, the increase over the base year value will result in the collection of approximately \$3.4 million (City \$2.8 million, County \$58.3 thousand) in incremental revenue for the District in 2025.
Southwestern Medical	County participation	Dallas	2005	\$20.9 million	\$2.8 billion	\$737.4 million	No—but City had been engaged in extensive prior discussions with developer	55%	2027	Projects under construction or completed within the TIF District have created almost 3 million square feet of retail, medical office and commercial space as well as 1,248 residential units. Total under construction and completed projects have added approximately \$291 million in new taxable value to the TIF District, surpassing the districts original goal. Changes to the subdistrict will be proposed in 2026. Development plans for the subdistrict will not occur.
Deep Ellum	County participation complete	Dallas	2005	\$189.0 million	\$1.7 billion	\$405.0 million	No	55%	2022	The Deep Ellum TIF value remained stable. The County is no longer participating in this still-active TIF. To date, 22 significant projects have been completed within the District, resulting in \$1.06 billion in new taxable property value. As of 2024 a total of \$14.6 million for the development of 451,554 square feet of office space and 54,235 square feet of commercial/retail space were developed. The Deep Ellum TIF is part of an ongoing HUD study focused on connectivity and transportation needs for an improved neighborhood experience.

Design District	County participation	Dallas	2005	\$281.9 million	\$1.5 billion	\$1.4 billion	No—but City had been engaged in extensive prior discussions with developers	55%	2027	During FY 2022-2023, the TIF District Board reviewed a development agreement with Cabana Sycamore Development, Inc. not to exceed \$41 million in funding supporting the Cabana Design District mixed-income multi-family redevelopment project at 899 North Stemmons. The board also rescinded the previous project agreement. The majority of the TIF District Board voted not to recommend the agreement; however, City Council unanimously approved the agreement in September 2023. Most recent TIF improvements for 2025 include a Groundbreaking for the Trinity Strand Trail Hi-Line Span. This project will improve trail access for residents, tourists, and businesses promoting economic growth.
Skillman Corridor	County participation	Dallas	2005	\$340.4 million	\$2.0 billion	\$1.2 billion	No—but City had been engaged in extensive prior discussions with developers	55%	2027	In March 2023, at the recommendation of the TIF Board, the City approved amendments to the TIF District Plan expanding the district's boundary. In 2024, \$5.6 million were dedicated to supporting design and construction of a new City park and multi-purpose facility at the northwest corner of Forest Lane and Audella Road. Additionally, TIF funding (\$16.9 million) assisted in the development of 217 residential units and 115,976 square feet of retail space. Most recently, in June 2025, funds were proposed for Church Road bridge upgrades to improve trail and pedestrian improvements.
Ft. Worth Avenue	County participation	Dallas	2007	\$86.1 million	\$1.9 billion	\$1.2 billion	No	55%	2028	Development in this District includes 3,138 housing units and 196,523 square feet of added retail space. 2025 values are \$84.1 million greater than 2024 and growth is now steady.
Davis Garden	County participates in 2 subdistricts	Dallas	2007	\$123.6 million	\$871.0 million	\$1.7 billion	Yes	55%	2033	Since its inception, the district helped demolish 1,500 obsolete housing units. New development continues to be slow but is anticipated to improve before 2039 when the TIF is set to expire. Recently, 800 units have been built including single-family attached units (condos). 2025 values increased by \$83.1 million from 2024, an increase of 8.7%.
Transit- Oriented Development	County participates in 4 subdistricts	Dallas	2008	\$207.6 million	\$1.3 billion	\$3.2 billion	No	55%	2030	TIF District funding of \$41.0 million have assisted with the development of 622 residential units (of 2,042 total) and 97,131 square feet of retail space. Two projects currently underway are the Longhorn Ballroom Redevelopment (streetscaping) and the Mockingbird Station East (parking garage and multifamily). 2025 values increased by \$119.7 million from 2024 values.
Maple-Mockingbird	County participation	Dallas	2008	\$185.1 million	\$1.4 billion	\$735.2 million	No	55%	2031	Past and current developments will result in over 3,400 additional housing units. Market values in 2025 values are \$81.4 million higher than in 2024. Plans are in motion to identify new redevelopment sites, including improvements to the Inwood DART station.
Farmers Market	County participation complete in 2022	Dallas	1998	\$28.0 million	\$680.0 million	\$300.0 million	Yes	40%	2028	This TIF district has been successful at creating a new neighborhood surrounding the Farmers Market with over 2,000 housing units, including apartments and condominium homes. Because of this growth and their value growth, the County participation reached it's value limit and ended at the end of 2021. Values for 2025, \$680.0 million, are slightly below the 2024 value of \$682.0 million.
Cypress Waters	County participation	Dallas	2010	\$0.1 million	\$1.4 billion	\$2.2 billion	Yes	55%	2033	To date, over 2,900 housing units, 3.6 million square feet of office space was added, and 35,000 square feet of retail space has been developed in the district with both TIF and non-TIF funding. Values in 2025 are up by more than \$80.3 million over 2024. Plans to improve and maintain Cypress Waters Trail are in process with Dallas County.
Mall Redevelopment	No County participation	Dallas	2014	\$168.4 million	\$502.2 million	\$4.35 billion	Yes, for Valley View Mall	55%	N/A	County participation in this TIF is on hold. This TIF has two sections, the Valley View mall and the Redbird Mall areas. Issues with original Valley View developer have caused that portion to be substantially behind schedule. Much more activity has occurred at Red Bird Mall portion of district including the opening of the UTSW center. The County has been working with Dallas on participation to assist in new development. Values for 2025 increased by \$112.0 million from 2024.
University TIF	On Hold	Dallas	2018	\$49.8 million	\$6.1 million	\$737.5 million	No	59%	2039	County participation began in 2018 in the University Hills subdistrict. Development in this district has lagged and the market value for 2025 minimally increased from 2024 by approximately \$165.7 thousand. Development plans for this TIF are currently on hold and an anticipated start time is not selected.
Cedar Hill	On Hold	Dallas	2016	\$290.0 million	\$0	\$492.3 million	No	45%	2043	Tax Increment Financing Zone #1 (TIF) was created by the City Council of Cedar Hill, Texas by Ordinance No. 2016-606 on December 13, 2016. The County's participation began on Jan. 1, 2024, with payments beginning in 2025. The trigger event for this TIF was not met so this TIF is on hold while a new project plan is developed.
Mercer Crossing	County participation complete	Farmers Branch	1998	\$45.2 million	n/a	\$1.4 billion	Yes	34%	2019	Belated growth came to district in the last years of the County's participation which ended in 2019. During the TIFs activity over 3,300 housing units were built. DCAD is no longer tracking this district.
I-30 Corridor (Bass Pro)	County participation	Garland	2004	\$82.3 million	\$513.0 million	\$213.4 million	Yes	55%	2025	For its final year, 2025, this district has \$333.7 million of captured property value. This TIF has seen the development of the Bass Pro Shop, a Holiday Inn hotel, multiple restaurants on the Waterfront, and multiple multifamily housing developments.
Downtown Garland/ Forest Lane DART	County participation Complete 2023	Garland	2003	\$104.0 million	\$548.1 million	\$272.4 million	No	55%	2023	County participation ended in 2023 for this successful district. It has generated \$280 million of captured property value, providing \$1.9 million in revenue per year. Improvements in the district include the façade improvement program (Main Street Deli, Dos Banderas, Intrinsic, Fortunate Son, Roselinds, etc.), Downtown Square renovation, the construction of the Downtown Public Restrooms, multiple mural and art pieces, improved sidewalks and streetscape, façade improvements at City Hall, the creation of the Downtown Development Office, and improvements to the Christmas on the Square Program.

I-30 Entertainment	County participation complete	Grand Prairie	1999	\$53.0 million	n/a	\$604.1 million	No - but City engaged prior with developer	75%	2020	District's entertainment emphasis was changed almost immediately to industrial. 2020 was last year for County participation. The TIF Board is recommending an Economic Development Incentive Agreement with IKEA for IKEA Way Roadway Expansion plans for 2025 and will be brought before the City Council for consideration and approval. TIF funds are supporting economic revitalization efforts geared at creating jobs and improving and rehabilitating existing structures.
Irving Boulevard	County participation	Irving	2010	\$214.7 million	\$756.3 million	\$756.3 million	No	59%	2039	The County began participation in this TIF in 2020. The market value for 2025 is \$541.6 million higher than the initial valuation. TIF funds assisted with the development of a park, landscaping improvements, and water and sewer improvements. Values continue to increase in this area as a prime example of the benefits of TIF districts.
Richardson TIF District #1	County participation	Richardson	2006	\$428.6 million	\$3.0 billion	\$1.6 billion	No—but City had been engaged in extensive prior discussions with developers	65%	2027	This has been the most successful suburban TIF district with over 2,000 residential units built and continued revitalization of Richardson's historic downtown district, known as the CORE District through TIF funding. Most recently, in 2025, construction of the Interurban Common park was completed. The Sherman Lofts development project began in March of 2025 and major intersection improvements at Spring Valley Road and Abrams Road began in April 2025. The improvements are expected to be completed in January 2026. The 2025 market value of the TIF district is \$3.0 billion, up \$167.1 million from 2024.