

# Memorandum



DATE November 29, 2013

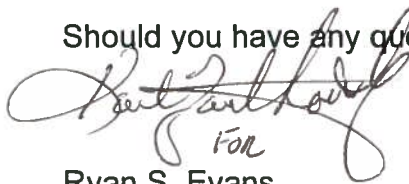
TO Members of the Economic Development Committee: Tennell Atkins (Chair), Rick Callahan (Vice Chair) Scott Griggs, Adam Medrano, Jerry R. Allen, Lee Kleinman

SUBJECT **Farmers Market District Redevelopment Plan: Creating a Fresh Food Focused Urban Neighborhood**

On Monday, December 2, 2013 the Economic Development Committee will be briefed on the Farmers Market District Redevelopment Plan: Creating a Fresh Food Focused Urban Neighborhood.

Briefing material is attached.

Should you have any questions, please contact me at (214) 670-3296.



Ryan S. Evans  
Interim First Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
A. C. Gonzalez, Interim City Manager  
Rosa Rios, City Secretary  
Warren M.S. Ernst, City Attorney  
Judge Daniel Solis, Administrative Judge Municipal Court  
Craig Kinton, City Auditor  
Frank Libro, Public Information Officer  
Ryan S. Evans, Interim 1<sup>st</sup> Assistant City Manager  
Forest Turner, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager  
Joey Zapata, Assistant City Manager  
Charles M. Cato, Interim Assistant City Mgr.  
Theresa O'Donnell, Interim Assistant City Mgr.  
Jeanne Chipperfield, CFO, OFS  
Karl Zavitkovsky, Director, OED  
J. Hammond Perot, Assistant Director, OED  
Elsa Cantu, Assistant to the CMO

*Farmers Market District Redevelopment Plan:  
Creating a Fresh Food Focused  
Urban Neighborhood*

Economic Development Committee  
December 2, 2013

# Purpose

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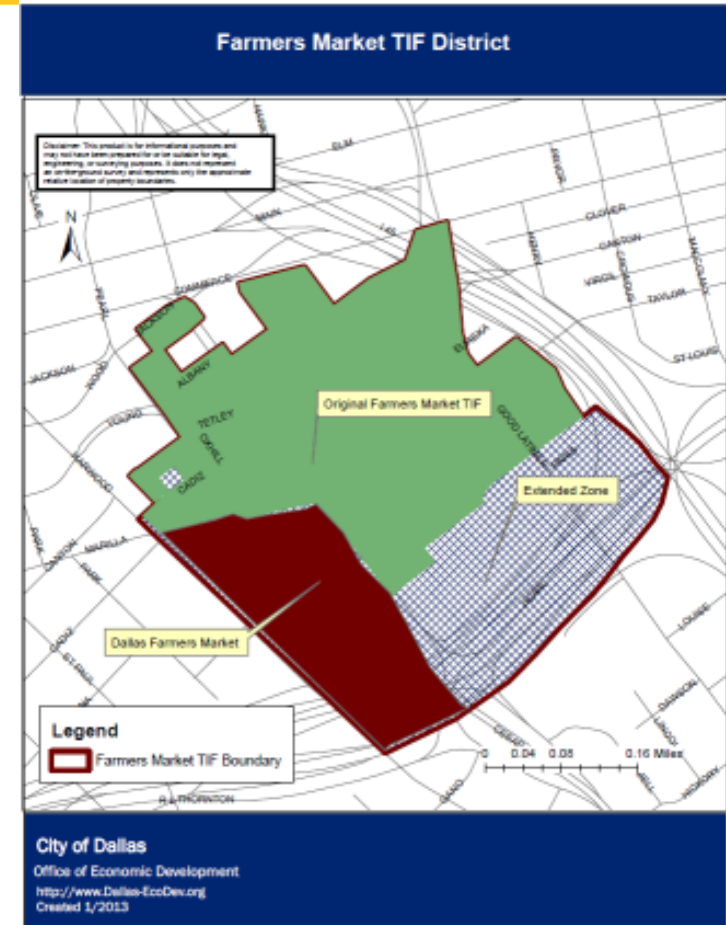
- Review current status of the Dallas Farmers Redevelopment Master Agreement and various implementation steps completed so far; and
- Economic Development Committee recommendation for approval of various funding requests by City Council on December 11, 2013

# Background & Prior Council Actions

**February 27, 2013 –**

**Council authorized a Master Agreement related to the redevelopment of the Dallas Farmers Market. Specific components of this agreement include:**

- Amend Farmers Market TIF District Plan to increase boundaries and extend term;
- Authorize sale/lease of Dallas Farmers Market land to DFM Land, Ltd. or its affiliates;
- Set stage for 6 future TIF Development Agreements related to components of redevelopment project; and
- Utilize other public funding sources to assist with project – GO Bond funds (\$6.2M); Land sale proceeds (\$900K); PPP grant (\$670K).

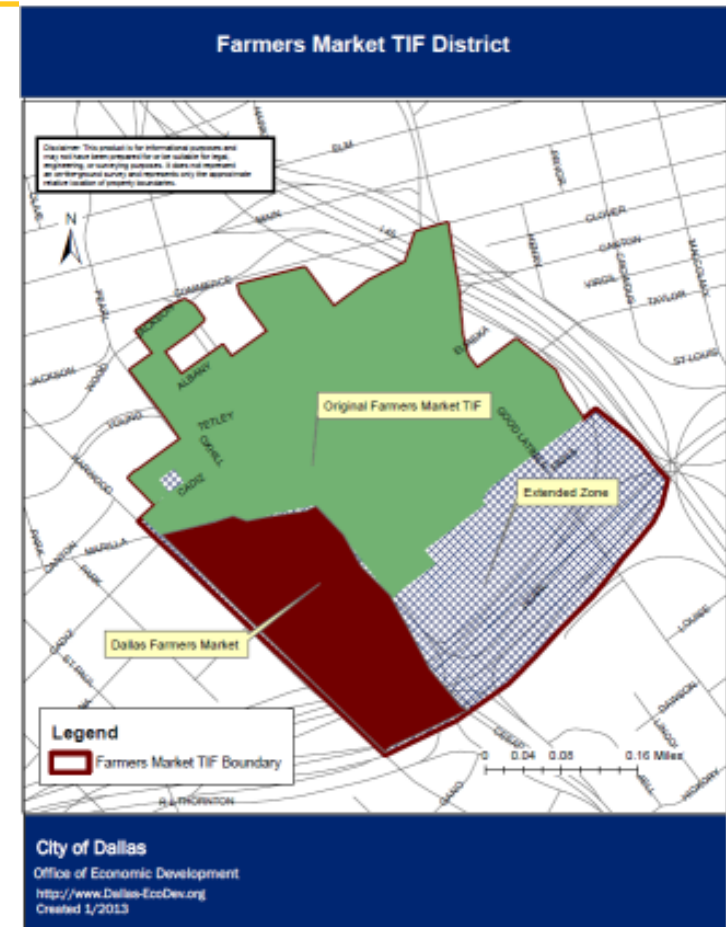


# Background & Prior Council Actions

**March 27, 2013 –**

**Council amended the Farmers Market TIF District Plan to:**

- Increase the physical area to include the Dallas Farmers Market site;
- Extend the term of the Farmers Market TIF District by 15 years (through the end of 2028);
- Increase the Farmers Market TIF District budget to approximately \$34M (in total collections);
- Decrease the City's participation rate in the TIF District from 100% to 90%; and
- Allow the direct sale of land to implement the plan.



# Background & Prior Council Actions

- **March 27, 2013** – Council authorized the long term lease of Shed 1 and sale of remaining sites to DFM Land, Ltd., a development group led by Brian Bergersen of Spectrum Properties
- **May 22, 2013** – Council authorized an ordinance that repealed Chapter 29
  - Eliminated Operating Rules for City-managed Farmers Market since DFM no longer public
- **May 22, 2013** - and amended Chapters 29A and 42A:
  - **Chapter 29A changes** define DFM as Neighborhood Market for operational purposes
  - **Chapter 42A changes** allow streamlined event permitting for Dallas Farmers Market area



# Background & Prior Council Actions

- **June 12, 2013** – Council approved minor amendments to lease and sale agreements
- **June 26, 2013** – Council approved TIF development agreement related to design expenditures related to Dallas Farmers Market redevelopment



# Background & Developer Initiatives

- **July - October 2013 – Developer:**
  - Assumed day-to-day management of DFM
  - Finalized redevelopment plans for site
  - Released architects to design project
  - Released retail brokers to recruit tenants
  - Submitted zoning request for site
- **October 24, 2013** – CPC approved and recommended zoning amendment request
- **October 25, 2013** – Peer Review Committee reviewed and approved designs of the project
- **November 18, 2013** – Developer funds last component of land sale
- **November 21, 2013** – Farmers Market TIF Board recommends funding for Project





# Farmers Market Redevelopment - Phase II

Five distinct initiatives each require separate TIF reimbursement agreements

- **Shed 1** – Local Farmers Market;
- **Shed 2** – Restaurants & Specialty Food Vendors;
- **Sheds 3-4** – Ground floor retail w/ apartments and structured parking;
- **Taylor Buildings** – Ground floor retail with apartments above; and
- **Community garden and futsal fields**



# Shed 1 Renovation

## Shed 1:

- **Existing Conditions –**
  - Open shed
  - Leased to local farmers/produce dealers
  - Drive lane and angle parking
  - Unoccupied stalls – non-growing season
- **Proposed Improvements –**
  - Complete renovation
  - Pedestrian only
  - More than doubles stall space
  - For local farmers/farm merchants
  - Band shell for special events
  - Drive-through merchandise pick-up area



# Shed 1 Renovation (continued)

## Shed 1 Improvements:

- Create 20,000 square feet of local farmers stall space (60 stalls/bays)
- Renovation plan better meet farmers needs
- Vehicular access removed
- Pedestrian walkways/display areas created
- Truck staging area limited to screened area along Farmers Way
- Farmers Way and Pearl Street streetscape



# Shed 1 Renovation (continued)



# Shed 1 Renovation (continued)



VIEW FROM NORTHWEST

Shed 1 - Farmer's Market  
Dallas, Texas



Good Fulton & Farrell Architects

2880 Harvest Drive  
Dallas, TX 75235  
Phone: 214.353.3333  
www.gff.com

Job #: 13142.00 File Name: View Looking Southwest Date: 13/14/2013 Drawn by: TJB

# Shed 1 Renovation Project Budget

Description		Amount
<b>Total Project Cost</b>		<b>\$989,884</b>
<b>TIF Reimbursement Recommendation</b>	<b>\$300,000</b>	
<b>Previous Allocated TIF Funds (Design)</b>	<b>\$0</b>	
<b>Total TIF Funding for Shed 1</b>		<b>\$300,000</b>
<b>TIF eligible expenditures -</b> Painting, plumbing, concrete, refurbishment, landscape and streetscape improvements related to publicly owned building		

# Shed 2 Redevelopment

## Shed 2:

- **Existing Conditions –**
  - Enclosed shed
  - Leased to vendors/restaurants
- **Proposed Improvements –**
  - Renovate and upgrade 28K square feet of commercial space
  - Showcase variety of restaurants and specialty food vendors
  - Beer garden at southeast corner of Harwood and Marilla Streets



# Shed 2 Redevelopment (continued)

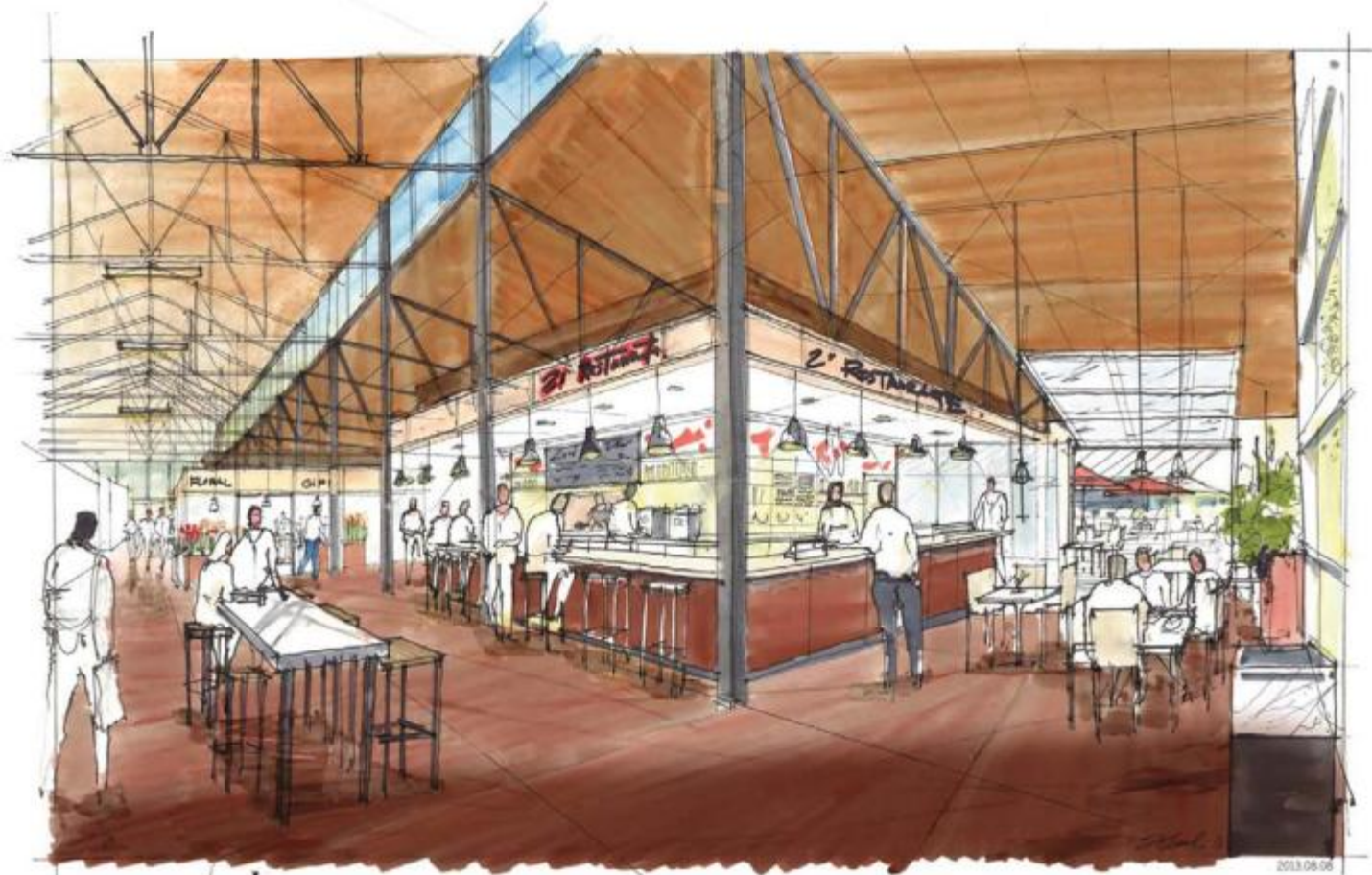




# Shed 2 Redevelopment (continued)



# Shed 2 Redevelopment (continued)



FARMER'S MARKET - SHED 2 RESTAURANT CONCEPT

# Shed 2 Redevelopment Project Budget

Description		Amount
<b>Total Project Cost</b>		<b>\$3,142,842</b>
<b>TIF Reimbursement Recommendation</b>	<b>\$355,477</b>	
<b>Previous Allocated TIF Funds (Design)</b>	<b>\$0</b>	
<b>Total TIF Grant for Shed 2</b>		<b>\$355,477</b>
<b>TIF eligible expenditures -</b> Façade improvements, retail space improvements, architectural costs and contingency related to privately owned building		

# Sheds 3-4 Mixed-Use Redevelopment

## Shed 3-4:

- **Existing Conditions –**
  - 2 open sheds
  - Leased to local farmers/produce dealers
  - Drive lane and angle parking
  - Unoccupied stalls – non-growing season
- **Proposed Improvements –**
  - Demolish existing sheds
  - 200,000 square feet of residential space (approx. 240 apartments)
  - Ground floor retail space
  - 544 parking spaces (300 public; 244 private)

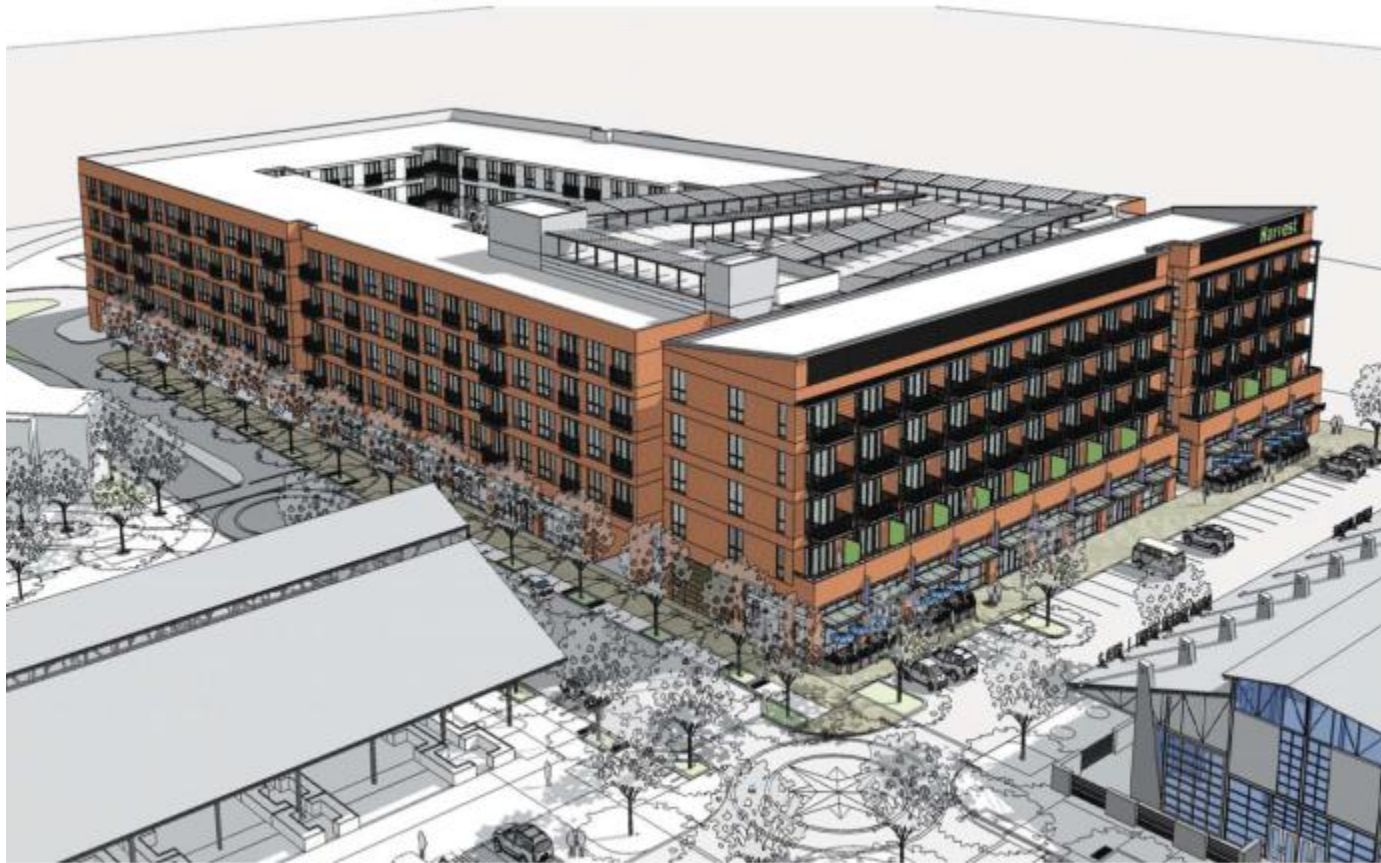


Existing Shed 3 picture

# Sheds 3-4 Mixed-Use Redevelopment (continued)



# Sheds 3-4 Mixed-Use Redevelopment (continued)



Aerial view from northeast

# Sheds 3-4 Mixed-Use Redevelopment (continued)



Northeast corner (Taylor and Pearl)



# Sheds 3-4 Mixed-Use Redevelopment (continued)



Northwest corner (Harwood and Pearl)



Good Fulton & Farrell Architects

2000 Rosswood Drive  
Dallas, TX 75201  
Phone: 214.742.1234  
www.gff.com



# Sheds 3-4 Mixed-Use Redevelopment (continued)



Retail frontage along Taylor Street



Good Fulton & Farrell Architects

2000 Ross Street  
Dallas, TX 75201  
Phone: 214.742.1234  
www.gff.com

# Sheds 3-4 Mixed-Use Redevelopment Project Budget

Description		Amount
<b>Total Project Cost</b>		<b>\$38,668,084</b>
<b>TIF Reimbursement Recommendation</b>	<b>\$8,536,486</b>	
<b>Previous Allocated TIF Funds (Design)</b>	<b>\$1,008,200</b>	
<b>Total TIF Funding for Sheds 3-4</b>		<b>\$9,544,686</b>
<b>Farmers Market TIF Grant: to offset cost of higher density development</b>		

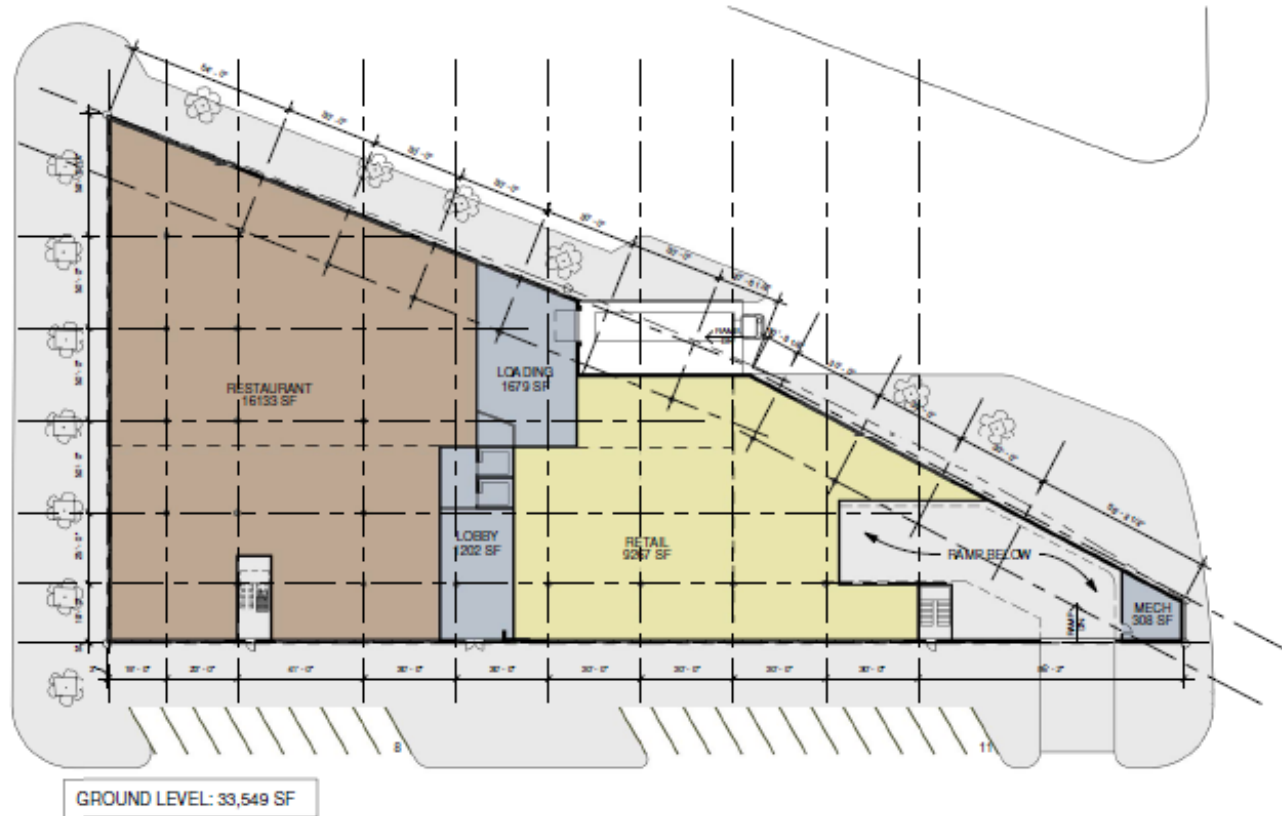
# Taylor Street Redevelopment

## Taylor Street Redevelopment:

- **Existing Conditions –**
  - 3 Warehouse Buildings – not part of DFM
  - Located at 2101 & 2111 Taylor Street
  - Purchased by DFM Land, Ltd. and included in redevelopment plan
- **Proposed Improvements –**
  - Demolish existing buildings
  - 60 residential units
  - 25K square feet of retail space
  - 60 private parking spaces



# Taylor Street Redevelopment (continued)



# Taylor Street Redevelopment (continued)



Corner of Taylor Street and Pearl Street

# Taylor Street Redevelopment (continued)



Downtown view



# Taylor Street Redevelopment (continued)



NORTH ELEVATION



SOUTH ELEVATION

## Elevations

# Taylor Street Redevelopment Project Budget

Description		Amount
<b>Total Project Cost</b>		<b>\$19,251,809</b>
<b>TIF Reimbursement Recommendation</b>	<b>\$3,553,480</b>	
<b>Previous Allocated TIF Funds (Design)</b>	<b>\$446,520</b>	
<b>Total TIF Funding for Taylor Street</b>		<b>\$4,000,000</b>
<b>Farmers Market TIF Grant: to offset cost of higher density development</b>		



# Community Garden/Futsal Fields

## Community Garden/Futsal Fields:

- **Existing Conditions –**
  - 1.8 acres of surface parking
  - Facility separated from DFM by tunnel
  - Connected to Cesar Chavez Blvd by separate tunnel
  - Parking inconvenient and rarely used
- **Proposed Improvements –**
  - Community Garden
  - Covered futsal fields (3)\*
  - Fitness track
  - Amenities – bleachers, lighting, restrooms, storage

\*Futsal is a game derived from soccer, somewhat similar to indoor soccer without the boards surrounding the field. It is played with a smaller ball with less bounce than a regular ball. The surface, ball and rules emphasize improvisation, ball control and technique as well as passing in small spaces. The futsal fields will be covered so play can occur rain or shine.



# Community Garden/Futsal Fields (continued)



CONCEPTUAL SITE PLAN - FUTSAL COMPLEX  
Farmer Market Redevelopment  
Dallas, Texas

 GFF Planning  
2000 Rosswood Street  
Dallas, Texas 75202

0 10 20 30 Feet

# Community Garden/Futsal Fields Project Budget

Description		Amount
<b>Total Project Cost</b>		<b>\$2,421,626</b>
<b>TIF Reimbursement Recommendation</b>	<b>\$589,888</b>	
<b>Previous Allocated TIF Funds (Design)</b>	<b>\$210,112</b>	
<b>Total TIF Funding for Futsal Project</b>		<b>\$800,000</b>
<b>TIF Grant for open space improvements community garden and field area</b>		

# Auxiliary Building (Administration Building)

## Auxiliary Building (Farmers Market Administration Building):

- **Existing Conditions –**
  - 15,250 square feet of office, meeting and classroom space
- **Proposed Improvements –**
  - Culinary Learning Center
  - Production Studio
  - Office space

**\*TIF funding is not requested for the upgrade**



# Farmers Market Redevelopment - Phase II

## Total Funding Request

### TIF Budget Phase I and Phase II

Description	Total Cost	Design \$*	TIF Request	Total TIF \$
Shed 1	\$989,884	\$0	\$300,000	\$300,000
Shed 2	\$3,142,842	\$0	\$355,477	\$355,477
Sheds 3-4	\$38,668,084	\$1,008,200	\$8,536,486	\$9,544,686
Taylor Buildings	\$19,251,809	\$446,520	\$3,553,480	\$4,000,000
Futsal	\$2,421,626	\$210,112	\$589,888	\$800,000
Auxiliary Building	TBD	\$0	\$0	\$0
Streetscape/Public Parking*	TBD	\$0	\$0	\$0
<b>Total</b>	<b>TBD</b>	<b>\$1,664,832</b>	<b>\$13,335,331</b>	<b>\$15,000,163</b>

\*funded under previous TIF Development Agreement

\*\*funded through GO Bond Funds/Land Sale Proceeds

\*Design work and costing of streetscape improvements is expected to be completed in December 2013.

# Farmers Market Redevelopment - Phase II

## Phasing Plan

### Project Phasing Plan

Description	Planned Start Date	Planned Completion Date
Shed 1	8/1/14	6/30/15
Shed 2	10/1/14	12/31/15
Sheds 3-4	12/31/14	12/31/16
Taylor Buildings	3/31/15	12/31/16
Futsal	3/31/15	3/31/16
Auxiliary Building	TBD	TBD
Streetscape/Public Parking*	2/1/14	12/31/14

\*Design work and costing of streetscape improvements is expected to be completed in December 2013.

# Previous Actions

- **November 21, 2013** - Farmers Market TIF Board of Directors reviewed and approved the TIF funding recommendation for the Farmers Market Redevelopment Phase II : (A) shed 1 improvements; (B) shed 2 improvements; (C) mixed-use development; (D) 2101 and 2111 Taylor Street development; and (E) a community garden and futsal fields by DFM Developer, Ltd., /or its affiliate, in the Farmers Market TIF District in an total amount not to exceed \$13,335,331
- **November 22, 2013** - Peer Review Committee reviewed and approved the Conceptual Site Plan and Renderings for the Farmers Market Redevelopment

# Recommended Actions

- **December 11, 2013** – Approve five separate TIF Development Agreements with DFM Developer, Ltd. (and/or affiliates) related to the redevelopment of the Dallas Farmers Market (in accordance with the City Council adopted Master Agreement) and authorize \$13,335,331 in future revenues from the Farmers Market TIF District to these agreements:
  - **Shed 1** – Shed for Farmers/Farm Vendors – TIF request: \$300,000; Agreement with DF Market 1, LLC
  - **Shed 2** – Enclosed shed featuring restaurants/specialty food vendors – TIF request: \$355,477; Agreement with DF Market 2, LLC
  - **Shed 3-4** – Demolition of existing structures and construction of new facility with approx. 240 apartments, 15,000 square feet of retail space and 544 parking spaces – TIF request: \$8,536.486; Agreement with DFM Developer, Ltd.
  - **Taylor Street** – Demolition of existing structures and construction of new facility with approx. 60 residential units, 25,000 square feet of retail space and 60 private parking spaces – TIF request: \$3,553,480; Agreement with Taylor Street 2111, LP
  - **Community Garden/Futsal** – Redevelopment of surface parking lot – TIF request: \$589,888; Agreement with FM Futsal, Ltd.,



- Appendices

# Appendix A: Farmers Market TIF Increment Chart

Year	Property Value Estimate	Anticipated Increment Revenue	Tax Increment Revenue City	Tax Increment Revenue Dallas County
1998	\$27,706,851			
1999	\$32,251,740	\$30,337	\$30,337	\$0
2000	\$48,849,886	\$141,130	\$141,130	\$0
2001	\$68,642,830	\$273,248	\$273,248	\$0
		\$444,715		
2002	\$69,918,509	\$295,397	\$295,397	\$0
2003	\$68,358,681	\$277,250	\$277,250	\$0
2004	\$66,805,228	\$278,362	\$278,362	\$0
2005	\$83,492,312	\$413,761	\$413,761	\$0
2006	\$93,337,865	\$467,257	\$467,257	\$0
2007	\$96,486,980	\$507,318	\$507,318	\$0
2008	\$111,085,798	\$591,515	\$591,515	\$0
2009	\$107,740,320	\$598,570	\$598,570	\$0
2010	\$103,812,469	\$606,562	\$606,562	\$0
2011	\$101,531,538	\$588,383	\$588,383	\$0
2012	\$111,686,928	\$669,321	\$669,321	\$0
2013	\$115,037,536	\$694,491	\$585,377	\$109,114
2014	\$124,488,662	\$774,921	\$653,170	\$121,751
2015	\$158,223,322	\$1,062,005	\$895,149	\$166,856
2016	\$162,970,021	\$1,102,399	\$929,197	\$173,203
2017	\$217,859,122	\$1,569,508	\$1,322,916	\$246,592
2018	\$232,394,896	\$1,693,208	\$1,427,181	\$266,027
2019	\$239,366,743	\$1,752,539	\$1,477,190	\$275,349
2020	\$266,547,745	\$1,983,851	\$1,672,160	\$311,691
2021	\$270,545,961	\$2,017,876	\$1,700,839	\$317,037
2022	\$274,604,150	\$2,052,411	\$1,729,948	\$322,463
2023	\$278,723,213	\$2,087,465	\$1,759,494	\$327,970
2024	\$282,904,061	\$2,123,044	\$1,789,483	\$333,560
2025	\$287,147,622	\$2,159,157	\$1,819,923	\$339,234
2026	\$291,454,836	\$2,195,811	\$1,850,818	\$344,993
2027	\$295,826,659	\$2,233,016	\$1,882,177	\$350,839
2028	\$300,264,059	\$2,270,778	\$1,914,007	\$356,772
		\$33,955,605	\$29,147,439	\$4,363,452
		\$28,217,195	\$23,409,028	\$4,363,452

# Appendix B: Farmers Market TIF District Budget

<b>Budget Item</b>	<b>Budget (current)</b>	<b>Total Spent and Committed</b>	<b>Remaining as of 12/1/13</b>
Phase I-A	\$8,125,410	\$8,125,410	\$0
Deep Ellum Connector	\$672,970	\$672,970	\$0
Phase I-B	\$742,031	\$742,031	\$0
Phase II**	\$3,252,225	\$3,252,225	\$0
Harlan Building	\$701,142	\$701,142	\$0
Farmers Market Area Improvements	\$18,761,827	\$0	\$18,761,827
TIF Administration	\$1,700,000	\$490,695	\$1,209,305
<b>Total</b>	<b>\$33,955,605</b>	<b>\$13,984,473</b>	<b>\$19,971,132</b>

# Appendix C: Est. Sources and Uses of Funds

## Dallas Farmers Market Redevelopment

	Total	Equity	Debt	TIF (reimbursement)	GO Bonds	Other PPI Partnership	Surplus Sale Proceeds
Shed 1	\$989,884	\$623,627	\$366,257	\$365,369	\$0	\$0	\$0
Shed 2	\$3,142,842	\$1,508,564	\$1,634,278	\$519,232	\$0	\$0	\$0
Shed 3-4	\$38,668,084	\$14,693,872	\$23,974,212	\$9,220,167	\$3,600,000	\$670,000	\$930,000
Administration	\$2,097,400	\$1,097,400	\$1,000,000	\$566,298	\$0	\$0	\$0
Taylor	\$19,251,809	\$10,203,459	\$9,048,350	\$3,990,063	\$0	\$0	\$0
Futsal/Garden	\$2,421,626	\$1,452,976	\$968,650	\$339,035	\$0	\$0	\$0
Streetscape	\$2,600,000	\$0	\$0	\$0	\$2,600,000	\$0	\$0
	\$69,171,645	\$29,579,897	\$36,991,748	\$15,000,164	\$6,200,000	\$670,000	\$930,000