

Economic Development Committee **DRAFT**

Meeting Record December 5, 2016

The Economic Development Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Office of Economic Development, Staff Coordinator at 214-670-1686.

Meeting Date: December 5, 2016 **Meeting Start time:** 9:06 AM

Committee Members Present:

Rickey D. Callahan (Chair)
Casey Thomas, II, (Vice Chair)
B. Adam McGough
Carolyn King Arnold
Lee M. Kleinman
Adam Medrano

Other Council Members Present:

Mark Clayton

Staff Present:

Ryan S. Evans, First Assistant City Manager,
City Manager's Office
Karl Zavitkovsky, Director, Office of Economic
Development
J. Hammond Perot, Assistant Director, Office
of Economic Development
Tommy Ludwig, Assistant Director, Sustainable
Development & Construction

Other Presenters:

1. Approval of November 7, 2016 Minutes of the Economic Development Committee

Presenter(s):

Action Taken/Committee Recommendation(s): Motion made to approve the minutes

Motion made by: Mr. Kleinman

Motion seconded by: Mr. Thomas

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

2. Jacobs Engineering Relocation Update

Presenter(s): Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): (1) Motion made to send the item to Council

Motion made by: Mr. Kleinman

Motion seconded by: Mr. McGough

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

3. Public /Private Partnership Program Review

Presenter(s): J. Hammond Perot, Assistant Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to send the item to Council

Motion made by: Mr. Thomas T

Motion seconded by: Mr. Kleinman

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

5. UPCOMING AGENDA ITEMS

December 14, 2016

Economic Development

- A. Authorize the nomination of United States Cold Storage (USCS) located at 2225 North Cockrell Hill Road 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 – Financing: No cost consideration to the City
- B. Authorize a third amendment of the development agreement with AP-Prescott Stoneleigh Hotel LP, for the Stoneleigh Hotel redevelopment TIF project completed in 2008 to remove the requirement to obtain City Council approval prior to: (1) assign the development agreement and TIF Subsidy from AP-Prescott Stoneleigh Hotel LP to HEI Stoneleigh Hotel, LLC; (2) remove requirement to obtain City Council approval for future assignments; and (3) require Director of Office of Economic Development consent for future assignments - Financing: No cost consideration to the City
- C. **Trammell Crow Cedardale Distribution Center**
- * Authorize a real property tax abatement with Cedardale Phase I, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for phase one of the Trammell Crow Cedardale Distribution Center, the first phase (consisting of approximately 50.55 acres) of a proposed two phase speculative commercial/industrial distribution development located on approximately 106 acres in the aggregate in the 3300-3900 blocks of Cedardale Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Financing: No cost consideration to the City
 - * Authorize a real property tax abatement with Cedardale Phase II, LLC for the purpose of granting a ten-year abatement of 90 percent of the taxes on added value to the real property for phase two of the Trammell Crow Cedardale Distribution Center, the second phase (consisting of approximately 56 acres) of a proposed two phase speculative commercial/industrial/warehouse distribution development located on approximately 106 acres in the aggregate in the 3300-3900 blocks of Cedardale Road in southern Dallas within the International Inland Port of Dallas in accordance with the City's Public/Private Partnership Program - Financing: No cost consideration to the City
- D. Authorize a grant agreement with Blocks GKM, L.P. and Victory Park UST Joint Venture I, L.P., to reimburse a portion of project costs associated with the construction of new retail space and renovation of existing vacant retail space totaling approximately 40,000 to 45,000 square feet in an amount not to exceed \$3,500,000 from revenues accruing to Tax Increment Financing Reinvestment Zone Seven (Sports Arena TIF District) and establish minimum investment, occupancy, and employment requirements as a condition of grant payment – Not to exceed \$3,500,000 – Financing: Sports Arena TIF District Funds (subject to appropriations)
- E. Authorize PetroCorrigan Towers, LP's proposed assignment of TIF subsidies, described in its amended development agreement with the City, to a Wisconsin Public Finance Authority as security and the sole recourse for bonds issued pursuant to Wisconsin law for the purpose of financing the Tower Petroleum building (1907 Elm Street) and Corrigan Tower (1900 Pacific Avenue) redevelopment project - Financing: No cost consideration to the City
- F. (1) Supplemental Agreement No. 1, to the conditional grant agreement with City Wide Community Development Corporation, executed April 27, 2016, to secure development of a commercial office/retail building in the Lancaster Corridor. The proposed Supplemental Agreement will increase the City's grant amount by \$350,000 from \$825,000 to \$1,175,000 and extend the completion deadline by 6 months. As consideration, the City will receive 50% of all net cash proceeds, up to a maximum amount of \$350,000, in the event of a sale or refinance of the project. The City's interest is secured by a second mortgage on the property, located at 311 – 3115

South Lancaster Road in Dallas, Texas, which will be subordinate to Legacy Texas's first lien; and (2) extension of the project completion date by 6 months, from March 31, 2017 to September 30, 2017 – Not to exceed \$350,000 – Financing: 2012 Bond Funds

- G. Authorize an ordinance to: (1) amend Tax Increment Financing Reinvestment Zone Number Eleven's (Downtown Connection TIF District) Project and Reinvestment Zone Financing Plans to add the Statler/Library redevelopment project to the District's Project Plan; (2) approve the directed sale, for fair market value consideration and yet to be negotiated sale terms subject to City Council approval of a 0.129 acre (5,600 square feet) City owned tract of land addressed as 210 South Harwood Street, located in the Downtown Connection TIF District to Centurion Acquisitions, LP to complete the Statler/Library redevelopment project in accordance with the District's Project Plan; and (3) make corresponding modifications to the Downtown Connection TIF District's Project and Reinvestment Zone Financing Plans, consistent with the requirements and limitations of the Act - Financing: No cost consideration to the City

Sustainable Development & Construction

- H. An ordinance abandoning a sanitary sewer easement and a water easement to West Commerce Investments LLC, the abutting owner, containing a total of approximately 1,555 square feet of land, located near the intersection of Commerce and Beatrice Streets - Revenue: \$5,400, plus the \$20 ordinance publication fee
- I. An ordinance abandoning two sanitary sewer easements and one floodway easement to Platinum Storage Maple, LLC, the abutting owner, containing a total of approximately 11,722 square feet of land, located near the intersection of Maple Avenue and Butler Street, and providing for the dedication of approximately 10,147 square feet for a needed drainage, water, wastewater and detention area easement - Revenue: \$24,334, plus the \$20 ordinance publication fee
- J. An ordinance amending Ordinance No. 29383, amended by Ordinance No. 30094, previously approved on May 25, 2016, which abandoned a portion of Straightway Drive, located near the intersection of Northwest Highway and Straightway Drive, to Northwest Overlake, L.L.C. and Rizos Land Group Northwest Highway, LLC to extend the final replat from two years to 39 months and alter dedication requirements - Revenue: \$5,400, plus the \$20 ordinance publication fee
- K. Authorize acquisition from Golden Venture, LTD., of approximately 21,874 square feet of vacant land located near the intersection of Northaven Road and US Highway 75 for the Northaven Trail Project - Not to exceed \$1,320,000 (\$1,310,000 plus closing cost and title expenses not to exceed \$10,000) - Financing: 2006 Bond Funds (to be reimbursed by Dallas County)
- L. A resolution authorizing the conveyance of two temporary working space easements containing a total of approximately 23,076 square feet of land to the City of Rowlett for the construction and maintenance of wastewater facilities across City-owned land at Lake Ray Hubbard located near the intersection of Lakeview Parkway and Edgewater Drive - Financing: No cost consideration to the City
- M. A resolution authorizing the conveyance of a wastewater easement containing approximately 149,176 square feet of land to the City of Rowlett for the construction and maintenance of wastewater facilities across City-owned land at Lake Ray Hubbard located near the intersection of La Costa and Fuqua Drives - Financing: No cost consideration to the City
- N. A resolution authorizing the conveyance of two wastewater easements containing a total of approximately 33,399 square feet of land to the City of Rowlett for the construction, maintenance of wastewater facilities across City-owned land at Lake Ray Hubbard located near the intersection of Lakeview Parkway and Edgewater Drive - Financing: No cost consideration to the City
- O. Authorize an historic preservation tax exemption for the Allen Building at 1700 Commerce Street for a ten-year period on 100% of the land and structure value - Revenue Foregone: First year tax revenue foregone estimated at \$18,730 (Estimated revenue foregone over ten years is \$187,295)

Aviation

- P. Authorize a sixth amendment to the 1999 lease agreement with MLT Development Co. to provide rent abatement in consideration for City's temporary use of an undeveloped portion of approximately 163,349 square feet of the leased premises as a staging area for the Airfield Pavement Repair Project as well as four subsequent airfield related projects for sixteen months beginning January 1, 2017 at Dallas Love Field - Estimated Revenue Foregone: \$66,619, over the sixteen month period

Action Taken/Committee Recommendation(s): (1) Motion made to send the item to Council

Motion made by Ms. Arnold

Motion seconded by: Mr. Medrano

Item passed unanimously: X

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

Meeting Adjourned: 9:56 A.M.

Approved By: _____