

ECONOMIC DEVELOPMENT COMMITTEE
DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

2016 JUN 16 PM 2: 39

CITY SECRETARY
DALLAS, TEXAS

MONDAY, JUNE 20, 2016
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA
DALLAS, TEXAS 75201
9:00 A.M. – 10:30 A.M.

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

Call to Order

1. Approval of June 6, 2016 Economic Development Committee Minutes
2. Approval of the corrected January 20, 2015 minutes showing the Dalfort Area Development Update item

BRIEFINGS

3. Mall Area Redevelopment TIF and Dallas Midtown Phase 1 Development *Karl Zavitkovsky*
Director, Office of Economic Development
4. Workforce Readiness, Placement and Retention Program Update *Karl Zavitkovsky*
Director, Office of Economic Development
5. Proposed changes to the Certificate of Formation and Bylaws for the Dallas Development Fund *Karl Zavitkovsky*
(Memorandum) Director, Office of Economic Development

6. **UPCOMING AGENDA ITEMS**

June 22, 2016

Economic Development

- A. Authorize the re-adoption of the City's current Public/Private Partnership Program Guidelines and Criteria to extend the Program from June 25, 2016 through December 31, 2016, unless new Guidelines to the Public/Private Partnership Program are adopted before such date pursuant to the Property Redevelopment and Tax Abatement Act, as amended (V.T.C.A., Tax Code Chapter 312) and other incentives intended to promote private investment, tax base growth and job creation - Financing: No cost consideration to the City
- B. Authorize the Second Amendment to the Master Agreement with DFM Developer, Ltd. and the Second Amendment to the Development Agreement with Taylor Street 2111, LP, for the Farmers Market Redevelopment, Phase II, 2101 and 2111 Taylor Street Project, to (1) extend the start date from April 1, 2016 to December 31, 2016; and (2) extend the completion deadline from December 31, 2018 to December 31, 2019 - Financing: No cost consideration to the City

- C. Authorize **(1)** a public hearing to be held on August 10, 2016, in accordance with Chapter 372 of the Texas Local Government Code to consider the advisability of renewing the Tourism Public Improvement District (District), for the purpose of increasing hotel activities within the City of Dallas, to be funded by a special assessment on Dallas hotels with 100 or more rooms to receive comments, and, at the close of the public hearing; **(2)** a resolution approving renewal of the District for thirteen years and approval of the District's Service Plan for Plan for 2016-2029 - Financing: No cost consideration to the City
- D. Authorize a Chapter 380 economic development grant agreement in an amount not to exceed \$670,000 with DFM Developer, Ltd., in accordance with the approved Master Agreement for the Redevelopment of the Farmers Market, executed pursuant to City Council Resolution No. 13-0447, as amended, for remaining streetscape and infrastructure improvements - pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program – Not to exceed \$670,000 – Financing: Public Private Partnership Funds
- E. Authorize the Office of Economic Development to issue a Notice of Funding Availability in an amount up to \$3 million in accordance to the Guidelines and Criteria of the Public/Private Partnership Program to grocery operators, shopping center owners, retail developers and other associated real estate professionals in order to promote the development of one or more grocery stores in Southern Dallas Food Deserts – Financing: No cost consideration to the City
- F. Authorize **(1)** a public hearing to be held in accordance with Chapter 372 of the Texas Local Government Code (the "Act") on August 10, 2016 to receive comments concerning the advisability of creating the South Dallas/Fair Park Public Improvement District (the "District") for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; and, at the closing of the hearing **(2)** a resolution approving creation of the District for seven years and approving the District's Service Plan for 2017-2023 - Financing: No cost consideration to the City

Sustainable Development & Construction

- G. Authorize acquisition from Amy West Hillman GST Trust, Andrew West GST Trust, and Crockett & West, LLC, of approximately 114,362 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Raw Water Transmission Pipeline - Not to exceed \$42,875 (\$39,375, plus closing costs and title expenses not to exceed \$3,500) - Financing: Water Utilities Capital Construction Funds
- H. Authorize acquisition from David Houck, of approximately 40,022 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Raw Water Transmission Pipeline - Not to exceed \$15,500 (\$12,500, plus closing costs and title expenses not to exceed \$3,000) - Financing: Water Utilities Capital Construction Funds
- I. Authorize a two-year lease agreement with Audelia, L.P. for approximately 6,088 square feet of space located at 9759 Forest Lane to be used as a boxing training facility and youth fitness center for the period July 1, 2016 through June 30, 2018 - Not to exceed \$240.00 - Financing: Dallas Police Department General Funds (subject to annual appropriations)
- J. Authorize an amendment to Resolution No. 11-1760, previously approved on June 22, 2011, to amend certain deed restrictions, on approximately 83,478 square feet of land, located near the intersection of Live Oak and Cantegral Streets - Revenue: \$1,000
- K. An ordinance granting a private license to Keating Clonard Holdings, LLC for the use of approximately 227 square feet of land to occupy, maintain and utilize existing landscape on a portion of Travis Street

right-of-way near its intersection with Knox Street - Revenue: \$100 one-time fee, plus the \$20 ordinance publication fee

- L. An ordinance abandoning a portion of a sanitary sewer easement to Borderplex Swiss Avenue, LLC, the abutting owner, containing approximately 1,321 square feet of land, located near the intersection of Swiss Avenue and Peak Street - Revenue: \$5,400, plus the \$20 ordinance publication fee
- M. An ordinance abandoning portions of two water reservation easements to City of Dallas, the abutting owner, containing a total of approximately 49,851 square feet of land, located near the intersection of Shorecrest and Denton Drives - Revenue: \$5,400, plus the \$20 ordinance publication fee
- N. An ordinance abandoning four wastewater easements to Lincoln Colorado Pace LLC, the abutting owner, containing a total of approximately 7,172 square feet of land, located near the intersection of Fort Worth Avenue and Colorado Boulevard - Revenue: \$5,400, plus the \$20 ordinance publication fee

Convention and Event Services

- O. Ratify an emergency construction contract with Hoffman Texas, Inc. dba Roto-Rooter Service and Plumbing for sewer line repairs at the Kay Bailey Hutchison Convention Center Dallas located at 650 S. Griffin Street - Not to exceed \$184,690 - Financing: Convention and Event Services Current Funds

Public Works and Transportation

- P. Authorize a design/build services contract with W. B. Kibler Construction Company, Ltd., most qualified proposer of four, for the Phase I design and pre-construction services for the new Sustainable Development and Construction offices at the Oak Cliff Municipal Center located at 320 East Jefferson Boulevard - Not to exceed \$2,072,303 - Financing: Building Inspection Current Funds (subject to appropriations)
- Q. Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for the construction of tinted, stamped concrete pedestrian crosswalks and barrier-free ramp improvements at the intersections of Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard - Not to exceed \$747,377, from \$19,989,714 to \$20,737,091 - Financing: Current Funds (subject to annual appropriations)

7. UPCOMING AGENDA ITEMS

August 10, 2016

Economic Development

R. Neighborhood Empowerment Zone and Business Personal Property Tax Abatement Authorization

- * Authorize a resolution designating the approximately 7.4034 acres of property located at 2822 Glenfield Avenue in Dallas Texas, 75233 as City of Dallas Neighborhood Empowerment Zone No. 5 ("NEZ No.5"), pursuant to Chapter 378 of the Local Government Code to promote an increase in economic development in the zone, establishing the boundaries of the Neighborhood Empowerment Zone and providing for an effective date – Financing: No cost consideration to the City

- * Authorize a 50 percent business personal property tax abatement agreement for 8 years with SVC Manufacturing, Inc. in consideration of an expansion of its beverage manufacturing operation that will generate new taxable investment and job creation at 2822 Glenfield Avenue, Dallas, Texas 75233 furthering the City of Dallas' economic development goals pursuant to the City's Public/Private Partnership Program Guidelines and Criteria - Revenue: First year revenue estimated at \$97,553; eight-year revenue estimated at \$578,813 (Estimated revenue foregone for eight-year business personal property tax abatement estimated at \$578,813)

Adjourn



Rickey D. Callahan, Chair
Economic Development Committee

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. Contemplated or pending litigation, or matters where legal advice is requested of the City Attorney. Section 551.071 of the Texas Open Meetings Act.
2. The purchase, exchange, lease or value of real property, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.072 of the Texas Open Meetings Act.
3. A contract for a prospective gift or donation to the City, if the deliberation in an open meeting would have a detrimental effect on the position of the City in negotiations with a third person. Section 551.073 of the Texas Open Meetings Act.
4. Personnel matters involving the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint against an officer or employee. Section 551.074 of the Texas Open Meetings Act.
5. The deployment, or specific occasions for implementation of security personnel or devices. Section 551.076 of the Texas Open Meetings Act.
6. Deliberations regarding economic development negotiations. Section 551.087 of the Texas Open Meetings Act.

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

Economic Development Committee **DRAFT**

Meeting Record June 6, 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: June 6, 2016 **Meeting Start time:** 9:04 AM

Committee Members Present:

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

Other Council Members Present:

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
Heather Lepaska, Manager, Office of
Economic Development
David Cossum, Director, Sustainable
Development & Construction
Ashley Eubank, Assistant Director, Sustainable
Development & Construction

Other Presenters:

1. Approval of May 16, 2016 Minutes of the Economic Development Committee

Presenter(s):

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

Motion made by: Mr. Thomas

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):

2. Dallas Development Fund: Upcoming NMTC Items

Presenter(s): Karl Zavitkovsky, Director, Office of Economic Development

Action Taken/Committee Recommendation(s): Motion made to recommend all the items to full council

Motion made by: Mr. Thomas

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):

3. Update on Oak Cliff Municipal Center Addition

Presenter(s): David Cossum, Director, Sustainable Development & Construction

Action Taken/Committee Recommendation(s): Motion made to recommend all the items to full council

Motion made by:

Item passed unanimously: X

Item failed unanimously: _____

Motion seconded by:

Item passed on a divided vote: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

4. Upcoming Agenda Items

June 15, 2016

Aviation

- A. Authorize the Ninth Amendment to the Headquarters Lease with Southwest Airlines Co. for ground rights at Dallas Love Field for the construction of a pedestrian sky bridge consisting of 4,646 square feet and connecting the headquarters building with another property owned by Southwest Airlines Co. across Denton Drive, a portion of the Sky Bridge will be on property leased by Southwest Airlines Co. from Aviation - Financing: No cost consideration to the City

Sustainable Development & Construction

- B. Authorize acquisition from Debra J. West, of approximately 2,032 square feet of land located near the intersection of McCallum Boulevard and Oakington Court for the McKamy and Osage Branch Wastewater Interceptor Project - Not to exceed \$16,714 (\$13,714, plus closing costs and title expenses not to exceed \$3,000) - Financing: Water Utilities Capital Construction Funds
- C. Authorize acquisition from Laguna Apartments, LLC, of approximately 11,780 square feet of land located near the intersection of Arapaho and Preston Roads for the McKamy and Osage Branch Wastewater Interceptor Project - Not to exceed \$109,000 (\$106,020, plus closing costs and title expenses not to exceed \$2,980) - Financing: Water Utilities Capital Construction Funds
- D. Authorize acquisition of three parcels of land containing a total of approximately 17,492 square feet located near the intersection of Childress and Alex Streets for the Cadillac Heights City Service and Maintenance Facilities Project (list attached) - Not to exceed \$22,200 (\$19,200, plus closing costs and title expenses not to exceed \$3,000) - Financing: 2006 Bond Funds
- E. A resolution consenting to the sale of 3 tax foreclosed properties by Dallas County, acquired by the taxing authorities from a Sheriff's Sale (list attached) – Financing: No cost consideration to the City
- F. A resolution authorizing the conveyance of an easement and right-of-way containing approximately 26,815 square feet of land to Oncor Electric Delivery Company, LLC for the construction and maintenance of electric facilities across City-owned land located at the McCommas Bluff Landfill near the intersection of Simpson Stuart and Locust Roads – Financing: No cost consideration to the City
- G. A resolution authorizing the conveyance of a storm sewer drainage easement containing approximately 1,592 square feet to the City of Garland across City-owned land at Lake Ray Hubbard located near the intersection of Roan and Rowlett Roads - Revenue: \$1,000
- H. A resolution authorizing the conveyance of two drainage easements containing a total of approximately 23,357 square feet to the City of Rockwall across City-owned land at Lake Ray Hubbard located near the intersection of Chestnut Lane and Betty Street - Revenue: \$4,485

- I. An ordinance granting a private license to Country Forest-Jackson Meadows Homeowners Association, Inc. for the use of approximately 30 square feet of land to install a monument sign on a portion of Chimney Hill Lane right-of-way, located near its intersection with Cross Creek Drive - Revenue: \$100 one-time fee, plus the \$20 ordinance publication fee
- J. An ordinance granting a private license to Southwest Airlines Co. for the use of approximately 1,120 square feet of aerial space to occupy, maintain and utilize a pedestrian bridge above and over a portion of Wyman Street right-of-way, located near its intersection with Denton Drive - Revenue: \$1,000 annually, plus the \$20 ordinance publication fee
- K. A resolution authorizing the sale of a tax foreclosure property located at 6210 J J. Lemmon Road to be voided and provide for the quitclaim and release unto the City, as trustee any right, title and interest Linda and Jessie Medlock may have in and to said property - Financing: No cost consideration to the City

1. **UPCOMING AGENDA ITEMS**

June 22, 2016

Economic Development

- L. Authorize the nomination of Greyhound Lines, Inc. located at 350 North St. Paul Street, Dallas, TX 75201, 205 South Lamar Street, Dallas, TX 75202, 627 N. Westmoreland Road, Dallas, TX 75211 and 315 Continental Avenue, Dallas TX, 75207 to receive designation as an Enterprise Zone 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
- M. Authorize a five-year service contract for web site design and digital content strategy services – Icon Enterprises Inc. dba CivicPlus, most advantageous proposer of eleven. Not to exceed \$105,246 – Financing: Public/Private Partnership Funds
- N. Authorize an amendment to Resolution No. 16-0530 approved on April 13, 2016, approving a management agreement with DPL Loan Holdings, LLC, for Browder Street Plaza to remove certain maintenance responsibilities to be retained by the Parks Department - Financing: No cost consideration to the City
- O. Authorize a Chapter 380 economic development grant agreement with Jacobs Engineering Group, Inc. in an amount up to \$277,500 to encourage the relocation of the company headquarters to 1999 Bryan Street and stimulate business development activity in the City of Dallas, pursuant to the Public/Private Partnership Program - Not to exceed \$277,500 - Financing: Public/Private Partnership Funds
- P. **Gaston Hotel and Area Wide Improvements**
 - * Authorize **(1)** a Project Supplemental Agreement to the Master Agreement with Dallas County for participation in the design and construction of drainage, paving, street lighting, sidewalks, ADA ramps, traffic signal improvements and other costs for public improvements associated with Baylor area-wide improvements, including a full-service hotel.; **(2)** the receipt and deposit of funds in an amount not to exceed \$450,000 in the Capital Projects Reimbursement Fund from Dallas County; and **(3)** an increase in appropriations in the amount not to exceed of \$450,000 in the Capital Projects Reimbursement Fund - Financing: No cost consideration to the City
 - * Authorize **(1)** a Participation Agreement with GMV Gaston, LP, whereby the company will be responsible for design, relocation, and construction of utilities, crosswalks and site improvements for Baylor Area wide improvements adjacent to a proposed hotel development project in accordance with the design specifications of the City, subject to inspection and final acceptance by the City; and **(2)** an increase in appropriations in the Capital Projects Reimbursement Fund - Not to exceed \$450,000 - Financing: Capital Projects Reimbursement Funds (funds advanced by GMV Gaston, LP)

- * Authorize a Chapter 380 economic development grant agreement with GMV Gaston , LP, pursuant to the Public/Private Partnership Program and the project supplemental agreement with Dallas County for the development of a full-service hotel located on a tract of land addressed as 3301-3309, 3401 Gaston Avenue, 3302 Floyd Street, and 910-916 N Hall Street and associated public and private improvements including site and area wide street improvements - Not to exceed \$450,000 - Financing: No City Consideration
- Q. Authorize an amendment to Resolution No. 14-1271, approved on August 13, 2014, which approved a TIF development agreement with Texas InTownHomes, to extend the deadlines to obtain building permits from June 30, 2016 to June 30, 2017 and to extend the certificate of occupancy and construction completion deadlines from June 30, 2018 to June 30, 2019 for the Cedar Branch Townhomes redevelopment project- Financing: No cost consideration to the City
- R. Authorize amendment to the terms of a TIF development agreement with Texas InTownHomes, previously approved on August 13, 2014, by Resolution No. 14-1273, to extend the deadlines to obtain building permits from June 30, 2017 to June 30, 2017 and to extend the certificate of occupancy and construction completion deadlines for the Cedar Branch Bridge Project from December 31, 2019 to June 30, 2021 - Financing: No cost consideration to the City

Action Taken/Committee Recommendation(s): Motion made to recommend all the items to full council

Motion made by: Mr. Thomas

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):

Meeting Adjourned: 10:17 A.M.

Approved By: _____

Economic Development Committee

CORRECTED

**Meeting Record
January 20, 2015**

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: January 20, 2015 **Meeting Start time:** 9:04 AM

Committee Members Present:

Tennell Atkins
Rick Callahan
Jerry R. Allen
Adam Medrano
Lee Kleinman

Staff Present:

Ryan Evans, First Assistant City Manager,
City Manager Office
Karl Zavitkovsky, Director, Office of Economic
Development
J. Hammond Perot, Assistant Director, Office
of Economic Development
Frank Camp, Director, Office of Environmental
Quality
Kevin Lefebvre, Senior Environmental
Coordinator, Office of Environmental Quality
Mark Duebner, Director, Aviation

Other Council Members Present:

Jennifer S. Gates

Other Presenters:

1. Approval of December 1, 2014 Minutes of the Economic Development Committee
Presenter(s):

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

Motion made by: Mr. Allen

Motion seconded by: Mr. Callahan

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

2. Dalfort Area Development Update

Presenter(s): Mark Duebner, Director, Aviation

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Mr. Allen

Motion seconded by: Mr. Callahan

Item passed unanimously: X

Item passed on a divided vote:

Item failed unanimously:

Item failed on a divided vote:

Follow-up (if necessary):

3. Upcoming Agenda Items

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

- Project Cypress Health Economic Development Grant
- Chapter 56 "Dallas Electrical Code" and Chapter 52 "Administrative Procedures for the Construction Codes" Building Codes Amendments

- Posting Notification Signs Development Code Amendment

Action Taken/Committee Recommendation(s): Motion made to recommend item to full council for approval

Motion made by: Mr. Allen

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):

4. Update of Economic Opportunities of Sustainable Food Systems

Presenter(s): Frank Camp, Director, Office of Environmental Quality

Action Taken/Committee Recommendation(s): No Action Taken

Motion made by:

Motion seconded by:

Item passed unanimously: _____

Item passed on a divided vote: _____

Item failed unanimously: _____

Item failed on a divided vote: _____

Follow-up (if necessary):

Meeting Adjourned: 10:11 AM

Approved By: _____

Memorandum



DATE June 17, 2016

TO Members of the Economic Development Committee:
Rick Callahan (Chair), Casey Thomas, II, (Vice Chair), Adam Medrano, Lee M. Kleinman,
Carolyn King Arnold, Adam McGough

SUBJECT **Dalfort Area Development Update**

Attached is a copy of the Dalfort Area Development Update which was briefed to the Economic Development Committee on Monday, January 20, 2015. A motion was made by Councilmember Allen seconded by Councilmember Callahan for approval by the Committee for subsequent consideration by the City Council. When the minutes of the January 20th committee meeting were posted the Dalfort item was erroneously omitted. The City Secretary has requested, that the corrected minutes be approved and reposted in order to meet a discovery request by the City Attorney's Office.

Briefing material is attached.

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



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council

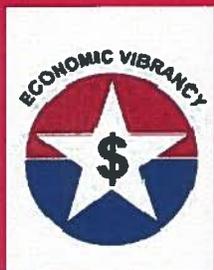
A.C. Gonzalez, City Manager	Mark McDaniel, Assistant City Manager
Christopher D. Bowers, Interim City Attorney	Joey Zapata, Assistant City Manager
Craig D. Kinton, City Auditor	Jeanne Chipperfield, Chief Financial Officer
Rosa A. Rios, City Secretary	Sana Syed, Public Information Officer
Daniel F. Solis, Administrative Judge	Karl Zavitkovsky, Director, Office of Economic Development
Eric D. Campbell, Assistant City Manager	J. Hammond Perot, Assistant Director, Office of Economic Development
Jill A. Jordan, P.E., Assistant City Manager	Elsa Cantu, Assistant to the City Manager – Mayor & Council

Dalfort Area Development Update

City of Dallas Economic Development Committee –

January 20, 2015

Dallas Love Field



LOVE | EVOLUTION

Background

- The Department of Aviation (DoA) has attempted to market the Dalfort property over the past several years without success
 - Current structure is outdated
 - Significant environmental remediation is necessary for re-use
- On May 9, 2012, City Council awarded contract with AMX to design the demolition of the structure in order to attract a developer
- DoA initiated Environmental Assessment (EA) to demolish the Dalfort facility as part of the demolition process in the spring of 2012

Background

- The State Historic Preservation Commission disagreed with the FAA and the issue was sent to the Keeper of the register for a final decision
- Facility was declared eligible for listing on the National Register of Historic Places (NRHP)
- Two processes were required as a result:
 - **Section 106** of the National Historic Preservation Act
 - **Section 4(f)** of the Department of Transportation Act

Dalfort Site Development

- City Council approved a lease agreement with Reed Enterprises Investment Holdings LP on November 14, 2012
- Their proposal was to construct new facilities for Fixed Base Operation, office building, retail, and auto dealership on the site
- City would pay for demolition at estimated cost of \$8 million
- Lease was not executed when historical significance of building was determined

Dalfort Site Development

Modified Design

- Reed Enterprises resubmitted a proposal including renovation of the existing structure, preserving the historical elements
- New development includes renovations as well as new construction



Background

- DoA completed the Section 106 and Section 4(f) processing and incorporated the results of the EA
- On October 14, 2014, the DoA received the Finding of No Significant Impact (FONSI) from the FAA
- This ruling allows the modified proposal from Reed Enterprises to proceed

Dalfort Site Development

- Reed Enterprises will develop both aviation and commercial uses for the site
 - \$35 million capital investment commitment for Aviation use within 36 months
 - \$20 million capital investment commitment for commercial use within 60 months
 - Due to high capital investment a ten-year rent abatement, with rent to Airport beginning in Year 11
 - Total average rent of \$1.3 million/year
 - Will add additional ad-valorem value to the tax rolls
 - Sales tax revenues to General Fund for retail and office development

Benefits

- Estimated Job Creation – 1,100 (Aviation, Office, and Retail)
- Aviation Development/Growth
- Furtherance of policy (Good Neighbor Plan Initiative)
- Historical Preservation
- Renovation of “eye sore”



Aviation and Commercial Lease

- Approximately 24.108 acres/1,050,138 sq. ft. (Unimproved and Improved Land)
- 39-year term lease
- \$.40 per square foot for unimproved land
- \$.65 per square foot for improved land
- Parking garage \$240,000 annually beginning in year three
 - City will occupy garage for remote employee parking for approximately 36 months
- Title to improvements vests to Lessor upon completion of construction

Next Steps

- Development of Lease Agreements (between City of Dallas DoA & Reed Enterprises)
- Lease approval by Dallas City Council
- Completion of Design phase for Dalfort site
- Construction/Development phase

Memorandum



DATE June 17, 2016

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano, Lee M. Kleinman,
Carolyn King Arnold, B. Adam McGough

SUBJECT **Mall Area Redevelopment TIF and Dallas Midtown Phase 1 Development**

On Monday, June 20, 2016, you will be briefed on Dallas Midtown Phase 1 located in the Mall Area Redevelopment TIF District. The briefing materials are attached for your review.

Please let me know if you have any questions.

Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Mall Area Redevelopment TIF and Dallas Midtown Phase 1 Development

Economic Development Committee
June 20, 2016



Purpose

- Review Dallas Midtown Phase 1 project proposal for TIF funding in Mall Area Redevelopment TIF District.
- Obtain Economic Development Committee approval for consideration by City Council on June 22, 2016.

Valley View Center Mall area

Background

Existing Conditions

- Inadequate sidewalk & street layout
- Faulty lot layout
- Vacant land
- Vacant and/or deteriorated structures
- Deteriorating public infrastructure
- Lack of parks and open space



Valley View Center Mall area

Background (continued)

Existing Conditions

- Dating back to the late 1960's/early 1970's, this mall was created with a complex configuration involving a super-block of private land ownership, connected monolithic buildings, and a reciprocal easement agreement that bound multiple owners together.
- Over the last 10-15 years, as market conditions have changed drastically, this inflexible configuration has heavily burdened the mall and has significantly hindered market adaptation.
- As a result, this mall (and the area surrounding it) is challenged by ever-increasing obsolescence (economic and physical), and, without public participation, revitalization and redevelopment of this area is extremely difficult.

Valley View Center Mall area

Background (continued)

City Priority

- forwardDallas! Comprehensive Plan
- City Council Strategic Plans
 - “Megasite” redevelopment opportunity
 - Strategic Objective: “Ensure Dallas’ tax base grows faster than bordering suburbs” by “creating and implementing development plans for large commercial areas”

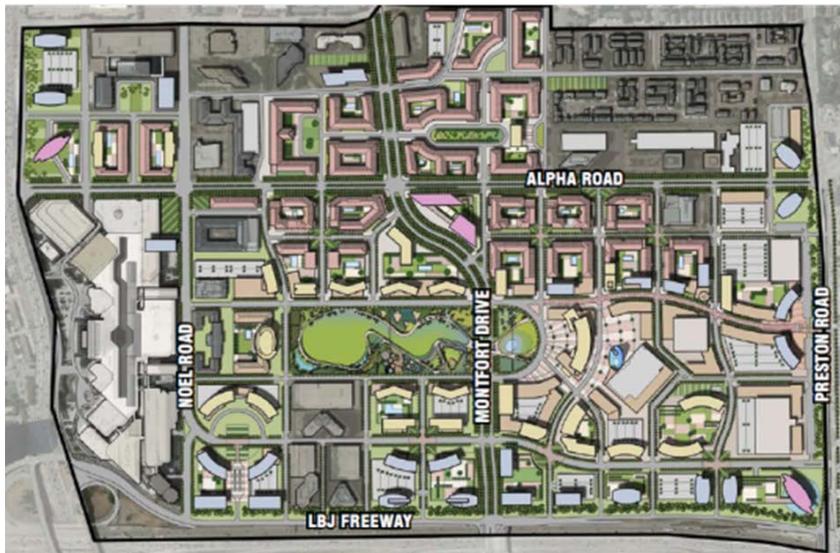
Over the past several years, the City of Dallas has supported key initiatives to encourage redevelopment in the Valley View Center Mall area to occur earlier, at a higher quality, in a more coordinated fashion, and to a much greater extent than would occur solely through market forces. Those efforts include the following:

- Valley View-Galleria Area Plan (partner with North Dallas Chamber of Commerce)
- PD 887: Valley View-Galleria Area Special Purpose Zoning District
- Thoroughfare Plan amendments
- Mall Area Redevelopment Tax Increment Financing District

Valley View Center Mall area

Background (continued)

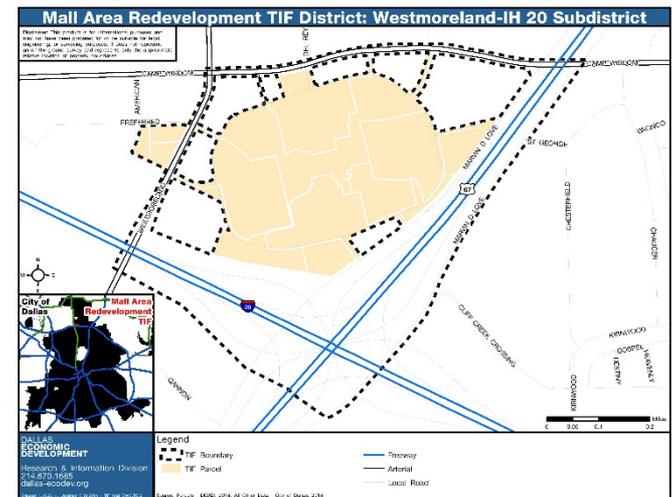
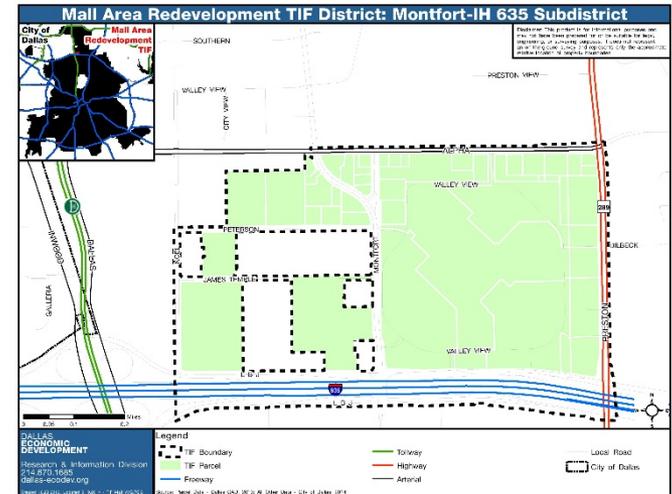
Illustrative Vision



Mall Area Redevelopment TIF District

Background

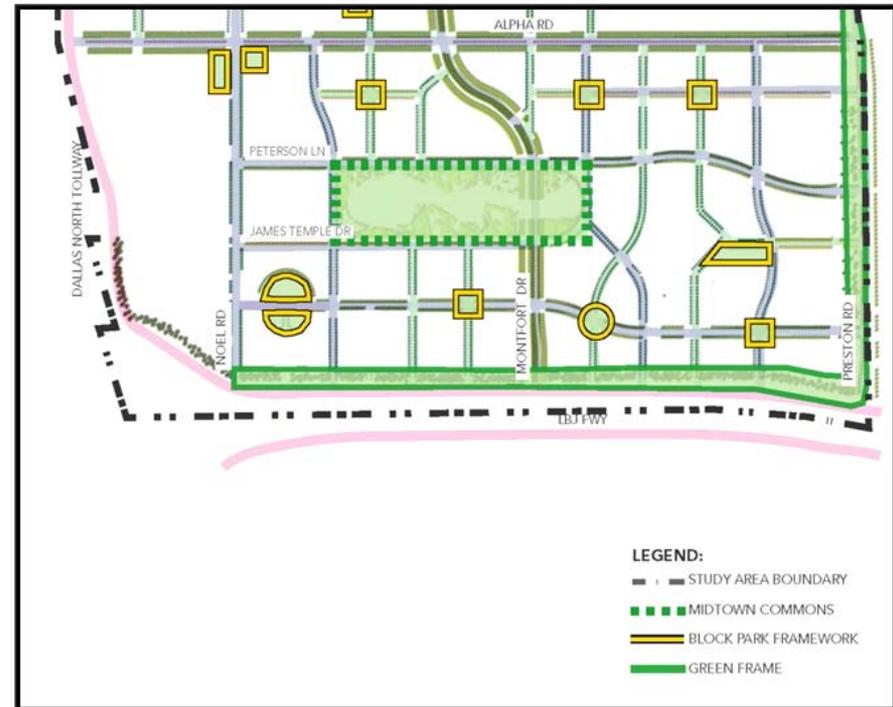
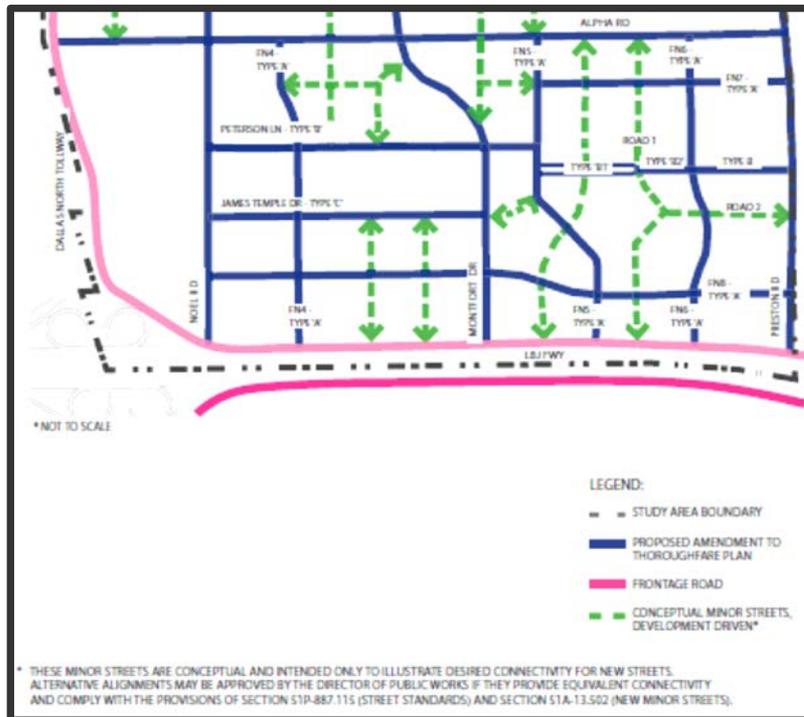
- Created in 2014 to stimulate private investment and sustain the orderly redevelopment of the Valley View Center Mall area and the Southwest Center Mall area, two commercial core assets of the City of Dallas.
- TIF District comprises 2 non-contiguous sub-districts:
 - Montfort-IH 635 Sub-District
 - Westmoreland-IH 20 Sub-District
- City participation: 0% in 2015; 90% from 2016 through 2042; 75% in 2043; and 55% in 2044.
- County participation: 55% from 2020 through 2039.
- The TIF District expires on December 31, 2044 or when approximately \$182.5 million (2014 dollars) or approximately \$431.4 million in total dollars has been collected.



Mall Area Redevelopment TIF District

Background (continued)

- With the assistance of the TIF District, the Montfort-IH 635 Sub-District is to be reconfigured into a traditional pattern of public streets, public open space, and smaller parcels of private land ownership, thereby setting the stage for incremental higher density redevelopment that is flexible to meet market demands and community needs.



Mall Area Redevelopment TIF District

Background (continued)

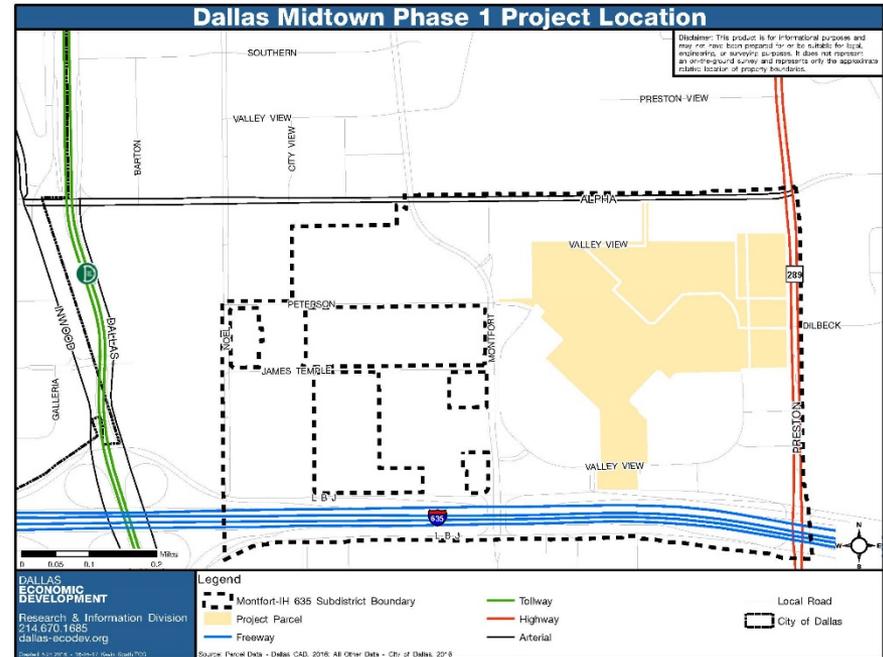
Increment Sharing Between Sub-Districts

- When the Mall Area Redevelopment TIF District was created by City Council in 2014, it was set up to facilitate tax increment revenue sharing from the Montfort-IH 635 Sub-District in order to help jump start redevelopment activity in the Westmoreland-IH 20 Sub-District.
- Per the District's Plan, ten percent (10%) of the annual tax increment generated by the Montfort-IH 635 Sub-District (less payment of annual administrative expenses) will be transferred to the Westmoreland-IH 20 Sub-District to help facilitate the revitalization and redevelopment of the Southwest Center Mall area.
- It is estimated that up to \$39.2 million will be cumulatively transferred to the Westmoreland-IH 20 Sub-District over the term of the District.
- It is estimated that approximately \$4.3 million will be cumulatively generated by the Dallas Midtown Phase 1 project and transferred to the Westmoreland-IH 20 Sub-District over the remaining 26 years of the District's term.

Dallas Midtown Phase 1 Project

Description

- During the process of creating the TIF District, the Midtown development was anticipated to be a primary catalyst. Staff has been in negotiations with Owner since that time.
- Owner/Developer – Midtown Development, Inc. (Beck Ventures-see Appendix I for details)
- Generally bounded by LBJ Fwy, Preston Rd, Alpha Rd, and Montfort Dr
- Total investment: \$290M (not including land)
- Minimum required investment: \$200M
- TIF funding: \$36M
- The Dallas Midtown Phase 1 project will not occur without TIF funding support.
- Investment of TIF funding in this catalyst project will secure, among other public benefits, the construction of quality mixed income housing, the initial assembly of public open space, significant horizontal construction of new public roads/utilities and vertical construction of new buildings in conformance with urban design standards, minority/women-owned business enterprise inclusion, and the demolition of obsolete facilities to prepare the way for comprehensive redevelopment in the Valley View Center mall area.



Dallas Midtown Phase 1 Project

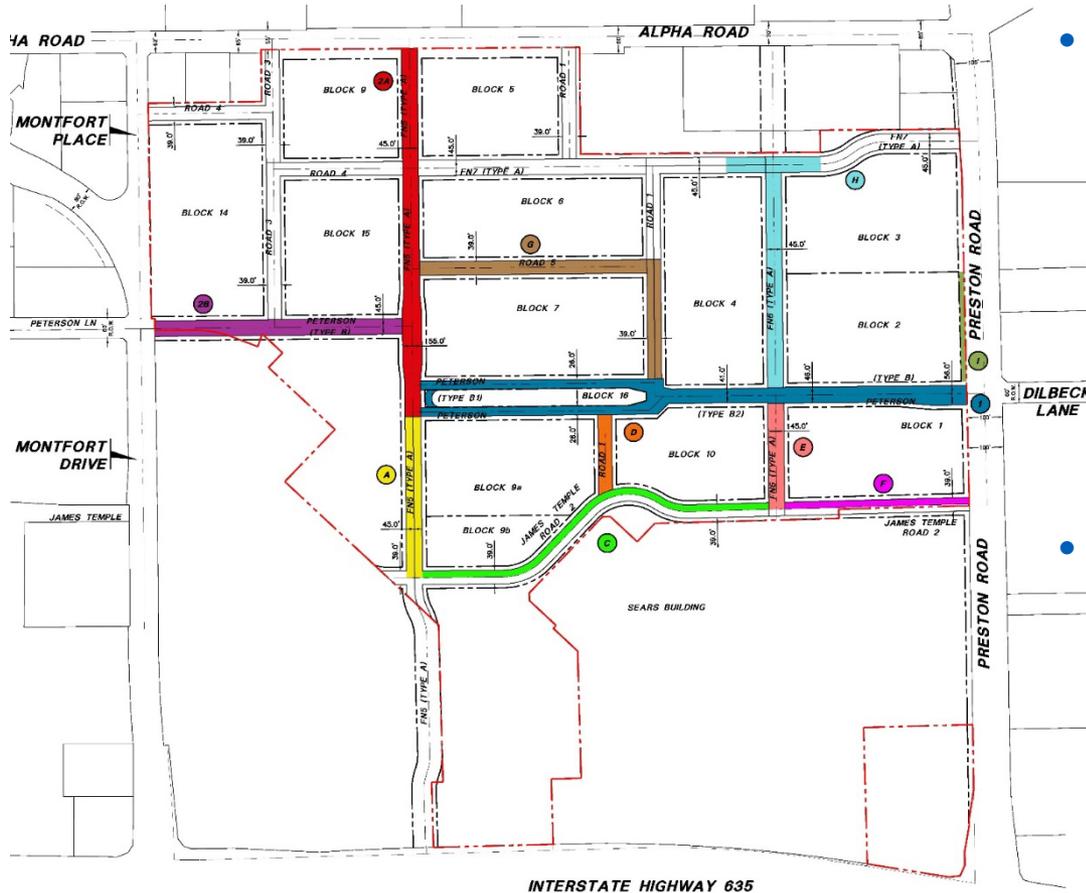
Description (continued)

The Dallas Midtown Phase 1 project is planned to include:

- unencumberance, vacation, environmental remediation, and demolition of the existing in-line mall (including the AMC theater), the former JC Penney anchor building, the former Dillard's anchor building, and the appurtenant parking structure;
- extensive site work (e.g. excavation; placement of fill; grading);
- infrastructure improvements (e.g. construction of new roads and utilities) necessary to prepare four (4) new blocks for the construction of new vertical improvements on those blocks;
- construction of new vertical improvements totaling approximately 897,550 gross square feet (excluding parking structures) of space in a mixed use configuration, including:
 - movie theater (approximately 48,900 gross square feet; approximately 10 screens; approximately 1,000 seats)
 - retail/restaurant/entertainment space (approximately 251,700 gross square feet)
 - office space (approximately 76,900 gross square feet)
 - multi-family rental residential units (approximately 359,910 gross square feet; approximately 310 units, 20% of which will be restricted as affordable according to the District's mixed income housing requirements)
 - full-service hotel (approximately 160,140 gross square feet; approximately 204 rooms)
- construction of integrated parking structures (4 multi-level structures totaling approximately 2,400 spaces);
- construction of open space totaling approximately 30,000 square feet (privately owned; privately maintained; publicly accessible); and
- conveyance by dedication to the City of two (2) tracts of real property (totaling approximately 4,134 square feet) for potential future use as public open space, subject to City securing additional real property for potential future use as public open space from the adjacent land owner to the west.

Dallas Midtown Phase 1 Project

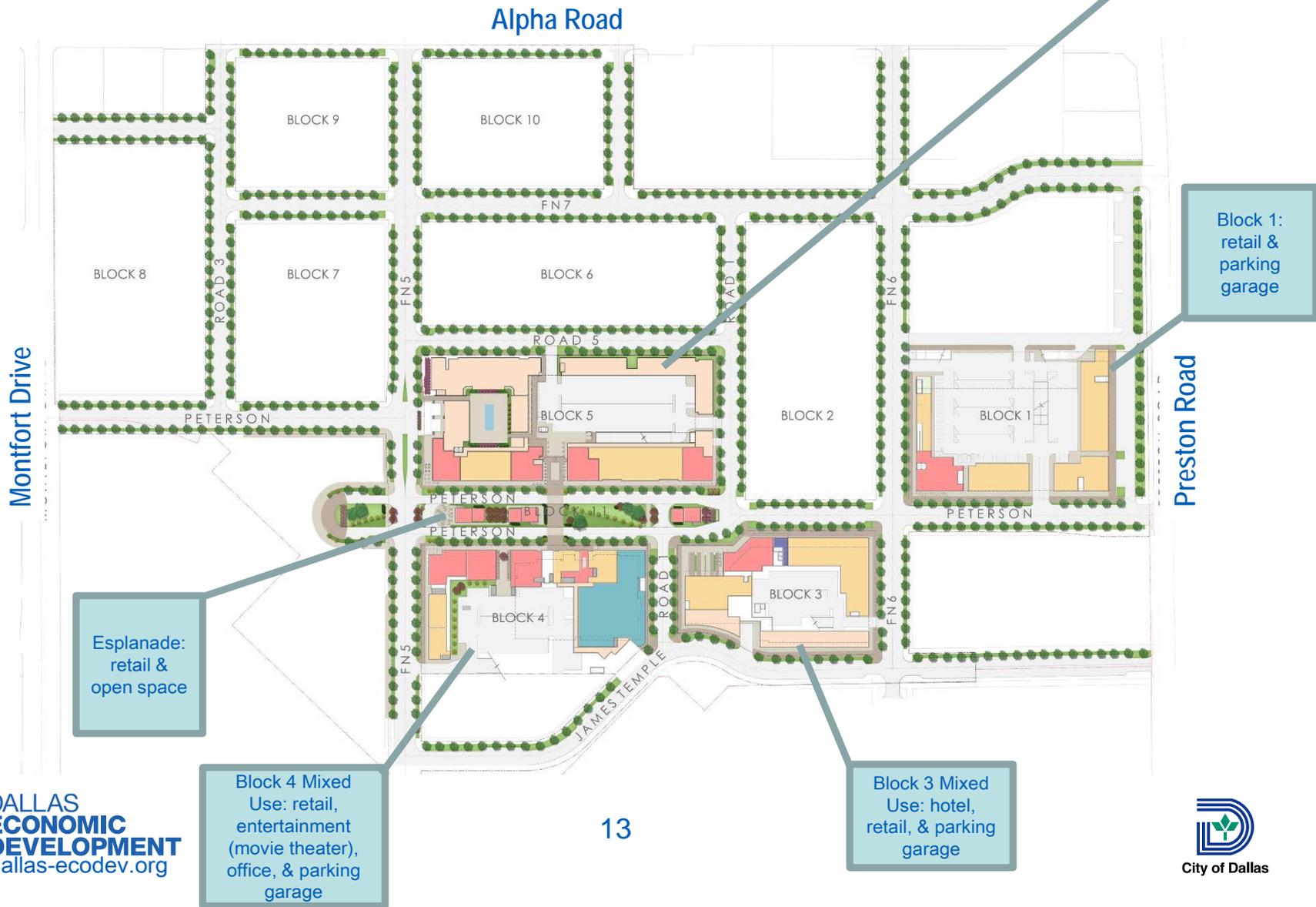
Site Plan: New Horizontal Infrastructure



- The road segments depicted in colors are anticipated to be necessary to support the required minimum of new vertical improvements included with Dallas Midtown Phase 1; however, specific road segments and/or portions of segments are subject to change based on final plan review during the permitting process.
- The road segments depicted in colors are also assumed to include associated infrastructure elements (e.g. demolition of existing paving; grading; new paving; storm sewer; water; sanitary sewer; gas; electric/telecomm duct bank; and streetscape (landscape, hardscape, irrigation)).

Dallas Midtown Phase 1 Project

Site Plan: New Vertical Improvements



Block 5 Mixed Use: MF residential, retail, & parking garage

Block 1: retail & parking garage

Esplanade: retail & open space

Block 4 Mixed Use: retail, entertainment (movie theater), office, & parking garage

Block 3 Mixed Use: hotel, retail, & parking garage

Dallas Midtown Phase 1 Project

Design Review

- The project has undergone extensive design review with the City Design Studio/Urban Design Peer Review Panel (“UDPRP”). Following reviews on March 20, May 8, and October 23, 2015, the UDPRP made design recommendations for various components of the project.
- On November 9, 2015, Owner provided an UDPRP response and revised drawings to the City Design Studio. On November 12, 2015, City Design Studio indicated that the materials provided by the Owner satisfied the requirement for design review.
- For each component of Dallas Midtown Phase 1, Owner shall also be required to submit a set of permit drawings to the City Design Studio for internal review at or before the time of permit submittal to ensure substantial conformance with the UDPRP recommendations and responses.

Dallas Midtown Phase 1 Project

Conceptual Renderings



Looking southeasterly from the intersection of Peterson Lane and Unnamed FN 5 (Block 4 and Esplanade in foreground and Block 3 in background)

Dallas Midtown Phase 1 Project

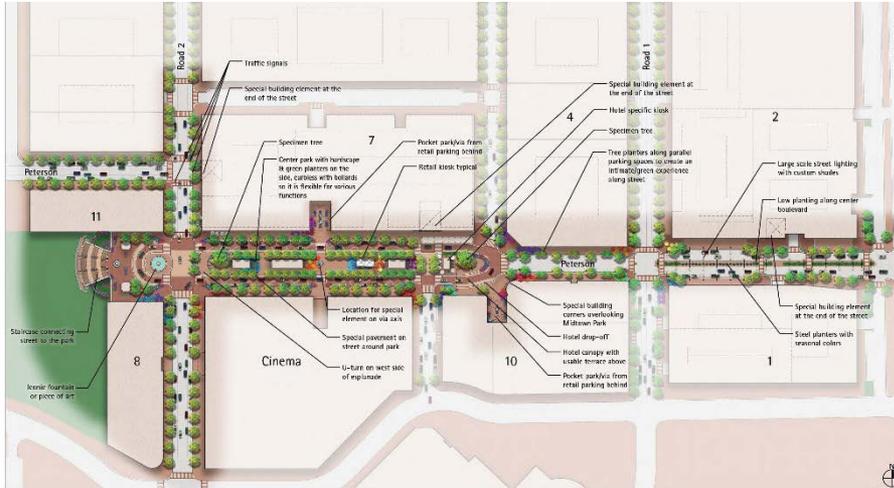
Conceptual Renderings (continued)



Looking westerly down Peterson Lane (Esplanade in the middle; Block 4 on the left; Block 5 on the right)

Dallas Midtown Phase 1 Project

Conceptual Renderings (continued)



Peterson Lane

Esplanade (enhanced open space area between Peterson Lane couplet with small retail/restaurant uses)



Summary: Dallas Midtown Phase 1 Project

Dallas Midtown Phase 1 Project	
Minimum Required Floor Area of New Vertical (not including parking structures)	775,000 gross sq. ft.
Minimum Required Number of Structured Parking Spaces	2,200
Minimum Required Investment	\$200,000,000
Estimated Total Project Cost (not including land)	\$290,000,000
TIF funding	\$36,000,000
% TIF funds to Total Project Cost	12.4%
Owner's deadline to commence demolition	December 31, 2016
Owner's deadline to secure construction funds/financing for the Project	March 31, 2017
Owner's deadline to obtain all necessary building permits	June 30, 2017
Owner's deadline to complete construction and obtain COs for minimum required vertical improvements of the Project	December 31, 2019

Dallas Midtown Phase 1 Project

Proposed TIF Funding

Montfort-IH 635 Sub-District	
Category	Amount
Environmental remediation & demolition	\$1,000,000
Public infrastructure improvements	\$19,000,000
Economic development grant (public benefits of high density development in an urban form; public open space; and affordable housing)	\$16,000,000
Total	\$36,000,000

- TIF funding is recommended for the Dallas Midtown Phase 1 project in an amount not to exceed \$36,000,000 (unadjusted) to be available under the “Montfort-IH 635 Sub-District” TIF budget category with anticipated items including: (i) environmental remediation and demolition (net of salvage value)--\$1,000,000; (ii) public infrastructure improvements (e.g. roads, utilities, and streetscape)--\$19,000,000; (iii) economic development grant to secure the public benefit that arises from accommodating high density development in an urban form and providing public open space, both of which have a sub-district-wide benefit--\$4,000,000; and (iv) economic development grant to secure the public benefit of including high quality affordable housing in an area of opportunity--\$12,000,000.
- Expenditures may be shifted from one category to another as long as the total amount of TIF funding does not exceed \$36,000,000 and as long as the total amount of the grant portion does not exceed \$18,000,000. No interest shall accrue on any portion of the TIF funding (see Appendix E for funding conditions).
- Grant portion of proposed TIF funding is pursuant to the adopted Grant Program Guidelines for the Mall Area Redevelopment TIF District and is necessary to make the project financially viable.

Dallas Midtown Phase 1 Project

TIF Board Recommendation

- On June 8, 2016, the Mall Area Redevelopment TIF Board of Directors reviewed and recommended TIF funding for the Dallas Midtown Phase 1 Project in an amount not to exceed \$36,000,000.

Recommendation

- Economic Development Committee recommendation for City Council consideration of a development agreement for TIF funding not to exceed \$36,000,000.
- City Council consideration on June 22, 2016.

APPENDICES

Appendix A: Mall Area Redevelopment TIF District

District Budget

Mall Area Redevelopment TIF District			
Projected Increment Revenues to Retire TIF Fund Obligations			
Category	B TIF Budget**	C Allocated	B - C TIF Balance
Montfort-IH 635 Sub-District			
Public Infrastructure Improvements; Environmental Remediation & Demolition; Grants for Economic Development	\$257,932,879	\$28,000,000	\$229,932,879
Set Aside for Land Acquisition for Sub-District-Wide Central Open Space***	\$70,928,332	\$0	\$70,928,332
Set Aside for Sub-District-Wide Infrastructure Improvements	\$23,642,777	\$8,000,000	\$15,642,777
Westmoreland-IH 20 Sub-District			
Public Infrastructure Improvements; Environmental Remediation & Demolition; Parks, Open Space, Trails, Gateways; Grants for Economic Development	\$71,203,156	\$0	\$71,203,156
Administration and Implementation*	\$7,683,903	\$401,601	\$7,282,302
Total Project Costs	\$431,391,047	\$36,401,601	\$394,989,446
<p>* TIF Administration costs are pending until collection of sufficient tax increment to reimburse the City. Collection is scheduled to begin with tax year 2016.</p> <p>** TIF Budget shown above is in total dollars, updated yearly. The TIF Project Plan shows the budget in net present value.</p> <p>*** For land acquisition and associated costs; not for design, construction, maintenance, or operating/programming costs.</p>			

Budget above reflects pending City Council approval of the Dallas Midtown Phase 1 Project TIF funding allocation in the Montfort-IH 635 Sub-District

Appendix B: Mall Area Redevelopment TIF District

District Increment Chart

Tax Year	Captured Appraised Value Montfort-IH 635 Sub-District	Captured Appraised Value Westmoreland-IH 20 Sub-District	Captured Appraised Value Sub-Districts Combined	City of Dallas				Dallas County				TOTAL		CUMULATIVE Tax Increment Revenue to TIF Fund		
				City Real Property Tax Increment	% of City Tax Increment to TIF Fund	City Tax Increment to TIF Fund	Cumulative to TIF Fund NPV (2014 dollars)	County Real Property Tax Increment	% of County Tax Increment to TIF Fund	County Tax Increment to TIF Fund	Cumulative to TIF Fund NPV (2014 dollars)	TOTAL Tax Increment Revenue to TIF Fund (City and County)	Net Present Value (2014 dollars)	4%		
														Annual Discount Rate	Annual Discount Rate	
Base 2014	\$0	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1 2015	\$1,121,760	\$605,100	\$1,726,860	\$13,763	0%	\$0	\$0	\$4,198	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 2016	\$2,618,895	\$808,810	\$3,427,705	\$27,319	90%	\$24,587	\$21,858	\$8,333	0%	\$0	\$0	\$0	\$0	\$0	\$24,587	\$21,858
3 2017	\$79,250,450	\$1,014,557	\$80,265,006	\$639,712	90%	\$575,741	\$514,003	\$195,124	0%	\$0	\$0	\$0	\$0	\$0	\$575,741	\$514,003
4 2018	\$170,702,105	\$1,222,361	\$171,924,466	\$1,370,238	90%	\$1,233,214	\$1,527,616	\$417,948	0%	\$0	\$0	\$0	\$0	\$0	\$1,233,214	\$1,527,616
5 2019	\$267,359,311	\$1,432,244	\$268,791,555	\$2,142,269	90%	\$1,928,042	\$3,051,375	\$653,432	0%	\$0	\$0	\$0	\$0	\$0	\$1,928,042	\$3,051,375
6 2020	\$271,518,822	\$1,644,225	\$273,163,047	\$2,177,109	90%	\$1,959,399	\$4,540,357	\$664,059	55%	\$365,233	\$277,547	\$2,324,631	\$2,324,631	\$4,817,904	\$3,051,375	\$4,817,904
7 2021	\$343,779,821	\$2,946,841	\$346,726,662	\$2,938,751	90%	\$2,644,876	\$6,472,942	\$896,375	55%	\$493,006	\$637,781	\$3,137,682	\$3,137,682	\$7,110,724	\$4,817,904	\$7,110,724
8 2022	\$350,573,822	\$25,393,968	\$375,967,790	\$2,996,463	90%	\$2,696,817	\$8,367,690	\$913,978	55%	\$502,688	\$990,963	\$3,199,505	\$3,199,505	\$9,358,653	\$7,110,724	\$9,358,653
9 2023	\$523,018,148	\$28,408,782	\$551,426,930	\$4,394,873	90%	\$3,955,385	\$11,039,807	\$1,340,519	55%	\$737,285	\$1,489,047	\$4,692,671	\$4,692,671	\$12,528,853	\$9,358,653	\$12,528,853
10 2024	\$590,520,874	\$38,573,538	\$629,094,412	\$4,974,032	90%	\$4,476,629	\$13,947,740	\$1,517,174	55%	\$834,445	\$2,031,087	\$5,311,075	\$5,311,075	\$15,978,826	\$12,528,853	\$15,978,826
11 2025	\$597,912,001	\$69,272,445	\$667,184,446	\$5,317,460	90%	\$4,785,714	\$16,936,882	\$1,621,925	55%	\$892,059	\$2,588,264	\$5,677,773	\$5,677,773	\$19,525,146	\$15,978,826	\$19,525,146
12 2026	\$605,377,038	\$71,894,912	\$677,271,950	\$5,397,857	90%	\$4,858,072	\$19,854,514	\$1,646,448	55%	\$905,546	\$3,132,112	\$5,763,618	\$5,763,618	\$22,986,623	\$19,525,146	\$22,986,623
13 2027	\$862,774,244	\$78,993,763	\$941,768,007	\$7,505,891	90%	\$6,755,302	\$23,755,533	\$2,289,438	55%	\$1,259,191	\$3,859,263	\$8,014,493	\$8,014,493	\$27,614,796	\$22,986,623	\$27,614,796
14 2028	\$1,190,351,358	\$85,249,403	\$1,275,600,761	\$10,166,538	90%	\$9,149,884	\$28,836,139	\$3,100,985	55%	\$1,705,542	\$4,806,290	\$10,855,426	\$10,855,426	\$33,642,429	\$27,614,796	\$33,642,429
15 2029	\$1,401,021,398	\$132,823,308	\$1,533,844,705	\$12,224,742	90%	\$11,002,268	\$34,710,340	\$3,728,776	55%	\$2,050,827	\$5,901,243	\$13,053,095	\$13,053,095	\$40,611,583	\$33,642,429	\$40,611,583
16 2030	\$1,797,161,993	\$139,996,003	\$1,937,157,996	\$15,439,149	90%	\$13,895,234	\$41,843,781	\$4,709,231	55%	\$2,590,077	\$7,230,920	\$16,485,311	\$16,485,311	\$49,071,701	\$40,611,583	\$49,071,701
17 2031	\$1,880,561,060	\$167,387,468	\$2,067,948,528	\$16,481,550	90%	\$14,833,395	\$49,165,962	\$5,027,183	55%	\$2,764,951	\$8,595,777	\$17,598,345	\$17,598,345	\$57,761,739	\$49,071,701	\$57,761,739
18 2032	\$2,107,004,427	\$191,778,425	\$2,298,782,853	\$18,321,299	90%	\$16,489,169	\$56,992,421	\$5,588,341	55%	\$3,073,588	\$10,054,632	\$19,562,757	\$19,562,757	\$67,047,054	\$57,761,739	\$67,047,054
19 2033	\$2,208,988,243	\$223,263,116	\$2,432,251,359	\$19,385,043	90%	\$17,446,539	\$64,954,794	\$5,912,803	55%	\$3,252,042	\$11,538,821	\$20,698,581	\$20,698,581	\$76,493,616	\$67,047,054	\$76,493,616
20 2034	\$2,549,488,744	\$225,693,406	\$2,775,182,150	\$22,118,202	90%	\$19,906,382	\$73,690,383	\$6,746,468	55%	\$3,710,557	\$13,167,139	\$23,616,939	\$23,616,939	\$86,857,522	\$76,493,616	\$86,857,522
21 2035	\$2,679,074,244	\$228,147,999	\$2,907,222,243	\$23,170,561	90%	\$20,853,505	\$82,489,632	\$7,067,457	55%	\$3,887,101	\$14,807,322	\$24,740,639	\$24,740,639	\$97,296,954	\$86,857,522	\$97,296,954
22 2036	\$2,862,287,865	\$234,837,766	\$3,097,125,630	\$24,684,091	90%	\$22,215,682	\$91,503,119	\$7,529,112	55%	\$4,141,102	\$16,487,440	\$26,356,694	\$26,356,694	\$107,990,559	\$97,296,954	\$107,990,559
23 2037	\$2,981,402,916	\$237,383,802	\$3,218,786,719	\$25,653,730	90%	\$23,088,357	\$100,510,383	\$7,824,871	55%	\$4,303,679	\$18,166,397	\$27,392,036	\$27,392,036	\$118,676,780	\$107,990,559	\$118,676,780
24 2038	\$3,177,491,814	\$274,163,886	\$3,451,655,700	\$27,509,696	90%	\$24,758,726	\$109,797,797	\$8,390,975	55%	\$4,615,036	\$19,897,575	\$29,373,763	\$29,373,763	\$129,695,372	\$118,676,780	\$129,695,372
25 2039	\$3,212,868,608	\$277,103,184	\$3,489,971,791	\$27,815,075	90%	\$25,033,568	\$118,827,136	\$8,484,121	55%	\$4,664,298	\$21,579,937	\$29,697,865	\$29,697,865	\$140,407,073	\$129,695,372	\$140,407,073
26 2040	\$3,576,165,658	\$281,706,643	\$3,857,872,301	\$30,763,182	90%	\$27,686,864	\$128,429,399	\$9,383,350	0%	\$0	\$21,579,937	\$27,686,864	\$27,686,864	\$150,009,336	\$140,407,073	\$150,009,336
27 2041	\$3,802,953,762	\$284,721,368	\$4,087,675,130	\$32,578,771	90%	\$29,320,894	\$138,207,256	\$9,937,138	0%	\$0	\$21,579,937	\$29,320,894	\$29,320,894	\$169,787,193	\$150,009,336	\$169,787,193
28 2042	\$3,842,469,217	\$289,565,851	\$4,132,035,068	\$32,932,319	90%	\$29,639,088	\$147,711,072	\$10,044,977	0%	\$0	\$21,579,937	\$29,639,088	\$29,639,088	\$169,787,193	\$169,787,193	\$169,787,193
29 2043	\$3,882,379,826	\$292,659,169	\$4,175,038,995	\$33,275,061	75%	\$24,956,296	\$155,405,564	\$10,149,520	0%	\$0	\$21,579,937	\$24,956,296	\$24,956,296	\$176,985,500	\$169,787,193	\$176,985,500
30 2044	\$3,922,689,542	\$295,763,419	\$4,218,472,961	\$33,621,230	55%	\$18,473,259	\$160,882,151	\$10,255,108	0%	\$0	\$21,579,937	\$18,473,259	\$18,473,259	\$182,462,088	\$176,985,500	\$182,462,088
Total for years 1-30				\$446,035,979		\$384,642,887		\$136,049,368		\$46,748,163		\$431,391,050				
NPV @ 4%						\$160,882,151				\$21,579,937		\$182,462,088				

Appendix C: Dallas Midtown Phase 1 Project Project Increment Chart

								Cumulative Revenue to TIF Fund Net Present Value (2014 dollars)
TIF Zone	Appraised Value for Year	Tax Deposited to TIF Fund by May 1,	% of City Real Property Tax Increment to TIF Fund	From City	% of County Real Property Tax Increment to TIF Fund	From County	Total Revenue to TIF Fund	4.0% Annual Discount Rate
Base	2014	2015	0%	\$0	0%	\$0	\$0	\$0
1	2015	2016	0%	\$0	0%	\$0	\$0	\$0
2	2016	2017	90%	\$1,788	0%	\$0	\$1,788	\$1,590
3	2017	2018	90%	\$3,617	0%	\$0	\$3,617	\$4,681
4	2018	2019	90%	\$5,486	0%	\$0	\$5,486	\$9,190
5	2019	2020	90%	\$1,106,242	0%	\$0	\$1,106,242	\$883,470
6	2020	2021	90%	\$1,132,921	55%	\$211,177	\$1,344,098	\$1,904,873
7	2021	2022	90%	\$1,160,200	55%	\$216,262	\$1,376,461	\$2,910,640
8	2022	2023	90%	\$1,188,092	55%	\$221,461	\$1,409,553	\$3,900,974
9	2023	2024	90%	\$1,216,613	55%	\$226,777	\$1,443,390	\$4,876,076
10	2024	2025	90%	\$1,245,775	55%	\$232,213	\$1,477,987	\$5,836,149
11	2025	2026	90%	\$1,275,593	55%	\$237,771	\$1,513,364	\$6,781,391
12	2026	2027	90%	\$1,306,082	55%	\$243,454	\$1,549,536	\$7,712,002
13	2027	2028	90%	\$1,337,257	55%	\$249,265	\$1,586,522	\$8,628,179
14	2028	2029	90%	\$1,369,133	55%	\$255,207	\$1,624,340	\$9,530,117
15	2029	2030	90%	\$1,401,727	55%	\$261,282	\$1,663,009	\$10,418,012
16	2030	2031	90%	\$1,435,054	55%	\$267,495	\$1,702,548	\$11,292,054
17	2031	2032	90%	\$1,469,131	55%	\$273,847	\$1,742,977	\$12,152,437
18	2032	2033	90%	\$1,503,974	55%	\$280,341	\$1,784,316	\$12,999,349
19	2033	2034	90%	\$1,539,602	55%	\$286,982	\$1,826,584	\$13,832,978
20	2034	2035	90%	\$1,576,031	55%	\$293,773	\$1,869,804	\$14,653,511
21	2035	2036	90%	\$1,613,280	55%	\$300,716	\$1,913,996	\$15,461,132
22	2036	2037	90%	\$1,651,367	55%	\$307,815	\$1,959,182	\$16,256,023
23	2037	2038	90%	\$1,690,311	55%	\$315,075	\$2,005,385	\$17,038,367
24	2038	2039	90%	\$1,730,131	55%	\$322,497	\$2,052,628	\$17,808,343
25	2039	2040	90%	\$1,770,847	55%	\$330,087	\$2,100,934	\$18,566,127
26	2040	2041	90%	\$1,812,479	0%	\$0	\$1,812,479	\$19,194,725
27	2041	2042	90%	\$1,855,048	0%	\$0	\$1,855,048	\$19,813,341
28	2042	2043	90%	\$1,898,575	0%	\$0	\$1,898,575	\$20,422,122
29	2043	2044	75%	\$1,619,234	0%	\$0	\$1,619,234	\$20,921,362
30	2044	2045	55%	\$1,215,249	0%	\$0	\$1,215,249	\$21,281,635
Total				\$38,130,837		\$5,333,496	\$43,464,333	

Appendix D: Dallas Midtown Phase 1 Project

Increment Prioritization

Pursuant to the Increment Allocation Policy for the Mall Area Redevelopment TIF District, this Dallas Midtown Phase 1 Project will be eligible for TIF funding upon completion of the Project and all development agreement obligations based on the following provisions:

- a. Annually, after (1) payment of the Montfort-IH 635 Sub-District's portion of Administrative Expenses, (2) the Transfer to the Westmoreland-IH 20 Sub-District, (3) the Set Aside for Sub-District-Wide Public Infrastructure Improvements, and (4) the Set Aside for Land Acquisition for Sub-District-Wide Central Open Space, Owner will receive the balance of the increment (i.e. proportional Individual Increment) generated by:
 - (i) this Dallas Midtown Phase 1 Project,
 - (ii) any appreciation of values of property located within the Dallas Midtown Development Area prior to the completion of any future development projects, and
 - (iii) any future development projects (commercial components only) within the Dallas Midtown Development Area that do not receive their own TIF funding through separate stand-alone TIF development agreements.
- b. Additionally, Owner annually will receive 75% of the Set Aside for Sub-District-Wide Public Infrastructure Improvements in the Montfort-IH 635 Sub-District (up to a total not to exceed \$8,000,000).
- c. Additionally, Owner annually will receive up to the first \$750,000 of the Montfort-IH 635 Sub-District Shared Increment (if any) and a pro-rata portion of any remaining amount above \$750,000.

Appendix E: Dallas Midtown Phase 1 Project

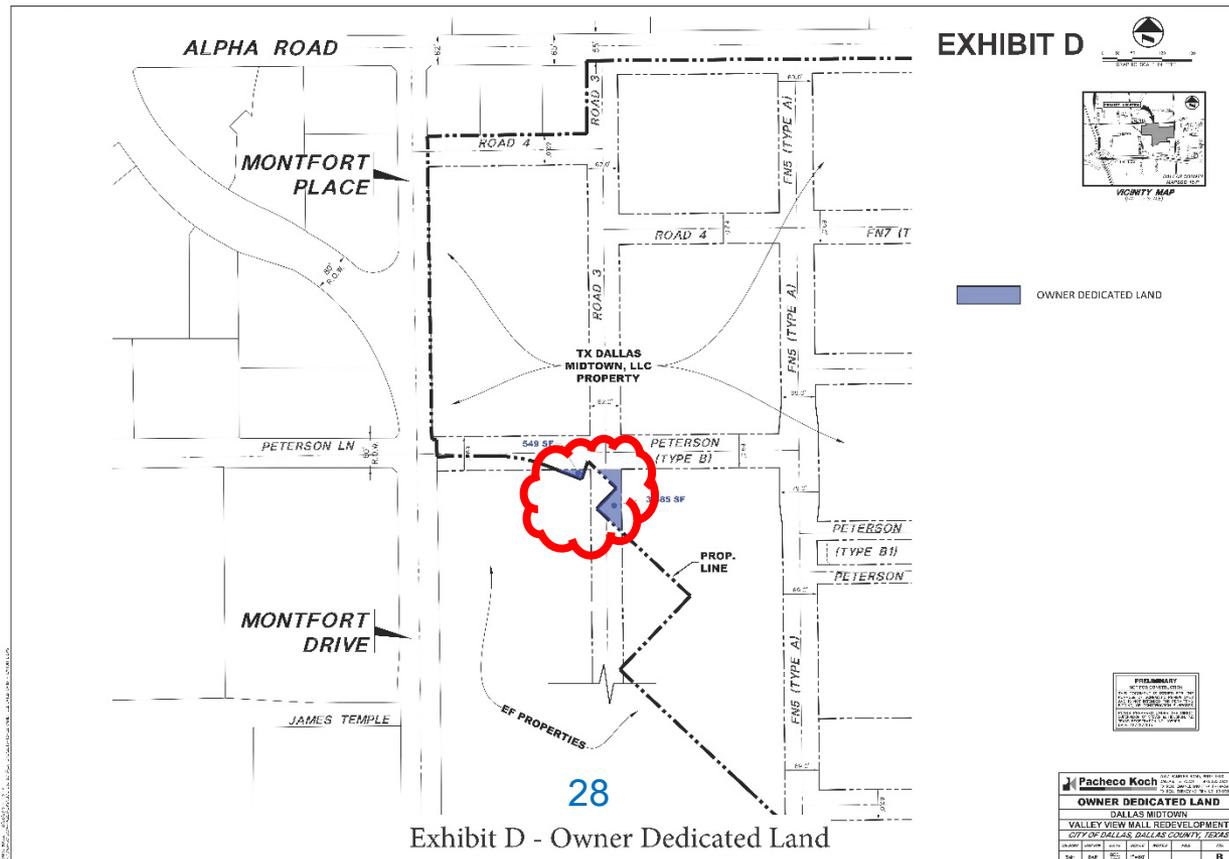
Conditions of TIF Funding

- Minimum private investment of \$200,000,000 for Project (including environmental remediation (if any), demolition, site preparation, construction of horizontal infrastructure and vertical building improvements, and construction related soft costs)
 - Demolition shall include the existing in-line mall (including AMC theater), the former JC Penney anchor building, the former Dillard's anchor building, and the appurtenant parking structure.
 - All necessary site work (e.g. excavation, placement of fill, grading) to prepare site.
 - Construction of infrastructure improvements (e.g. new roads, utilities, and streetscape) necessary to support the required minimum of new vertical improvements included with the Project.
 - Construction of a total minimum of 775,000 gross square feet of floor area (excluding parking structures) of new vertical improvements, which shall include the following required components:
 - Movie theater (minimum 40,000 gross square feet);
 - Retail/restaurant/entertainment space (minimum 175,000 gross square feet);
 - Office space (minimum 70,000 gross square feet);
 - Multi-family rental residential units (minimum 300 units);
 - Hotel (minimum 200 rooms);
 - Integrated parking structures (minimum total 2,200 spaces); and
 - Open space (minimum total 17,500 square feet; privately owned; privately maintained; publicly accessible).

Appendix E: Dallas Midtown Phase 1 Project

Conditions of TIF Funding (continued)

- Owner shall convey by dedication to the City two (2) tracts of real property (totaling approximately 4,134 square feet) for potential future use as public open space, subject to City securing additional real property for potential future use as public open space from the adjacent land owner to the west. This dedication shall not be used to satisfy the requirement in the zoning (PD 887) for additional open space.



Appendix E: Dallas Midtown Phase 1 Project

Conditions of TIF Funding (continued)

- On or before December 31, 2016, the Owner shall commence demolition.
- On or before March 31, 2017, the Owner shall secure and provide evidence of construction funds or financing for the Project.
- On or before June 30, 2017, the Owner shall obtain all necessary permits for the construction of the Project. Demolition permits and/or foundation permits alone will not fulfill this requirement.
- On or before December 31, 2019, the Owner shall complete construction of the Project and obtain certificates of occupancy, with or without tenant finish out, for the minimum required vertical improvements associated with the Project.
- On or before December 31, 2019, the Owner shall obtain the City's written final acceptance of all public infrastructure improvements associated with the Project.
- On or before December 31, 2019, the Owner shall execute and fund an Operating and Maintenance Agreement for all non-standard public infrastructure improvements associated with the Project.
- Owner shall provide public access easements, deed restrictions, or other instruments if any street and utility infrastructure improvements as part of the Project remain privately owned in order to be considered for TIF funding.

Appendix E: Dallas Midtown Phase 1 Project

Conditions of TIF Funding (continued)

- Owner shall reserve 20% (approximately 62 units) of the approximately 310 units in the multi-family residential component of the Project as affordable according to the District's Mixed Income Housing Policy Guidelines:
 - 15-year affordability period
 - Affordable rent maximum 30% of 80% of AMFI, including a utility allowance
 - Affordable units shall be of identical finish-out and materials as market rate units; shall be spatially dispersed within the multi-family residential component; and shall be dispersed pro-rata by unit type as defined by the number of bedrooms in the unit.
- Owner shall market the multi-family residential component of the Project pursuant to City's Affirmative Fair Housing Marketing Plan requirements.
- Owners shall submit annual compliance reports after completion and final CO of the multi-family residential component of the Project.
- If (a) any portion of the Project on which affordable housing units are constructed is sold, and (b) the buyer of such sold portion of the Project is not an affiliate of Owner, or (c) the development agreement is terminated prior to the conclusion of the 15-year affordability period, then Owner shall execute deed restrictions prior to the closing of the sale to ensure that the sold property will comply with the District's Mixed Income Housing Policy Guidelines for the remainder of the 15-year affordability period, and any default not timely cured shall entitle City to recapture any TIF funding disbursed to subsidize Dallas Midtown Phase 1.

Appendix E: Dallas Midtown Phase 1 Project

Conditions of TIF Funding (continued)

- Owner shall make good faith efforts to comply with a Business Inclusion and Development (“BID”) goal of 25% certified minority/women-owned business enterprise (M/WBE) participation for the TIF reimbursable public improvements (hard construction costs only) and 15% M/WBE participation for the private expenditures (hard construction costs only).
- Owner shall submit quarterly status reports for ongoing work on the Project (including all public improvements associated with Project) until the Owner has received certificates of occupancy for the minimum required vertical improvements associated with the Project and until all required paperwork for TIF funding has been submitted.
- Owner shall provide evidence that reasonable efforts were made to promote the hiring of neighborhood and City of Dallas residents for any new jobs created by the Project.
- The Director of the Office of Economic Development, after approval and recommendation of the Mall Area Redevelopment TIF District Board of Directors, may authorize minor modifications to the Project consistent with the Plan’s goals, including development mix, design elements, and/or an extension of the Project deadlines up to six (6) months.

Appendix E: Dallas Midtown Phase 1 Project

Conditions of TIF Funding (continued)

- The TIF funding could be less if adequate increment does not accrue to the TIF fund. No funds will be disbursed until all conditions of the development agreement have been satisfied by Owner and only if and when TIF funds are available. Dallas County funds can only be used for public infrastructure and other TIF-eligible costs (not for grant disbursements). The TIF funding could also be less if the actual costs of TIF-eligible improvements (i.e. environmental remediation, demolition, public infrastructure, etc.) related to the Project total less than \$18,000,000.
- The TIF funding is contingent on collection of adequate TIF increment and does not represent a funding commitment backed by the full faith and credit of the City of Dallas.
- A minimum of 50% of the ground floor non-residential space in the Project must be occupied prior to the release of any TIF funding and must continue to be occupied throughout the term of the agreement in order to be eligible for TIF funding. Owner shall promptly notify the City if occupancy falls below this threshold, and the City will allow Owner a period of ninety (90) days to cure any such occupancy deficit.

Appendix F: Dallas Midtown Phase 1 Project

Project Proforma

PROJECT DESCRIPTION:		Dallas Midtown Phase 1	
SITE AREA:		14 acres	(613,877 SF)
CONSTRUCTION PERIOD:		3 years	
ANTICIPATED CONSTR START DATE:		December 2016	
Income (Annual)		Total Project Cost (Private + Public) \$351,148,241	
Net Rental Income	\$18,444,335	TIF ASSISTANCE (current \$)	\$36,000,000
Total Operating Expenses	\$7,552,559	Total Project Cost (with TIF)	\$315,148,241
NOI (without TIF \$)	\$10,891,776	Return on Cost Analysis	
Project Costs		NOI/Total Project Costs	
Net Private Costs for each Block (i.e. land costs; hard construction costs; soft construction costs)	\$209,692,576	Return on Cost (without TIF \$)	3.10%
Land Allocation Costs (post Phase 1)	\$114,472,976	Return on Cost (with TIF \$)	3.46%
Public Costs	\$26,982,689		
Total Project Cost (Private + Public)	\$351,148,241		

Appendix G: Dallas Midtown Phase 1 Project

Anticipated Funding Sources and Uses

Funding Source	Amount	Use
Private Equity	\$160,971,917	Land and Construction
Construction Loan	\$151,809,421	Construction
Total	\$312,781,338	

- Funding sources are still being finalized.
- Assumes that the Owner sells hotel rights to a hotel developer and does not retain any equity in the hotel portion of Block 3.
- Assumes \$36,000,000 TIF funding.
- Private equity includes land for Phase 1 as well as land allocation post Phase 1.

Appendix H: Dallas Midtown Phase 1 Project

Other Public Funding

- To help support the provision of the substantial amount of new public infrastructure required in the Montfort-IH 635 Sub-District, Owner and City acknowledge that other sources of public funding are being considered (e.g. for a segment of future unnamed road FN5 and/or a segment of future Peterson Lane), including: (a) approximately \$3.5 million in 2006 City bond program funding and (b) approximately \$1.9 million in Dallas County funding.
- Owner acknowledges that any additional City funding is subject to approval by City Council.
- Owner acknowledges that the TIF funding proposed for this Dallas Midtown Phase 1 Project is a fixed, not to exceed amount, regardless of the outcome of other contemplated public funding.
- Owner acknowledges that any future request for additional TIF funding for this Dallas Midtown Phase 1 Project would be evaluated based on the Project having additional private development and on the overall financial status of the District.

Appendix I: Dallas Midtown Phase 1 Project

Development Team

Midtown Development, Inc. (Beck Ventures)

- Dallas family
- 40 years experience with a variety of businesses, including real estate acquisition, development, and management as well as other diversified ventures—Quantum Holdings, LP; Capital Senior Living Inc. (NYSE: CSU); United Texas Bank
- Master developer in Trophy Club, TX

Appendix I: Dallas Midtown Phase 1 Project

Development Team (continued)

Leadership:

- **Jeffrey Beck**, involved in all aspects of the company. Earlier in career, was Regional Controller with Trammel Crow Company before founding/leading several real estate companies (e.g. Trophy Club master developer) as well as several other business interests (e.g. Capital Senior Living; Quantum Holdings; United Texas Bank).
- **Scott Beck**, President/CEO, leading the Dallas Midtown Phase 1 Project. Previously with JP Morgan Chase; SG Cowen; and Ernst & Young.
- **George Burchlaw**, Executive Vice President, joined team in October 2015. Was previously with Forest City Enterprises, managing over \$275 million of complex, urban, large-scale development projects.

Memorandum



DATE June 17, 2016

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II, (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Workforce Readiness, Placement and Retention Program Update**

On Monday, June 20, 2016 the Economic Development Committee will be briefed on Workforce Readiness, Placement and Retention Program Update

Briefing material is attached.

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



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council

A.C. Gonzalez, City Manager	Mark McDaniel, Assistant City Manager
Christopher D. Bowers, Interim City Attorney	Joey Zapata, Assistant City Manager
Craig D. Kinton, City Auditor	Jeanne Chipperfield, Chief Financial Officer
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Jill A. Jordan, P.E., Assistant City Manager	Elsa Cantu, Assistant to the City Manager – Mayor & Council

Workforce Readiness, Placement & Retention Program Update

June 20, 2016

Economic Development Committee



Briefing Purpose

Provide overview of proposed workforce readiness, placement and retention “Continuum of Service” pilot program to serve impoverished and disconnected communities

Request ECO Committee approval to seek Council consideration in August to authorize a \$1.5M allocation from PPP Fund to support issuance of an RFP to implement this initiative

Background

ECO briefing on 5/16/16 highlighted need for enhanced outreach to low-income/low-skilled residents in high poverty/unemployment areas (see map in Appendix A)

- Much of this targeted population is outside the labor force and not aware of existing workforce programs
- “Don’t know what they don’t know”
- High percentage are formerly incarcerated, out –of-school youth/young adults and single parents
- More comprehensive approach that effectively integrates existing program resources to better serve residents of disconnected neighborhoods is needed
- High growth industries, including Advanced Manufacturing, Construction, Healthcare, Information Technology, Logistics and Distribution have entry-level and middle-skills employment gaps

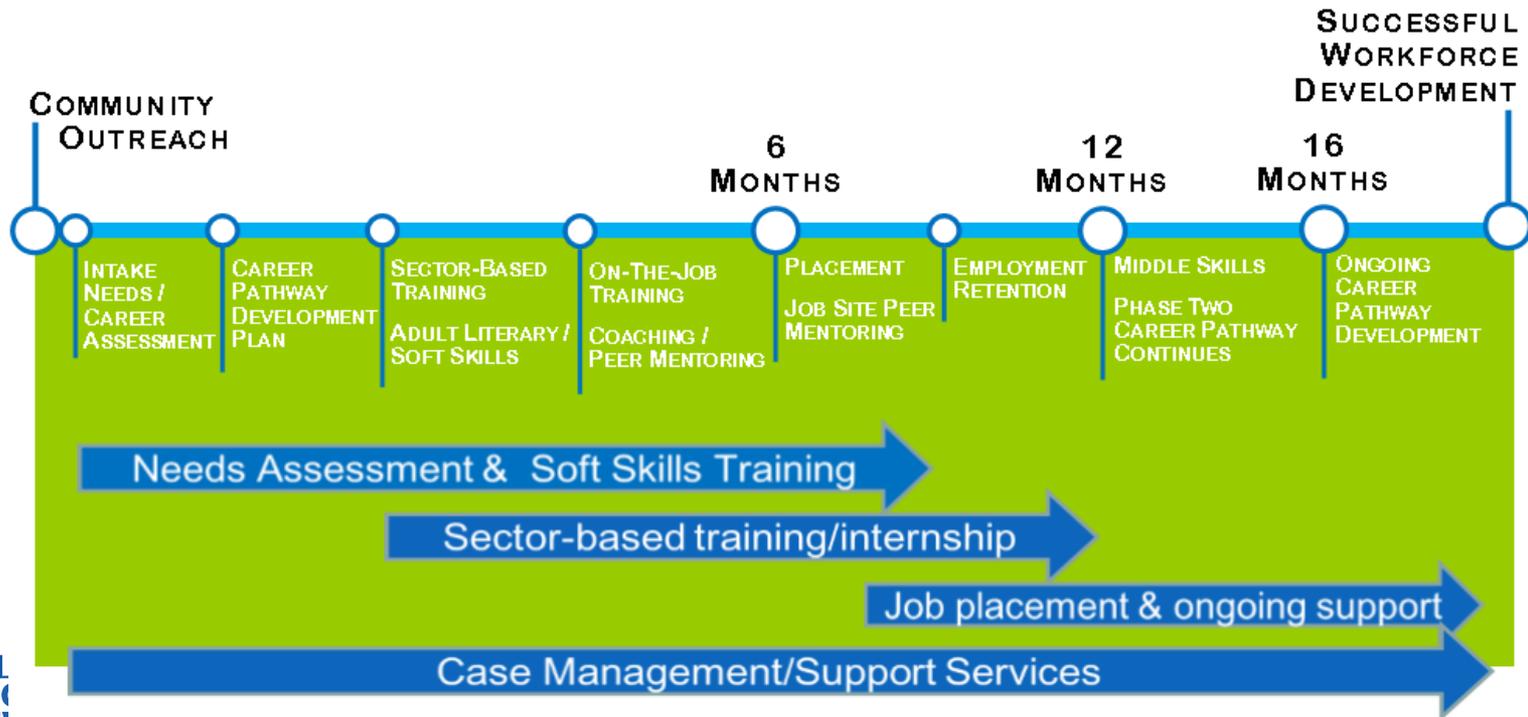
Pilot Program Goals

Utilize a consortium of providers to increase job placement and retention and to address poverty through focused workforce development efforts (“Career Pathway Continuum”):

- Developing a program that increases chances of job placement/retention.
- Engaging more employers in career pathway programs
- Providing outreach to populations in areas of highest need
- Engaging community-based service providers to prepare unemployed/underemployed residents in high poverty areas for “first rung” and middle skill occupations in high growth industries that pay a living wage
- Enhancing partnerships with existing workforce development partners
- Supporting continuum process that addresses issues that impede successful training and employment

Career Pathway Continuum

CAREER PATHWAY CONTINUUM 1—16 MONTHS



Program Eligibility

Eligibility

- Participants:
 - Dallas residents, age 18+
 - Must be eligible to legally work in the U.S.
 - Family income at or below 100% of the poverty level
- Lead Agency Applicant
 - Non-profit, community-based or faith based entity
 - Capacity to manage consortium of partners and continuum process
 - Support of key employers in targeted industries
 - Ability to leverage workforce system partners
 - Commitment to provide training and support services in targeted neighborhoods
 - Commitment to reach out to one or more targeted populations (formerly incarcerated, out-of-school youth and/or single parents)

Program Design/Structure

Collaborative “continuum” approach headed by a lead agency

- Different entities have primary responsibility for continuum deliverables; roles are defined by the partnership. Lead agency will be responsible for continuum coordination and oversight.

Continuum of Service Focus

- Community Outreach
- Case Management
- Career/Basic Skills Assessment
- Industry-Based Training
- Integrated Adult Literacy and Soft Skills
- OJT and Apprenticeships
- Job Placement

Strong Case Management process to ensure individual success from program entry through job placement/retention

Leverage of existing pathway training resource partners through MOA’s (DCCCD, Workforce Solutions, DISD

Employer Engagement

Mandatory Activities

Outreach and Recruitment – Community-based outreach, with a priority on formally incarcerated, out-of-school young adults, and single parents and high poverty individuals

Assessments – Comprehensive evaluation of participant training needs, skill deficiencies and support services required.

Supportive and Referral Services - Should complement training activities for the targeted population to remove barriers to employment. Examples include: childcare services, transportation, tuition for training, supplies/uniforms required by employer or training

Case managers will provide ongoing professional and personal assistance, customized to the needs of program participants.

Partnership with local employers— Offer opportunities for training, employment, OJT, work experience or apprenticeship for program participants. Partnering employers will invest in continued career pathway development for hired participants

Program Funding

Recommended Program Funding of \$1.5 M from PPP Fund envisions more than one lead agency

- Estimated maximum City financial support per respondent is \$500,000
- Respondents are expected to leverage additional cash or in-kind program support
- City funding cannot supplant other available sources (i.e. Workforce Development of Greater Dallas, DCCCD, etc.)– funding is available for gap funding for service delivery and programmatic elements

Timing

Contract term is expected to be two years with majority of service delivery (and funding) provided in first twelve months.

Second year allows for ongoing participant tracking, post-employment follow-up, limited services, and reporting to City on results

Proposed Scoring Criteria

Evaluation Criteria Weighting	
Experience and Qualifications	20
Includes experience and qualifications of lead entity and partners (and staff) within the consortium in service delivery, program management and reporting	
Budget, ability to leverage funds	30
Includes proposed use of funds, additional funds identified, and level of commitment for those additional funds (in-kind or cash)	
Responsiveness to proposal, project plan and timing	35
Includes an overall continuum design and understanding of the project, a clear identification of partners and an integrated process to ensure a seamless delivery of services between the applicant, and partners in recruiting participants, enrolling in supportive services, providing training, OJT, placing for employment, post employment follow-up and services	
BID (Business Inclusion and Development)	15
Total	100

Outcomes and Measures

Funded programs are expected to report on total number of participants at each step of the program (from outreach, to assessment and services, to stabilized employment) and track the outcome of each participant (i.e. which services were used and final results of program participation)

Reporting is to continue for time period in which individual is receiving service and year after the training is completed

Goal: 75% of program participants are employed and making a living wage at the end of the pilot program performance period.

Next Steps

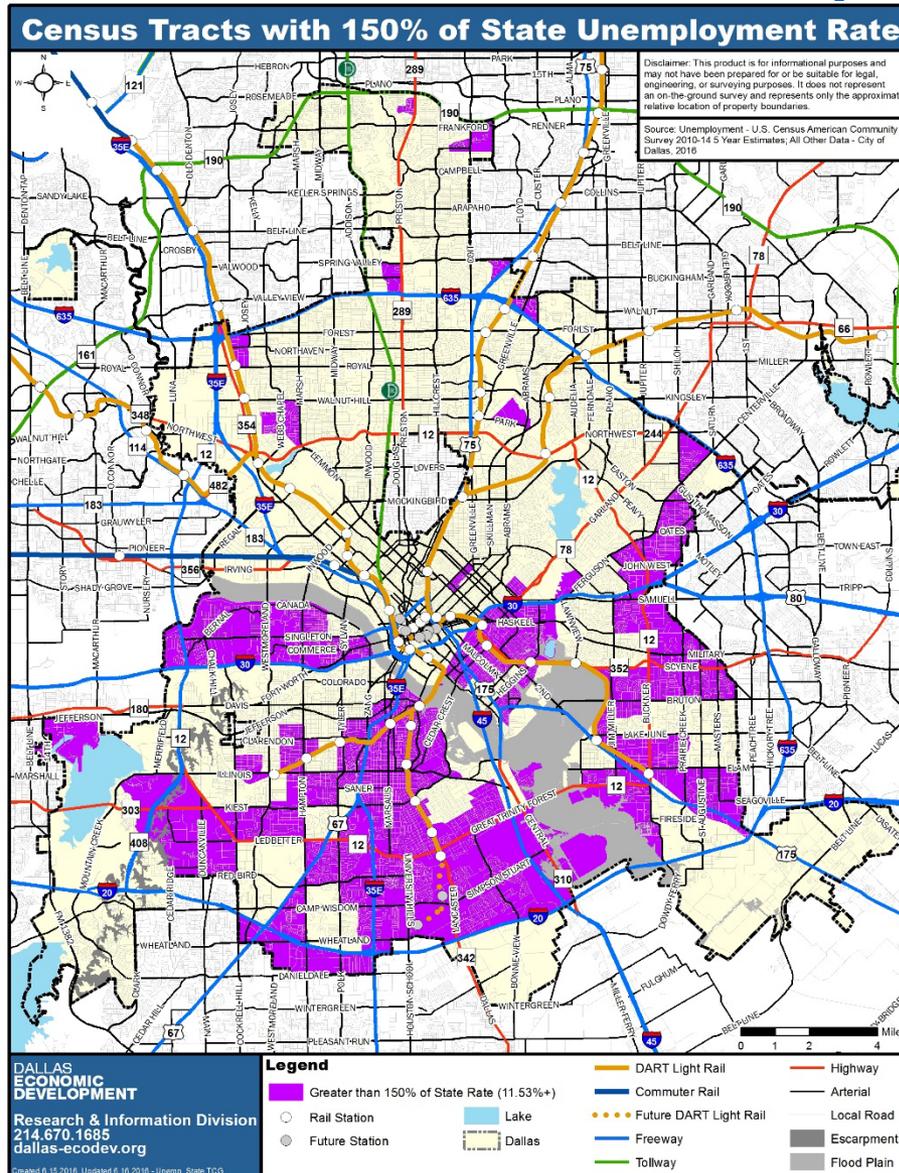
Request ECO Committee endorsement to seek Council consideration in August, 2016 to authorize a proposed pilot program and allocation of \$1.5M from PPP Fund to support issuance of an RFP to implement this initiative.



Targeted Service Areas

APPENDIX A

Areas of High Unemployment for Service Delivery



Memorandum



CITY OF DALLAS

DATE June 17, 2016

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano,
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Proposed changes to the Certificate of Formation and Bylaws for the Dallas Development Fund**

At the June 15, 2016 City Council meeting, the agenda item related to proposed changes to the Certificate of Formation and Bylaws for the Dallas Development Fund (DDF) was sent back to the Economic Development Committee for further review.

The Dallas Development Fund is a city-controlled but independent 501(c)3 certified as a Community Development Entity (CDE) by the U.S. Treasury's CDFI Fund. The CDFI awards New Markets Tax Credit (NMTC) allocations to certified CDEs through a highly competitive process. DDF has received three allocations (in 2009, 2012 and 2014) and is the only Texas municipal CDE to ever have received an award.

DDF last updated its organizational documents in 2013 in response to comments from the IRS related to its 501(c)3 non-profit status designation. Since then, the CDFI Fund has increased the level of emphasis it places on the level and depth of Low Income Community (LIC) representation on CDE boards in its competitive scoring of NMTC applications. To comply with the CDFI Fund's preferences and remain competitive for future NMTC allocations, changes are recommended to DDF's bylaws related to LIC accountability. The other changes are related to DDF administration.

Specifically, the changes would do the following:

- Strengthens LIC accountability and broadens board eligibility
 - Board members can either be City of Dallas residents (existing) or a Dallas County resident that works for a Dallas-located LIC organization
 - Requires that 4 board members are LIC accountable (currently 3)
- Terms
 - Extends maximum term limit to 4 terms (8 years) for members
 - Staggers terms for existing class I members into "even" and "odd" terms to ensure board continuity (Class II members are already staggered because of year of appointment)
 - Two Class I members could serve until 2020 and two until 2021.
 - Creates a universal term end date (February 25)
- Additional minor changes
 - Clarifies nominating and approval methods for Class II members
 - Clarifies that a conflict of interests does not cause a loss of quorum

- Offices of Secretary and Treasurer must be either board members or City employees
- Roberts Rules of Order shall provide common rules and procedures unless otherwise specified in the bylaws

Low Income Community Accountability is a key consideration for the NMTC program. CDEs are required to document their LIC accountability through representation of either an advisory board or a governing board. DDF does not have a separate advisory board and demonstrates LIC accountability through its governing board. Nationally, LIC accountability for advisory boards range from 80%-100% and boards with a higher accountability percentage are at a competitive advantage in obtaining future NMTC allocations.

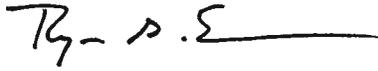
LIC accountability can be met by a variety of methods, as listed below. To meet LIC accountability, the LIC service must be within the CDE's service area (i.e. Dallas County):

1. Residing in a Low-Income Community;
2. Being a small business owner whose business is located in a Low-Income Community and whose business either provides goods and services to community residents or principally employs residents of Low-Income Communities;
3. Being an employee or board member of a non-affiliated community-based or charitable organization that provides more than 50% of its activities or services to Low-Income Persons (as defined in NMTC program regulations);
4. Being a religious leader whose congregation is based in a Low-Income Community;
5. Being an employee of a governmental agency (other than the City of Dallas) or department that principally serves Low-Income Communities or an employee of a governmental agency (other than the City of Dallas) or department whose daily job responsibility principally serves Low-Income Communities; or
6. Being or working for, an elected official whose constituency is comprised of Low-Income Communities or residents of Low-Income Communities

Also, having a substantially higher percentage of LIC-accountable members is a key risk protection- if a board member's sudden resignation, change of address, or change of job were to cause DDF to fall below 20% even briefly, DDF would likely be ineligible for any future allocations of NMTC, might lose all current/prior allocations, and be subject to multi-million-dollar indemnity liabilities on its prior NMTC transactions.

DDF currently has 5 LIC accountable members (4 by address, one by employment). The proposed change would provide a greater pool of potential board members with LIC accountability and would allow Dallas county residents, who are LIC accountable through employment or board membership of a Dallas-officed LIC entity (LIC accountability item 3) to be eligible for board membership. Dallas residents would continue to be eligible for board membership.

Please let me know if you have any questions.



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Christopher D. Bowers, Interim City Attorney
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J. Hammond Perot, Assistant Director, Office of Economic Development
Elsa Cantu, Assistant to the City Manager – Mayor & Council

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Authorize the re-adoption of the City's current Public/Private Partnership Program Guidelines and Criteria to extend the Program from June 25, 2016 through December 31, 2016, unless new Guidelines to the Public/Private Partnership Program are adopted before such date pursuant to the Property Redevelopment and Tax Abatement Act, as amended (V.T.C.A., Tax Code Chapter 312) and other incentives intended to promote private investment, tax base growth and job creation - Financing: No cost consideration to the City

BACKGROUND

The Property Redevelopment and Tax Abatement ACT (V.T.C.A., Tax Code, Chapter 312) requires that any city desiring to enter into tax abatement agreements as an incentive to foster private investment must first establish guidelines and criteria governing tax abatement agreements and must pass a resolution stating that it elects to be eligible to participate in a tax abatement agreement. Pursuant to Chapter 312, the guidelines and criteria governing tax abatement agreements are effective for a period of two years. On October 11, 1989, with Resolution No. 89-3264, the City elected to become eligible to provide tax abatement and adopted its initial Public/Private Partnership Program Guidelines & Criteria (Guidelines) for tax abatement agreements and other business incentives. The Dallas City Council subsequently approved the current City of Dallas Public/Private Partnership Guideline and Criteria, Exhibit A (attached to the resolution), on June 25, 2014, with Resolution No. 14-0993 that governs the City's utilization of tax abatements pursuant to Chapter 312 as well as economic development grants pursuant to Chapter 380 of the Local Government Code. The Guidelines will expire as of June 25, 2016.

BACKGROUND (Continued)

The City intends to amend the current policy to strategically align the program with newly developing housing policy initiatives, ensure consistency with affordable/mixed income guidelines, and consider new minimum eligibility criteria among other matters that will result in an enhanced program furthering the City's desire for balanced economic growth. Until new Program Guidelines and Criteria are finalized for consideration by the City Council, staff requests the City Council to re-adopt the current policy for the period from June 25, 2016 to December 31, 2016 unless new Guidelines to the Public/Private Partnership Program are adopted before such date. This action allows the City to remain eligible under State law to participate in tax abatement agreements and other economic development grant programs established through the Public/Private Partnership Program Guidelines and Criteria.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 25, 2014, pursuant to Resolution No. 14-0993, the City Council authorized the adoption of the existing Guidelines & Criteria for the Public/Private Partnership Program governing the provision of tax abatement and other economic incentives.

On April 4, 2016, the Economic Development Committee was briefed on the Guidelines and Criteria governing the provision of tax abatement and other economic incentives for the Public/Private Partnership Program.

Information about this item will be provided to the City Council on June 10, 2016.

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

No cost consideration to the City.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 45Q R

SUBJECT

Authorize the Second Amendment to the Master Agreement with DFM Developer, Ltd. and the Second Amendment to the Development Agreement with Taylor Street 2111, LP, for the Farmers Market Redevelopment, Phase II, 2101 and 2111 Taylor Street Project, to (1) extend the start date from April 1, 2016 to December 31, 2016; and (2) extend the completion deadline from December 31, 2018 to December 31, 2019 - Financing: No cost consideration to the City

BACKGROUND

In 2013, the City Council authorized various agreements associated with the redevelopment of the Dallas Farmers Market with DFM Developer, Ltd. and affiliates, (Brian Bergersen, Owner/Developer), which outlined a redevelopment plan for the Dallas Farmers Market. The approved redevelopment plan includes: (A) Shed 1 Project for renovation and operation as a marketplace for local farmers and farm merchants and vendors to sell produce and other farm-related products; (B) Shed 2 Project for renovation for use by restaurants, specialty food vendors, other retail vendors, and a beer garden; (C) Harvest Lofts Project for use as a mixed-use development including retail, residential, and parking uses (including public parking for the market); (D) 2101 and 2111 Taylor Street Project for the development of residential and retail uses; and (E) Futsal Project/remote parking area for redevelopment for outdoor activities, specifically a community garden and futsal fields.

The current amendment under consideration is part of the Farmers Market Redevelopment Phase II for the 2101 and 2111 Taylor Street project. Taylor Street 2111, LP is requesting that the contractual deadline for beginning project construction be extended from April 1, 2016 to December 31, 2016 and that the contractual completion date for the project be extended from December 31, 2018 to December 31, 2019.

BACKGROUND (Continued)

The Farmer Market Redevelopment efforts began as planned in early 2014 and to date Shed 1 and Shed 2 are complete. However, unexpected complexities and interdependent project elements are delaying the project progress. Scheduling conflicts with the public parking garage construction is prohibiting Taylor Street project construction due to lack of access, staging and parking on the tight urban site. Further, unforeseen public infrastructure improvements including installation of a new gas supply line, burial of electrical lines, new electrical service and public street improvements surrounding the site have caused delays.

Taylor Street 2101 and 2111 project will include approximately 25,000 square feet of commercial restaurant / retail and 60 residential units.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 27, 1998, City Council authorized the establishment of Tax Increment Financing Reinvestment Zone Number Six, Farmers Market TIF District by Ordinance No. 23521, as amended.

On August 25, 1999, City Council authorized the Project Plan and Reinvestment Zone Financing Plan for the Farmers Market TIF District by Ordinance No. 24001, as amended.

On February 27, 2013, City Council authorized a Master Agreement for the Redevelopment of the Dallas Farmers Market with DFM Developer, Ltd by Resolution No. 13-0447.

On March 27, 2013, City Council authorized amendments to the Farmers Market TIF Project and Financing Plan, including the expansion of the geographic boundaries of the TIF district to include the Dallas Farmers Market property by Ordinance No. 28951.

On December 11, 2013, City Council authorized a Development Agreement with Taylor Street 2111, LP, to provide funding for the 2101 and 2111 Taylor Street Project as part of the Farmers Market Redevelopment, Phase II located in Tax Increment Financing Reinvestment Zone Number Six (Farmers Market TIF District); and (2) the Farmers Market TIF District Board of Directors to dedicate up to \$3,553,480 from Farmers Market TIF revenues in accordance with the development agreement by Resolution Nos. 13-2102 and 13-2103.

On June 10, 2015, City Council authorized an amendment to the Master Agreement with DFM Developer, Ltd. for the redevelopment of the Dallas Farmers Market, which included project deadline extensions for the 2101 and 2111 Taylor Street Redevelopment project by Resolution No. 15-1099.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (Continued)

On June 10, 2015, City Council authorized an amendment to the Development Agreement with Taylor Street 2111, LP, for TIF-eligible improvements supporting the Farmers Market Redevelopment, Phase II, 2101 and 2111 Taylor Street project, previously approved on December 11, 2013, by Resolution Nos. 13-2102 and 13-2103, to extend project deadlines by Resolution No. 15-1102.

On February 29, 2016, the Farmers Market TIF Board of Directors reviewed and approved deadline extensions to Farmers Market Redevelopment, Phase II, 2101 and 2111 Taylor Street project.

Information about this item was provided to City Council on May 27, 2016.

OWNER

DEVELOPER

Taylor Street 2111, LP

Taylor Street 2111, LP

Brian Bergersen
Owner/Developer

Brian Bergersen
Owner/Developer

FISCAL INFORMATION

No cost consideration to the City.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Authorize **(1)** a public hearing to be held on August 10, 2016, in accordance with Chapter 372 of the Texas Local Government Code to consider the advisability of renewing the Tourism Public Improvement District (the "District") for thirteen years, so that it may continue to undertake certain improvements and provide special supplemental services that promote and provide incentives, increased hotel activities within the City of Dallas, to be funded by a special assessment on Dallas hotels with 100 or more rooms; and, at the close of the public hearing **(2)** a resolution approving renewal of the District for thirteen years and approval of the District's Service Plan for 2016-2029 - Financing: No cost consideration to the City

BACKGROUND

The Tourism Public Improvement District was first established by City Council on June 13, 2012 following a petition and public hearing. The Improvement Order authorized collection of the requested assessment over a five year period. On May 23, 2016, the Dallas Tourism Public Improvement District Corporation, which manages the District and represents Dallas hotels within the District, presented to the City staff petitions requesting the renewal of the Tourism Public Improvement District and approval of a thirteen year service plan, effective October 1, 2016. The thirteen year extension will align the Tourism PID's authorized term with the Dallas Convention & Visitors Bureau's term. The staff reviewed the proposed Service Plan, verified that the petition contained the required number of valid signatures, and found the proposed improvements and supplemental services to be feasible, and recommended approval of the extension.

This action authorizes a public hearing to be held on August 10, 2016, to consider the advisability of the request and to hear comments and concerns regarding the renewal of the Tourism Public Improvement District (PID). This action also authorizes the Council to consider a resolution at the close of the public hearing to renew the PID for another thirteen year term.

BACKGROUND (Continued)

The public improvement district described as follows:

- A. Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include certain improvements and special supplemental services relating to the District, including marketing, business recruitment, and promotional activities authorized by the Act for improvement and promotion of the district, including the provision of incentives by the Dallas Convention and Visitors Bureau to organizations to encourage them to bring their large and city wide meetings to Dallas and to fund additional marketing by the Dallas Convention and Visitors Bureau to increase hotel stays within the City.
- B. Estimated Cost of the Services and Improvements.** During the thirteen (13) year period, the annual cost of the improvements and services provided by the existing District is estimated to range from approximately \$16,528,576 to \$29,682,948 annually. Based on the estimated maximum cost of improvements and services, the thirteen year total assessment collection requested by the District shall not exceed a collective total of \$292,770,388. In the event the District requires additional funds, the District shall re-petition the hotel owners for such an increase. At no time shall the total amount levied exceed the total amount shown in the approved petition budget for the services and improvements to be provided for the year in which the hotel is assessed except as provided in the petition and subject to the collective total for the 13 year period.
- The District shall not incur bonded indebtedness. The service plan budget and assessment rate are subject to annual review, a public hearing and approval by the City Council.
- C. Boundaries.** The District is located wholly within the City of Dallas, Texas. The boundaries of the District are shown on the map of the district.
- D. Method of Assessment.** The District assessment will be levied on hotels with 100 or more rooms ("qualifying hotels") located within the District. The proposed cost of the services and improvements to be provided shall be assessed in a manner that results in imposing equal shares of the cost of the services qualifying on hotels that are similarly benefitted. Under the Act, the apportionment of the cost of the services against property in the TPID territory must be made on the basis of special benefits accruing to the property because of the services and improvements provided. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the promotion and marketing services provided by the District.

BACKGROUND (Continued)

The total cost of the services and improvements to be provided shall be apportioned at a rate of 2% of room-nights sold at qualifying hotels located within the District territory until the budget for services and improvements for the year is reached. Rooms that are not subject to the City's hotel occupancy tax shall not be included for the District assessment. The future cost of services and improvements that are budgeted in the 2016 Service Plan may be increased beyond the amount shown subject to an enhancement in value of property in the District and a corresponding increase in the services and improvements to be provided therefor. Any future increase in the costs of services and improvements in the approved Service Plan would also be subject to a public hearing and approved by the City Council.

- E. Apportionment of costs between the District and the Municipality as a Whole.** City-owned hotels located within the District territory such as the Omni Hotel are subject to the District assessment.

The following accomplishments occurred during the Tourism PID's initial term:

- Hotel lodging revenue has increased by approximately \$632 million since the District's creation.
 - \$186 million more than if Dallas grew at national levels
- Using the 12-month period prior to the District's creation as a baseline; and comparing it to the most recent completed 12-month period:
 - Hotel occupancy has increased over 10 percentage points to a sustained level of 70%
 - Room demand has increased by almost 20% or 1.3 million room nights
 - Average daily rate (ADR) has increased by approximately \$20.00 from \$98.00 to \$118.00
 - Lodging revenue has increased by \$280 million (44%)
 - RevPAR has increased approximately \$24.00 (41%)

BACKGROUND (Continued)

- Over 130 arts, cultural and related events have successfully applied for over \$2.5 million in funding as part of the District's Event Application Program
 - Generated over 250,000 room nights and \$37 million in hotel lodging revenue
 - 7.5% of total the District's budget is allocated to this program, approaching \$1.2 million this next fiscal year.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 13, 2012, City Council authorized the creation of the Tourism Public Improvement District for a five year period by Resolution No. 12-1581.

On September 9, 2015 City Council authorized the assessment rate for 2015 by Ordinance No. 29868.

Information about this item was provided to the Economic Development Committee on June 6, 2016.

FISCAL INFORMATION

No cost consideration to the City.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 45Q R

SUBJECT

Authorize a Chapter 380 economic development grant agreement in an amount not to exceed \$670,000 with DFM Developer, Ltd., in accordance with the approved Master Agreement for the Redevelopment of the Farmers Market, executed pursuant to City Council Resolution No. 13-0447, as amended, for remaining streetscape and infrastructure improvements - pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program – Not to exceed \$670,000 – Financing: Public Private Partnership Funds

BACKGROUND

In 2013, the City Council authorized various agreements associated with the redevelopment of the Dallas Farmers Market with DFM Developer, Ltd., and affiliates, which outlined a redevelopment plan for the Dallas Farmers Market. The plan to revitalize the Dallas Farmers Market is underway:

- Shed 1 Project was renovated and is now operating as a marketplace for local farmers and farm merchants and vendors to sell produce and other farm-related products – capacity for 119 stalls;
- Shed 2 Project has been renovated and is active with restaurants, specialty food vendors, other retail vendors, and a beer garden – reuse of 24,148 square feet of retail space;
- Shed 3 and 4 (Harvest Lofts) is under construction and will provide 240 residential units, 16,000 square feet of retail space and public parking;
- 2101 and 2111 Taylor Street Project is anticipated to begin by the end of 2016 and will include 60 residential units and 25,000 square feet of commercial space.
- In January 2017, the construction of futsal fields and a community garden will be underway on land east of southbound Cesar Chavez Boulevard.

BACKGROUND (Continued)

The Master Agreement related to the redevelopment of the Dallas Farmers Market was authorized by City Council on February 27, 2013. The City's last remaining obligation of public funds committed to this redevelopment project is authorization of a PPP grant for \$670,000. Grant funds will be used to fund final streetscape work.

\$20M in TIF funds, \$6.2M in General Obligation funds and \$930,000 in land sale proceeds were committed to the Farmers Market Redevelopment Project. In addition, \$670,000 in PPP grants was included as part of the original funding but was held back until work was completed on Shed 1 and Shed 2 and substantial work was completed on the Harvest Lofts projects. The Taylor Building site is the final major phase of private construction needed to complete the project. Construction of futsal fields and a public garden on the remote parking site also remain to be completed. Now that construction activity for the Taylor site is ready to begin, and the Harvest Lofts is nearing completion, a PPP grant of \$670,000, in conformance to the master agreement, is recommended. This work will also include the demolition of the dock of the Taylor Building, which is located in public right-of-way.

The developer will fund the public improvements and the PPP grant will be reimbursed, upon completion.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On February 27, 2013, City Council authorized a Master Agreement for the Redevelopment of the Dallas Farmers Market with DFM Developer, Ltd by Resolution No. 13-0447.

On June 10, 2015, City Council authorized Resolution No. 15-1099, authorizing an amendment to the Master Agreement with DFM Developer, Ltd. for the redevelopment of the Dallas Farmers Market.

Information about this item was provided to City Council on May 27, 2016.

FISCAL INFORMATION

\$670,000 – Public/Private Partnership Funds

OWNER

DFM Developer, Ltd.

Brian Bergersen
Owner/Developer

DEVELOPER

DFM Developer, Ltd.

Brian Bergersen
Owner/Developer

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 3, 4, 5, 6, 7, 8
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Authorize the Office of Economic Development to issue a Notice of Funding Availability in an amount up to \$3 million in accordance to the Public/Private Partnership Program Guidelines & Criteria to grocery operators, shopping center owners, retail developers and other associated real estate professionals in order to secure the development of one or more grocery stores in Southern Dallas Food Deserts – Financing: No cost consideration to the City

BACKGROUND

This item is being placed on the addendum to allow the City Attorney's Office additional review time of the Notice of Funding Availability (NOFA).

At its May 11, 2016 meeting, the City Council requested staff to develop a program to actively pursue a major grocer to locate in a southern sector food desert and authorized \$3 million dollars to fund the program. Staff has developed a Notice of Funding Availability ("NOFA") in response the City Council's request. City staff will ensure broad dissemination through coordinated outreach efforts which will include direct mailings, email blasts, print advertising, and meetings with grocery operators, shopping center owners, retail developers and other associated real estate and finance professionals. Exhibit A (attached to the resolution) depicts the NOFA, or one substantially similar to that expected to be issued. Staff anticipates issuing the NOFA by the end of July 2016 with responses requested by November 30, 2016.

Potential projects will be evaluated based on based on the following criteria:

- Experience: Proven track record of the applicant to build and/or operate quality grocery stores;
- Financial Capacity: The ability of the applicant to acquire or control the proposed site and obtain the additional private financing to operate the facility at high standards;
- Timeliness: The ability to Initiate project within a timely manner;

BACKGROUND (Continued)

- Quality: The ability of the applicant to deliver a high quality development with an established brand;
- Design: The ability of the applicant to design and sustainably integrate a minimum 25,000 s.f. grocery store within the community;
- Community Outreach: The ability of the applicant to engage with and respond to the needs of the community; and
- Local Hiring: The commitment of the applicant/grocer to recruit and hire from the adjacent neighborhoods and include qualified Minority and Women-Owned Business Enterprises in the project.

The funding aspects of the NOFA will be evaluated in accordance with Public/Private Partnership Program Guidelines & Criteria as established by the City Council. Stipulations for funding will include:

- City Council approval and executed contract prior to initiation of project
- City payments after substantial completion (Certificate of Occupancy)
- Recipient current on taxes/Not in litigation with City

Upon receipt of proposals, City staff will compile summary information related to responsive proposers with recommendations for future action for review and consideration by the Economic Development Committee and City Council.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 16, 2016, this item was briefed to the Economic Development Committee for consideration.

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

No cost consideration to the City.

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 7
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: N/A

SUBJECT

Authorize **(1)** a public hearing to be held in accordance with Chapter 372 of the Texas Local Government Code (the "Act") on August 10, 2016 to receive comments concerning the advisability of creating the South Dallas/Fair Park Public Improvement District (the "District") for the purpose of providing supplemental public services, to be funded by assessments on real property and real property improvements in the District; and, at the closing of the hearing **(2)** a resolution approving creation of the District for seven years and approving the District's Service Plan for 2017-2023 - Financing: No cost consideration to the City

BACKGROUND

This item is being placed on the addendum to meet required deadlines to create a Public Improvement District (PID) for 2017. This PID supports the Grow South effort.

On June 1, 2016, the Alliance for Greater Works, a non-profit corporation working in collaboration with the collective impact organization, Working In Neighborhoods Strategically, ("WINS"), to represent property owners of the South Dallas/Fair Park area, delivered to the City of Dallas a petition satisfying the requirements of the Act to create the District.

City staff reviewed the petitions and determined that the petition requirements were met for both property value and land area for the creation of the District. Staff has also evaluated the service plan and recommended that the services be made as proposed by the proposed service plan and the plan is feasible.

BACKGROUND (Continued)

The City desires, by the calling and holding of such public hearing, to provide a reasonable opportunity for any owner of property located within the District to speak for or against the creation of the District for a special assessment against each property owner of record for real property and real property improvements, exclusive of right-of-way, to provide funding for the District for the purpose of providing supplemental services and improvements.

The public improvement district is outlined in the following way:

- a. **Purpose of the District; General Nature of the Proposed Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.

- b. **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefit accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be based on the value of the real property and real property improvements as determined by the Dallas Central Appraisal District. The assessment amount for the first collection year shall not exceed \$110,247. This amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District. If appraised values rise such that the an assessment rate equal to the amount of \$.15 per \$100.00 valuation would yield an assessment amount that exceeds the estimated costs, the assessment rate shall be reduced until the total assessment equals or is less than the budgeted amount approved in the petition, subject to the appropriations set forth in the petition.

The annual assessment amount shall not exceed the total amount shown in the budget for the services and improvements to be provided for the year in which the property is assessed.

BACKGROUND (Continued)

- c. Estimated Cost; No Bonded Indebtedness.** During the seven (7) year period, the annual cost of the improvements and services provided by the existing District is estimated to range from approximately \$110,246 to \$262,037 annually. Based on the estimated maximum cost of improvements and services, the seven year total assessment collection requested by the District shall not exceed a collective total of \$1,219,450. In the event the District requires additional funds, the District shall re-petition the property owners for such an increase. At no time shall the total amount levied exceed the total amount shown in the budget for the services and improvements to be provided for the year in which the property is assessed. The District shall not incur bonded indebtedness.
- d. Apportionment of Cost between the District and the Municipality as a Whole.** The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The real property of jurisdictions and entities that have obtained an exemption from City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City right-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.
- e. Annual Assessment Collection and Budget Allocation.** The District shall hold an annual meeting to review the service plan. The annual meeting shall be open to all property owners and held in a public meeting space (with written notice to all property owners in the PID at least two weeks prior to the meeting) to provide an opportunity for property owner questions, comments and input to be considered during the PID annual budget and service plan approval process.
- f. City Expenses and Dallas County Charges.** The District shall pay the cost of: (i) collections service fee to Dallas County and (ii) City expenses related to oversight of the PID operations.
- g. District Management.** The District shall be managed by Alliance for Greater Works, a private nonprofit corporation created under the laws of the state of Texas and under the provisions of Section 501(c)(3) of the Internal Revenue Code.

BACKGROUND (Continued)

A cooperative relationship between the City and the private sector will be created whereby the City Council will review and approve annually the service plan and assessment plan, determine and levy assessments and conduct other functions as required by the Act, and Alliance for Greater Works will be responsible for managing and implementing the Service Plan of the District.

- h. Advisory Body.** An advisory body may be established to develop and recommend an improvement plan to the governing body of the municipality. In the interest of providing efficient District management, the City Council, by accepting this Petition and establishing the District, agrees not to establish a separate advisory body and agrees to assign the responsibility for development and recommendation of the annual service and improvement plans and other responsibilities of the advisory body contained in the Act to WINS.
- i. District Dissolution.** The District shall automatically dissolve on December 31, 2023, unless renewed or dissolved through the petition and approval process as provided by the Act.
- j. Request for District Renewal.** The persons signing this Petition request or concur with the creation of the District and, if approved by the owners of the designated area, the boundaries and request that this Petition be considered at the earliest possible time and that the City Council take those lawful steps necessary to create the District, authorize the improvements and services described herein, levy the necessary assessments to pay for the improvements and services and take any additional actions required under the Act for the benefit of the District.
- k. PID Assessment Collection Budget Projection.** The seven (7) year service plan is projected. If the total PID collection is *less* than the annual budgeted amount, the management entity, Alliance for Greater Works, can:

 - use discretion to re-allocate PID revenues to best service property owners and residents within the PID area. No budget category may be adjusted by more than 20% of projected amount;
 - access amounts in the contingency category for other expenditures;

BACKGROUND (Continued)

No over-collection is anticipated, however, if the PID assessment collection is *greater* than the annual projected amount, the managing entity shall:

- return the funds to the property owners;
- reduce the amount of the assessment in the following year to absorb the over-collection, or;
- submit a revised petition to obtain consent of the property owners for an increased collection.

The term of the District upon renewal is seven years (2017 to 2023). Pending approval, actual operations in the District will commence from January 01, 2017.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

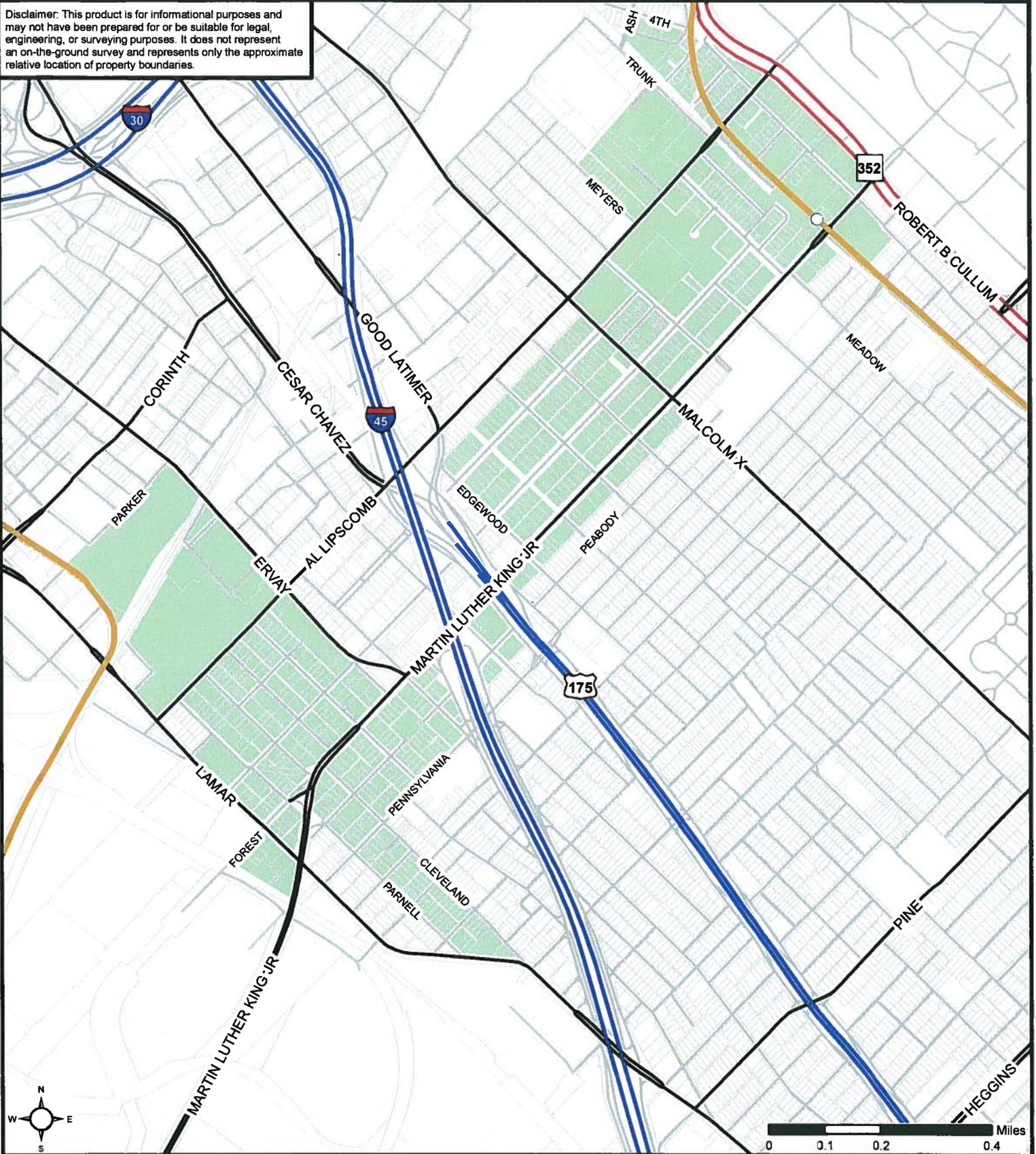
No cost consideration to the City.

MAP

Attached.

Proposed South Dallas-Fair Park PID Parcels

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



DALLAS ECONOMIC DEVELOPMENT
 Research & Information Division
 214.670.1685
 dallas-ecodev.org

Legend

- Proposed Parcel for Inclusion
- Other Parcel
- Rail Station
- DART Light Rail
- Freeway
- Highway
- Arterial
- Local Road

Source: Parcels - Dallas CAD, 2015; All Other Data - City of Dallas, 2016

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): Outside City Limits
DEPARTMENT: Sustainable Development and Construction
Water Utilities
CMO: Ryan S. Evans, 671-9837
Mark McDaniel, 670-3256
MAPSCO: N/A

SUBJECT

Authorize acquisition from Amy West Hillman GST Trust, Andrew West GST Trust, and Crockett & West, LLC, of approximately 114,362 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$42,875 (\$39,375, plus closing costs and title expenses not to exceed \$3,500) - Financing: Water Utilities Capital Construction Funds

BACKGROUND

This item authorizes the acquisition of approximately 114,362 square feet of land located in Kaufman County. This property will be used for the construction of a 144-inch raw water transmission line for the Lake Tawakoni 144-inch Transmission Pipeline Project. The consideration is based on an independent appraisal.

This acquisition is part of the right-of-way required to construct approximately 32 miles of pipeline from Lake Tawakoni to the Interim Balancing Reservoir located in Terrell, TX and then to the Eastside Water Treatment Plant located in Sunnyvale, TX. The new raw water pipeline will augment the existing 72-inch and 84-inch pipelines. The construction of this pipeline will give Dallas Water Utilities the ability to utilize the full capacity of both the Lake Tawakoni and the Lake Fork raw water supply to meet the current city needs and future water demands.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Water Utilities Capital Construction Funds - \$42,875 (\$39,375, plus closing costs and title expenses not to exceed \$3,500)

OWNERS

Amy West Hillman GST Trust

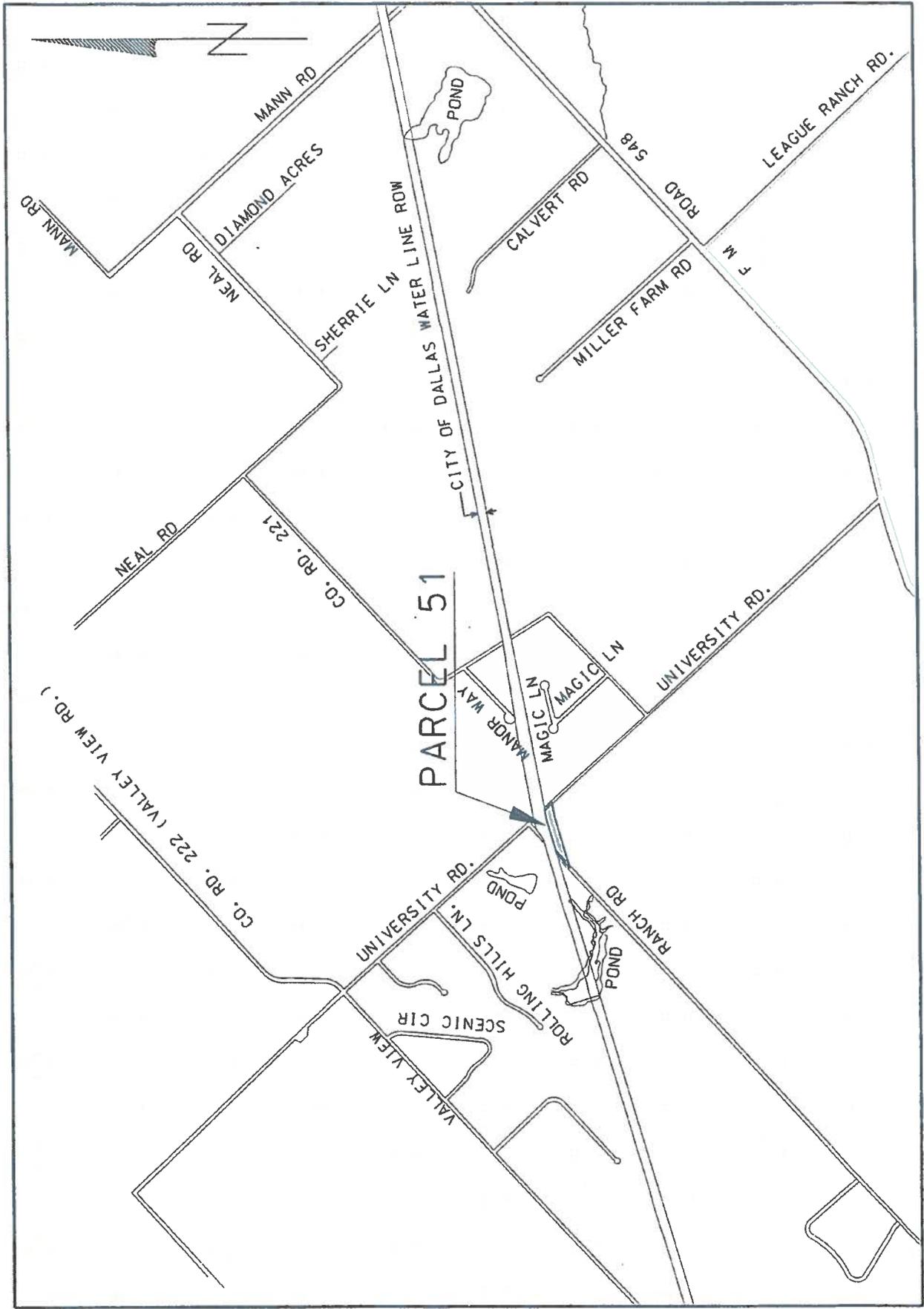
Andrew West GST Trust

Crockett & West, LLC

Carolyn Crockett West, President

MAP

Attached



VICINITY MAP
 APPROXIMATE SCALE 1" = 2000'

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): Outside City Limits
DEPARTMENT: Sustainable Development and Construction
Water Utilities
CMO: Ryan S. Evans, 671-9837
Mark McDaniel, 670-3256
MAPSCO: N/A

SUBJECT

Authorize acquisition from David Houck, of approximately 40,022 square feet of land located in Kaufman County for the Lake Tawakoni 144-inch Transmission Pipeline Project - Not to exceed \$15,500 (\$12,500, plus closing costs and title expenses not to exceed \$3,000) - Financing: Water Utilities Capital Construction Funds

BACKGROUND

This item authorizes the acquisition of approximately 40,022 square feet of land located in Kaufman County. This property will be used for the construction of a 144-inch raw water transmission line for the Lake Tawakoni 144-inch Transmission Pipeline Project. The consideration is based on an independent appraisal.

This acquisition is part of the right-of-way required to construct approximately 32 miles of pipeline from Lake Tawakoni to the Interim Balancing Reservoir located in Terrell, TX and then to the Eastside Water Treatment Plant located in Sunnyvale, TX. The new raw water pipeline will augment the existing 72-inch and 84-inch pipelines. The construction of this pipeline will give Dallas Water Utilities the ability to utilize the full capacity of both the Lake Tawakoni and the Lake Fork raw water supply to meet the current city needs and future water demands.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Water Utilities Capital Construction Funds - \$15,500 (\$12,500, plus closing costs and title expenses not to exceed \$3,000)

OWNER

David Houck

MAP

Attached

KEY FOCUS AREA: Economic Vibrancy

AGENDA DATE: June 22, 2016

COUNCIL DISTRICT(S): 10

DEPARTMENT: Sustainable Development and Construction
Police
Park & Recreation

CMO: Ryan S. Evans, 671-9837
Eric Campbell, 670-3255
Mark McDaniel, 670-3256

MAPSCO: 17Y

SUBJECT

Authorize a two-year lease agreement with Audelia, L.P., for approximately 6,088 square feet of space located at 9759 Forest Lane to be used as a boxing training facility and youth fitness center for the period July 1, 2016 through June 30, 2018 - Not to exceed \$240 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This item authorizes a two-year lease agreement with Audelia, L.P. for approximately 6,088 square feet of space located at 9759 Forest Lane, Suite 420. This lease will provide a boxing training facility and youth fitness center that will serve youth ages 5 - 18 in the northeast area of Dallas.

Park and Recreation, in collaboration with Dallas Police Department's Police Athletic League (PAL), will operate a youth fitness and boxing training facility. The youth fitness program will offer the Mayor's Youth Fitness Initiative (MyFi) while the boxing training facility will offer boxing training and a conditioning program for youth. MyFi programs will be offered approximately 20 hours per week and will be conducted by Park and Recreation staff. Boxing training will be offered approximately 25 hours per week and will be conducted by a volunteer certified boxing coach and police officers.

The Apartment Association of North Texas, Inc. d/b/a Apartment Association of Greater Dallas is donating the leasehold improvements to the lease space as well as some equipment.

The lease will begin on July 1, 2016 through June 30, 2018.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Scheduled for Park and Recreation Board approval on June 16, 2016.

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

\$240.00 - Current Funds (subject to annual appropriations)

OWNER

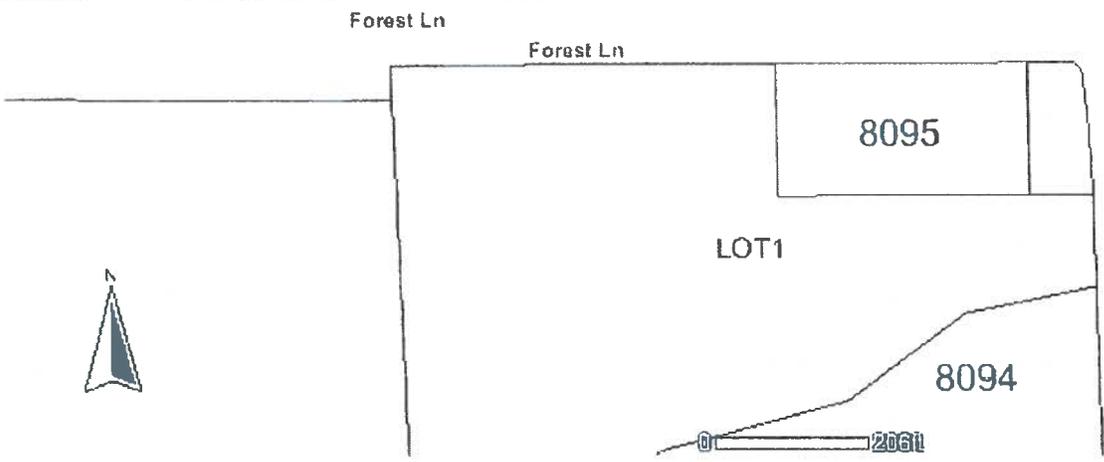
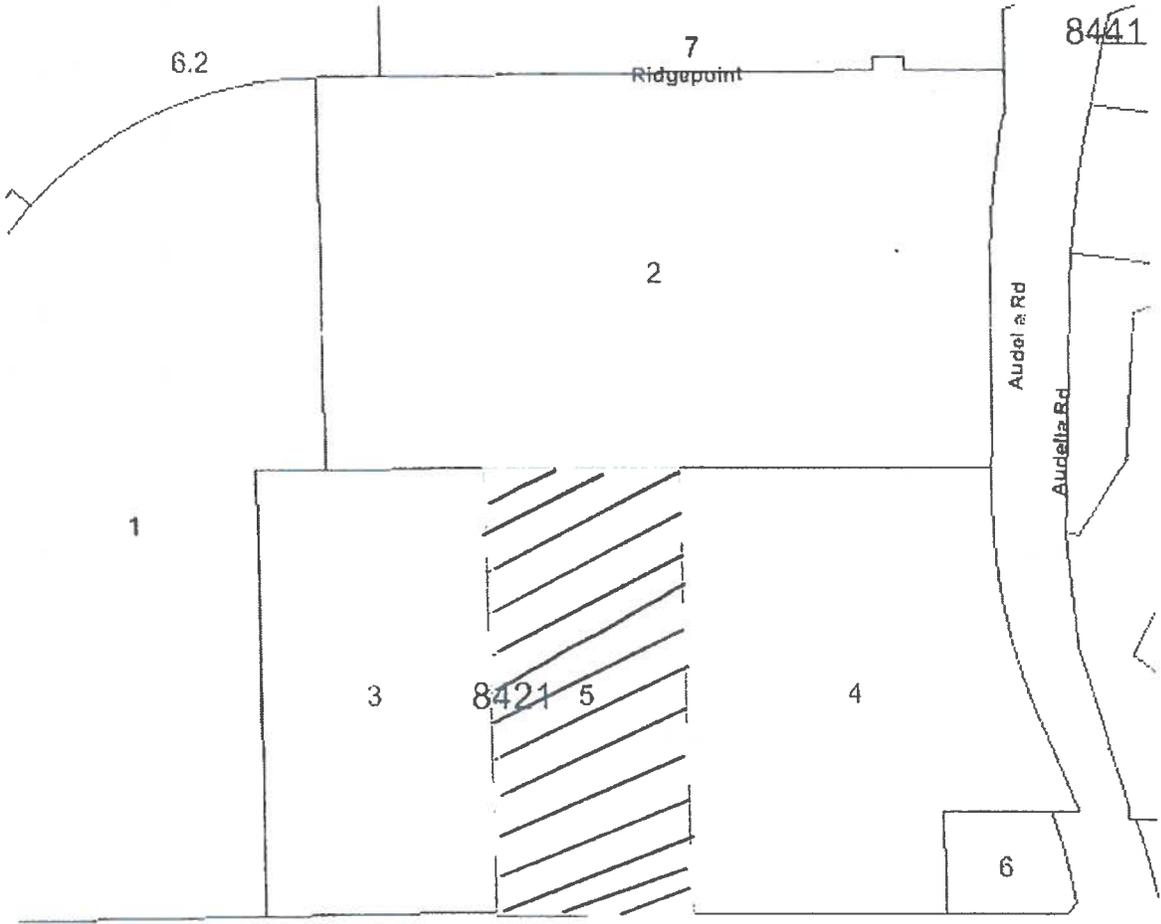
Audelia, L.P.

Sommerset Realty Investment Corporation

Karl Slovin, President

MAP

Attached



9759 Forest Lane

Lease Premises



KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 14
DEPARTMENT: Sustainable Development and Construction
Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 45G H L M

SUBJECT

Authorize an amendment to Resolution No. 11-1760, previously approved on June 22, 2011, to amend certain deed restrictions, on approximately 83,478 square feet of land, located near the intersection of Live Oak and Cantegral Streets - Revenue: \$1,000

BACKGROUND

This item authorizes an amendment to Resolution No. 11-1760, previously approved on June 22, 2011, to amend certain deed restrictions on approximately 83,478 square feet of land located near the intersection of Live Oak and Cantegral Streets (the "Property"). On June 22, 2011, City Council authorized the direct sale of the Property to Minerva Partners Ltd, in accordance with the Deep Ellum TIF District Project Plan ("Project Plan").

The Deed provided and required as a condition subsequent to the direct sale with the right of reentry, a minimum investment of \$75,000,000 to accommodate a high density, mixed-use development; approximately 350 residential apartment units; and 110,000 square feet of new retail space in accordance with the Project Plan by December 31, 2018. Further, environmental remediation and demolition of the buildings were required to occur by June 30, 2012, and submittal of a final set of construction documents for a parking garage to be located at the Latino Cultural Center.

On October 14, 2015, Minerva Partners, Ltd. executed a plan of merger in which Minerva Partners Ltd. continued to exist and Biscuit Holdings, Ltd. was created as a new Texas limited partnership. Biscuit Holdings, Ltd. has assumed the responsibilities of Minerva Partners, Ltd. for the construction of a high density mixed-use development on the Property and adjacent properties.

BACKGROUND (Continued)

Biscuit Holdings, Ltd. has requested an amendment of the Deed Restrictions to increase the required investment from \$75,000,000 to \$100,000,000; to reduce the required 110,000 square feet of new retail space to 50,000 square feet of new retail space; and to extend the deadline for the new retail in accordance with the Project Plan from December 31, 2018 to December 31, 2022.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2005, the Deep Ellum TIF District was established by Ordinance No. 26043.

On April 12, 2006, City Council authorized the Deep Ellum TIF Project Plan by Ordinance No. 26304.

On April 9, 2008, City Council approved an amendment to the Deep Ellum Project Plan by Ordinance No. 27137.

On June 22, 2011, City Council approved the sale of the Property by Resolution No. 11-1760.

FISCAL INFORMATION

Revenue: \$1,000

OWNER/DEVELOPER

Biscuit Holdings, Ltd.

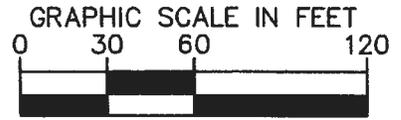
Danzarias, Inc. General Partner

Matthew E. Malouf, President

MAP

Attached

BRYAN STREET



Subject Area

CANTEGRAL STREET

TRACT 1

LOT 3

LOT 2

BLOCK 289

LOT 1

ALLEY (ABANDONED BY ORDINANCE 29401)

TEXAS STREET

TRACT 2

LIVE OAK STREET

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 14
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 35Q

SUBJECT

An ordinance granting a private license to Keating Clonard Holdings, LLC for the use of approximately 227 square feet of land to occupy, maintain and utilize existing landscape on a portion of Travis Street right-of-way near its intersection with Knox Street - Revenue: \$100 one-time fee, plus the \$20 ordinance publication fee

BACKGROUND

This item grants a private license to Keating Clonard Holdings, LLC for the use of approximately 227 square feet of land to occupy, maintain and utilize existing landscape on a portion of Travis Street right-of-way near its intersection with Knox Street. The use of this area will not impede pedestrian or vehicular traffic.

The licensee will indemnify the City and carry general liability insurance naming the City as an additional insured.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Revenue: \$100 one-time fee, plus the \$20 ordinance publication fee

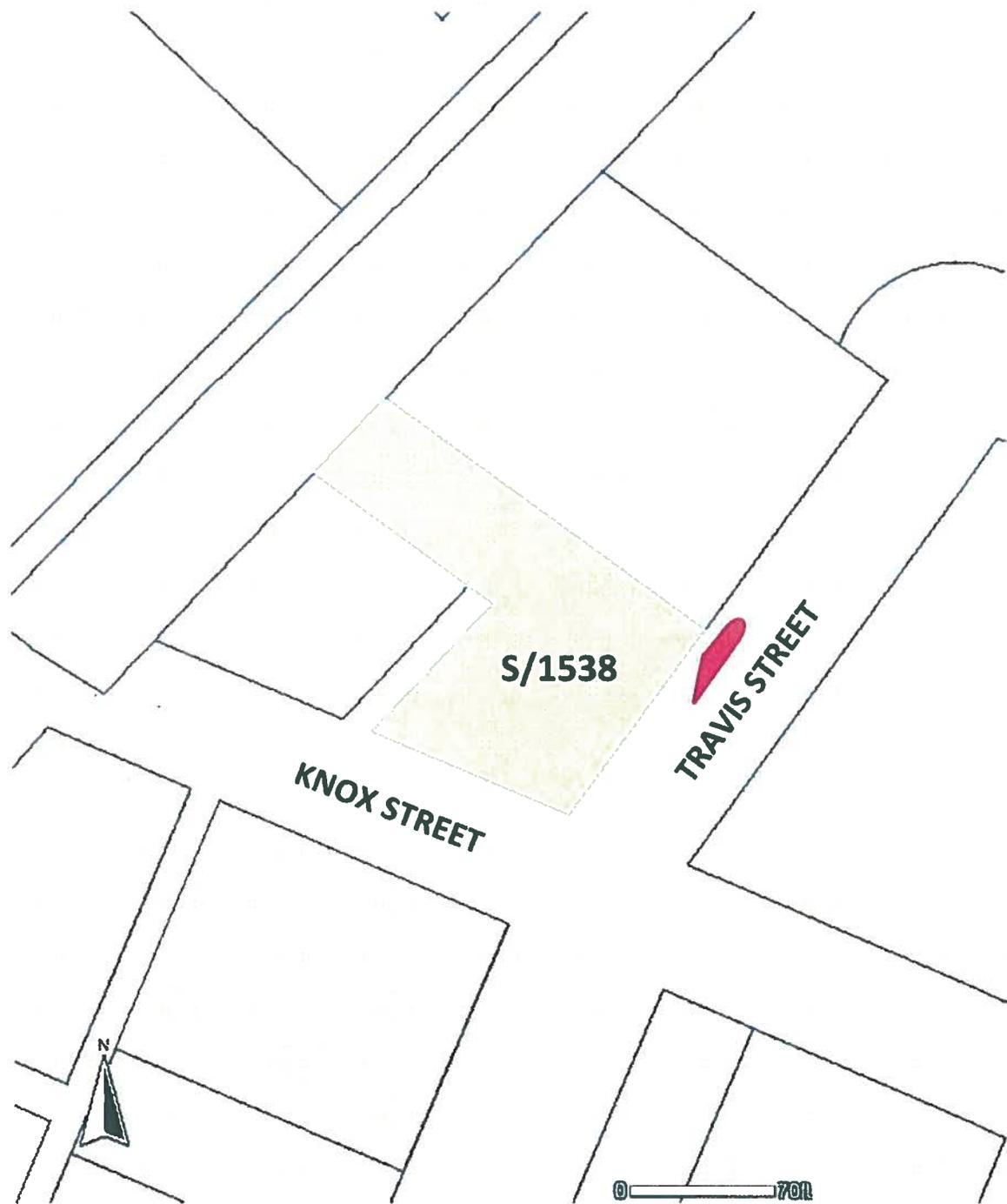
OWNER

Keating Clonard Holdings, LLC

Courtney C. Walsh-Annesi, Manager

MAP

Attached



LICENSING AREA

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 46E

SUBJECT

An ordinance abandoning a portion of a sanitary sewer easement to Borderplex Swiss Avenue, LLC, the abutting owner, containing approximately 1,321 square feet of land, located near the intersection of Swiss Avenue and Peak Street - Revenue: \$5,400, plus the \$20 ordinance publication fee

BACKGROUND

This item authorizes the abandonment of a portion of a sanitary sewer easement to Borderplex Swiss Avenue, LLC, the abutting owner. The area will be included with the property of the abutting owner for new construction of a multi-family apartment. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Revenue: \$5,400, plus the \$20 ordinance publication fee

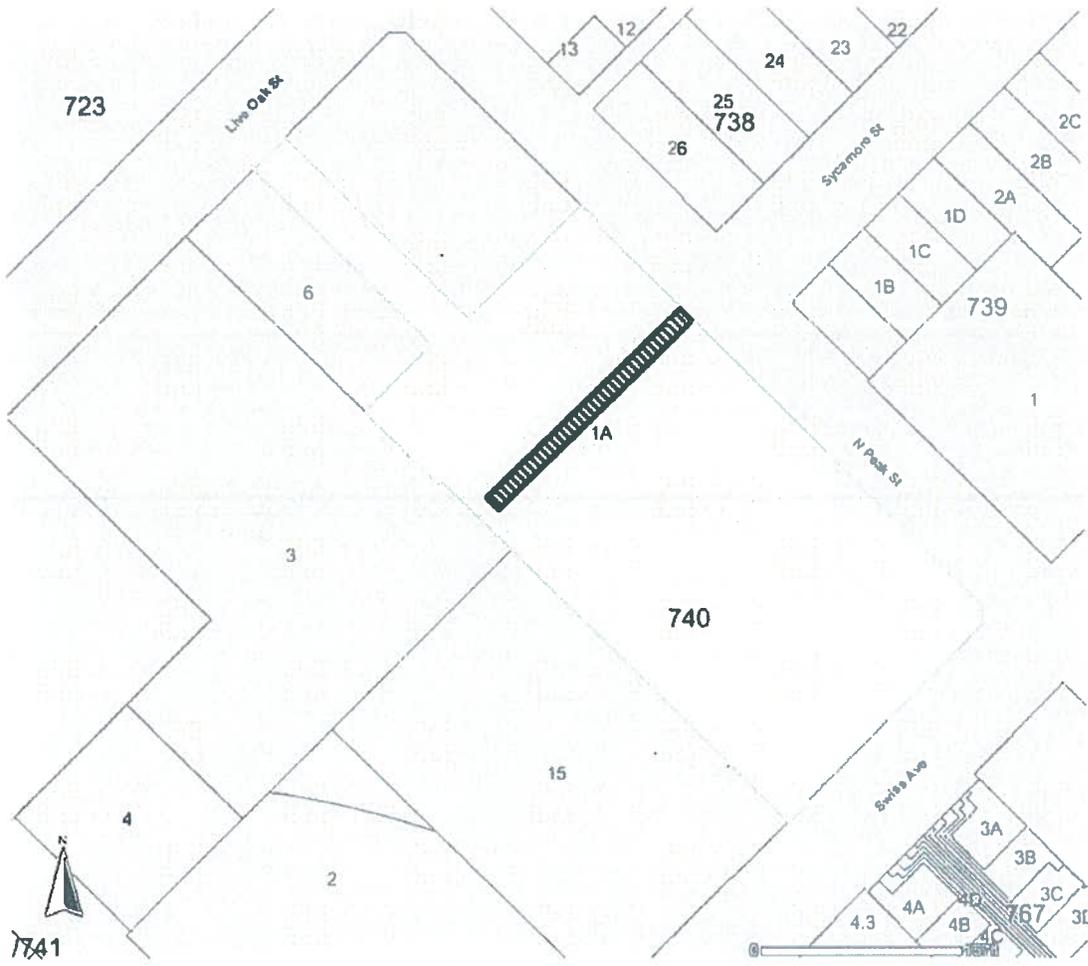
OWNER

Borderplex Swiss Avenue, LLC

Bharat H. Sangani, Manager

MAP

Attached



Log: 42617

Abandonment: 

Applicant: Borderplex Swiss Avenue, LLC

MapSCO: 46E

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Sustainable Development and Construction
Aviation
CMO: Ryan S. Evans, 671-9837
MAPSCO: 33G

SUBJECT

An ordinance abandoning portions of two water reservation easements to the City of Dallas, the abutting owner, containing a total of approximately 49,851 square feet of land, located near the intersection of Shorecrest and Denton Drives - Revenue: \$5,400, plus the \$20 ordinance publication fee

BACKGROUND

This item authorizes the abandonment of portions of two water reservation easements to the City of Dallas, the abutting owner. The area will be included with the property of the abutting owner for new construction and building expansion by current lessee, Southwest Airlines. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Revenue: \$5,400, plus the \$20 ordinance publication fee

MAP

Attached



**Dallas Central
Appraisal District**
www.dallascad.org

DISCLAIMER
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Log: 41318

Mapsc0: 33G

Abandonment: -----

Applicant: City of Dallas

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 1
DEPARTMENT: Sustainable Development and Construction
CMO: Ryan S. Evans, 671-9837
MAPSCO: 43Z

SUBJECT

An ordinance abandoning four wastewater easements to Lincoln Colorado Place LLC, the abutting owner, containing a total of approximately 7,172 square feet of land, located near the intersection of Fort Worth Avenue and Colorado Boulevard - Revenue: \$5,400, plus the \$20 ordinance publication fee

BACKGROUND

This item authorizes the abandonment of four wastewater easements to Lincoln Colorado Place LLC, the abutting owner. The area will be included with the property of the abutting owner for a mixed-use development. The cost for this abandonment is the minimum processing fee pursuant to the Dallas City Code, therefore, no appraisal is required.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Revenue: \$5,400, plus the \$20 ordinance publication fee

OWNER

Lincoln Colorado Place LLC

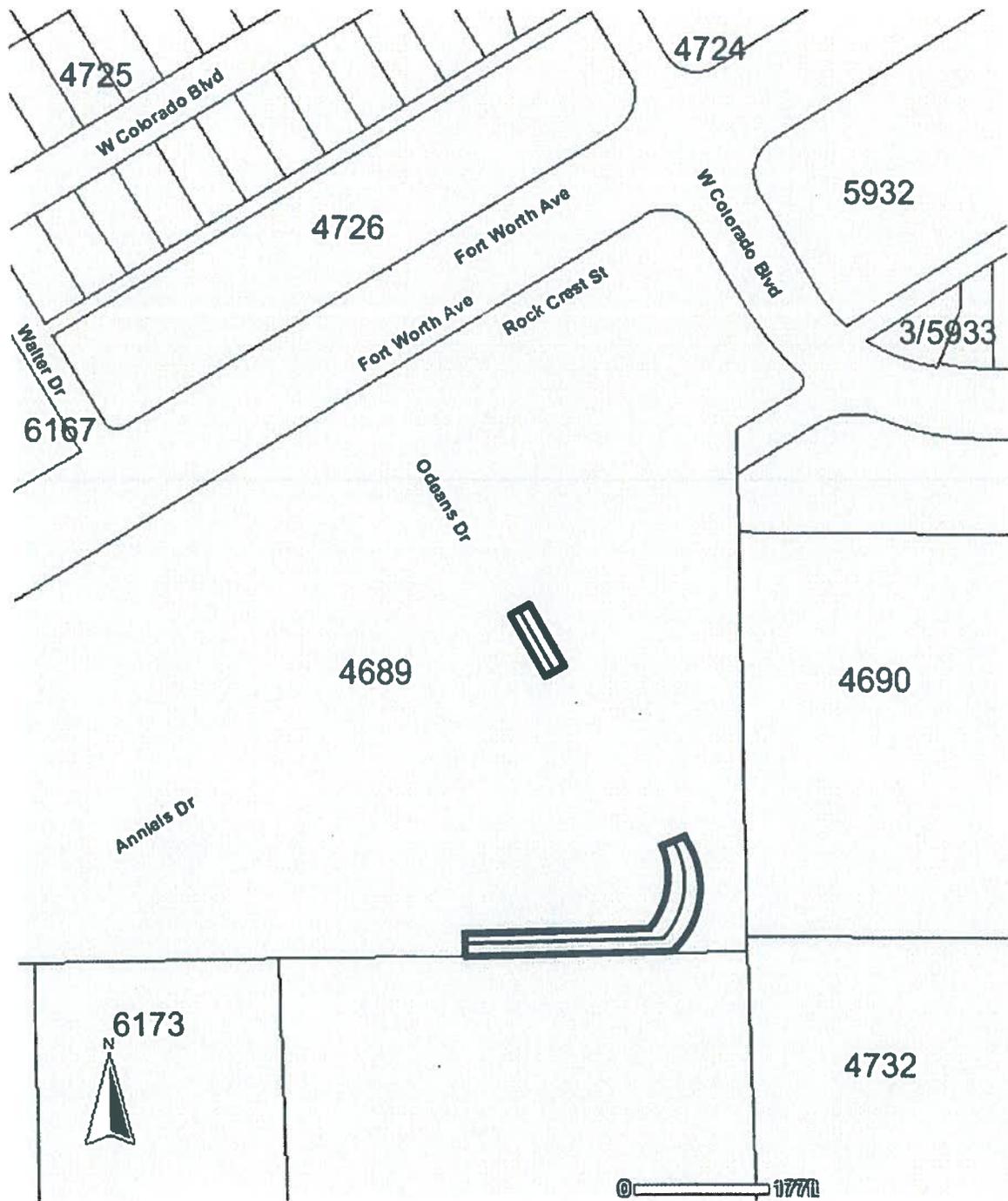
LPC MM Colorado Place LLC

LPC Manager, Inc.

John Timothy Byrne, President

MAP

Attached



Abandonment Areas: 

Memorandum



DATE June 17, 2016

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Lee M. Kleinman, Adam Medrano, Carolyn King Arnold, B. Adam McGough

SUBJECT **RATIFICATION OF EMERGENCY CONSTRUCTION SERVICES AT THE KAY BAILEY HUTCHISON CONVENTION CENTER DALLAS**

On June 22, 2016, the City Council will be asked to consider the ratification of an emergency construction contract with Hoffman Texas, Inc. dba Roto-Rooter Service and Plumbing for sewer line repairs at the Kay Bailey Hutchison Convention Center Dallas, in an amount not to exceed \$184,690.

On May 4, 2016 a sewer line backed up at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) causing raw sewage and waste contamination. The contamination effected a large area adjacent to public parking, dock entrance to City Hall and KBHCCD, and food storage and receiving facilities. Roto Rooter was called out to perform emergency repairs. Due to the nature of the back up the entire area was professionally cleaned and sanitized by a certified specialist ensuring all bacteria was eliminated.

Roto Rooter has been on site and a section of the sewer line has been repaired. After a review of the cast iron pipes it was determined that two additional sections of the sewer lines were collapsing. The sewer lines are original to the building, built in 1957 and are roughly 60 years old; the useable life of cast iron pipes averages 40 years. Below are two illustrations of the condition of the pipes.



To address the issue Roto Rooter has made repairs to existing pipes and is cleaning roughly 500 feet of sewer lines and lining the existing pipes with a blown-in fiberglass liner. The blown-in liner creates a "pipe within a pipe," adding 50 years of usable life to the existing sewage system. Roto Rooter has provided the blown-in liner for similar facilities including the California Angels Baseball Stadium in Los Angeles, the Coca Cola production plant in Phoenix and the Catalina Island California public sewer system, as well as locally for the Dallas County Community College and Baylor Medical Center Dallas.

The blown-in pipe repair option was selected in an effort to avoid the additional cost and disruption to the event schedule of a full replacement, and carries a 15-year transferable warranty that includes labor.

To preserve the public health and safety of our visitors, City staff and contractors, as well as to address the unforeseen damages to City property, the emergency repairs were authorized. The department has consulted with Business Development & Procurement and the City Attorney's Office and has complied with the Administrative Directive 4-5: Contracting Policy.

Should you have any questions, please contact my office.



Ryan S. Evans
First Assistant City Manager

Cc: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Chris Bowers, Interim City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager
Jill Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 2
DEPARTMENT: Convention and Event Services
CMO: Ryan S. Evans, 671-9837
MAPSCO: 45P

SUBJECT

Ratify an emergency construction contract with Hoffman Texas, Inc. dba Roto-Rooter Service and Plumbing for sewer line repairs at the Kay Bailey Hutchison Convention Center Dallas located at 650 South Griffin Street - Not to exceed \$184,690 - Financing: Convention and Event Services Current Funds

BACKGROUND

This item was placed on the addendum to ratify an emergency construction contract for sewer line repairs at the Kay Bailey Hutchison Convention Center Dallas (KBHCCD).

This action will authorize an emergency construction contract with Hoffman Texas, Inc. dba Roto-Rooter Service and Plumbing (Roto Rooter) for sewer line repairs at the Kay Bailey Hutchison Convention Center Dallas. On May 4, 2016 a sewer line backed up at the Kay Bailey Hutchison Convention Center Dallas causing raw sewage and waste to contaminate a large area adjacent to public parking, dock entrance to City Hall and KBHCCD, and food storage and receiving facilities. Roto Rooter was called out to perform emergency repairs. Due to the nature of the back up the entire area was professionally cleaned and sanitized by a certified specialist ensuring all bacteria was eliminated.

Roto Rooter has been on site and a section of the sewer line has been repaired. After a review of the cast iron pipes it was determined that two additional sections of the sewer lines are collapsing. The sewer lines are original to the building, built in 1957 and are roughly 60 years old; the useable life of cast iron pipes averages 40 years. To address the issue Roto Rooter has made repairs to existing pipes and will be cleaning roughly 500 feet of sewer lines and lining the existing pipes with a blown-in fiberglass liner. The blown-in liner creates a "pipe within a pipe," adding 50 years of usable life to the existing sewage system. Roto Rooter has provided the blown-in liner for similar facilities including the California Angels Baseball Stadium in Los Angeles, the Coca Cola production plant in Phoenix and the Catalina Island California public sewer system, as well as locally for Dallas County Community College and Baylor Medical Center Dallas.

BACKGROUND (Continued)

The blown-in pipe repair option was selected in an effort to avoid the additional cost and disruption to the event schedule of a full replacement, and carries a 15-year transferable warranty that includes labor.

ESTIMATED SCHEDULE OF PROJECT

Began Construction	May 4, 2016
Complete Construction	June 2016

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Convention and Event Services Current Funds - \$184,689.62

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 22, 2016
COUNCIL DISTRICT(S): 7
DEPARTMENT: Public Works Department
CMO: Jill A. Jordan, P.E., 670-5299
MAPSCO: 46P

SUBJECT

Authorize an increase in the construction contract with Texas Standard Construction, Ltd. for the construction of tinted, stamped concrete pedestrian crosswalks and barrier-free ramp improvements at the intersections of Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard - Not to exceed \$747,377, from \$19,989,714 to \$20,737,091 - Financing: Current Funds (subject to annual appropriations)

BACKGROUND

This item is submitted as an addendum item because it was determined that the construction of the crosswalks and barrier-free ramps on Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard need to be expedited in order to finish the construction before the start of the 2016 Texas State Fair.

On May 27, 2015, Resolution No. 15-0958 authorized a construction contract with Texas Standard Construction, Ltd. for Street Reconstruction Group 12-637. The improvements in this construction package entail paving, drainage, landscaping, streetscape, and water and wastewater main improvements for the following street reconstruction and complete street 2012 Bond Program projects: South Lamar Street from IH-45 to Emery Street; Al Lipscomb Way (formally Grand Avenue) from South Good Latimer to Robert B. Cullum Boulevard; and J. B. Jackson, Jr. Boulevard from Martin Luther King, Jr. Boulevard to Al Lipscomb Way. This action will authorize Change Order No. 1 to the construction contract with Texas Standard Construction, Ltd. for the construction of tinted, stamped concrete pedestrian crosswalks and barrier free ramp improvements along Martin Luther King, Jr. Boulevard at South Trunk Avenue, J. B. Jackson, Jr. Boulevard and Robert B. Cullum Boulevard.

ESTIMATED SCHEDULE OF PROJECT

Began Design	August 2007
Completed Design	March 2015
Began Construction	July 2016
Complete Construction	September 2016

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Authorized a professional services contract for engineering design services with Halff Associates, Inc. on June 13, 2007, by Resolution No. 07-1833.

Authorized Supplemental Agreement No. 1 with Halff Associates, Inc. for engineering design services on March 25, 2009, by Resolution No. 09-0835.

Authorized Supplemental Agreement No. 2 with Halff Associates, Inc. for engineering design services on January 11, 2012, by Resolution No. 12-0136.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on June 12, 2013, by Resolution No. 13-0966.

Authorized a professional services contract for engineering design services with Freese and Nichols, Inc. on December 11, 2013, by Resolution No. 13-2069.

Authorized Supplemental Agreement No. 4 with Halff Associates, Inc. for engineering design services on January 14, 2015, by Resolution No. 15-0123.

Authorized a construction contract with Texas Standard Construction, Ltd. for Street reconstruction group 12-637, by Resolution No. 15-0958.

Information about this item will be provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

Current Funds - \$747,377.00

Design - PBW	\$ 1,083,837.40
Design - TWM	\$ 350,000.00
Design - DWU	\$ 211,514.00
Construction	
Paving & Drainage - PBW	\$11,789,791.25
Paving & Drainage - TWM	\$ 4,056,908.00
Water and Wastewater - DWU	\$ 4,143,014.60
Change Order No. 1 (this action)	<u>\$ 747,377.00</u>

Total Project Cost \$22,382,442.25

M/WBE INFORMATION

See attached.

ETHNIC COMPOSITION

Texas Standard Construction, Ltd.

Hispanic Female	3	Hispanic Male	87
African-American Female	0	African-American Male	3
Other Female	0	Other Male	0
White Female	4	White Male	8

OWNER

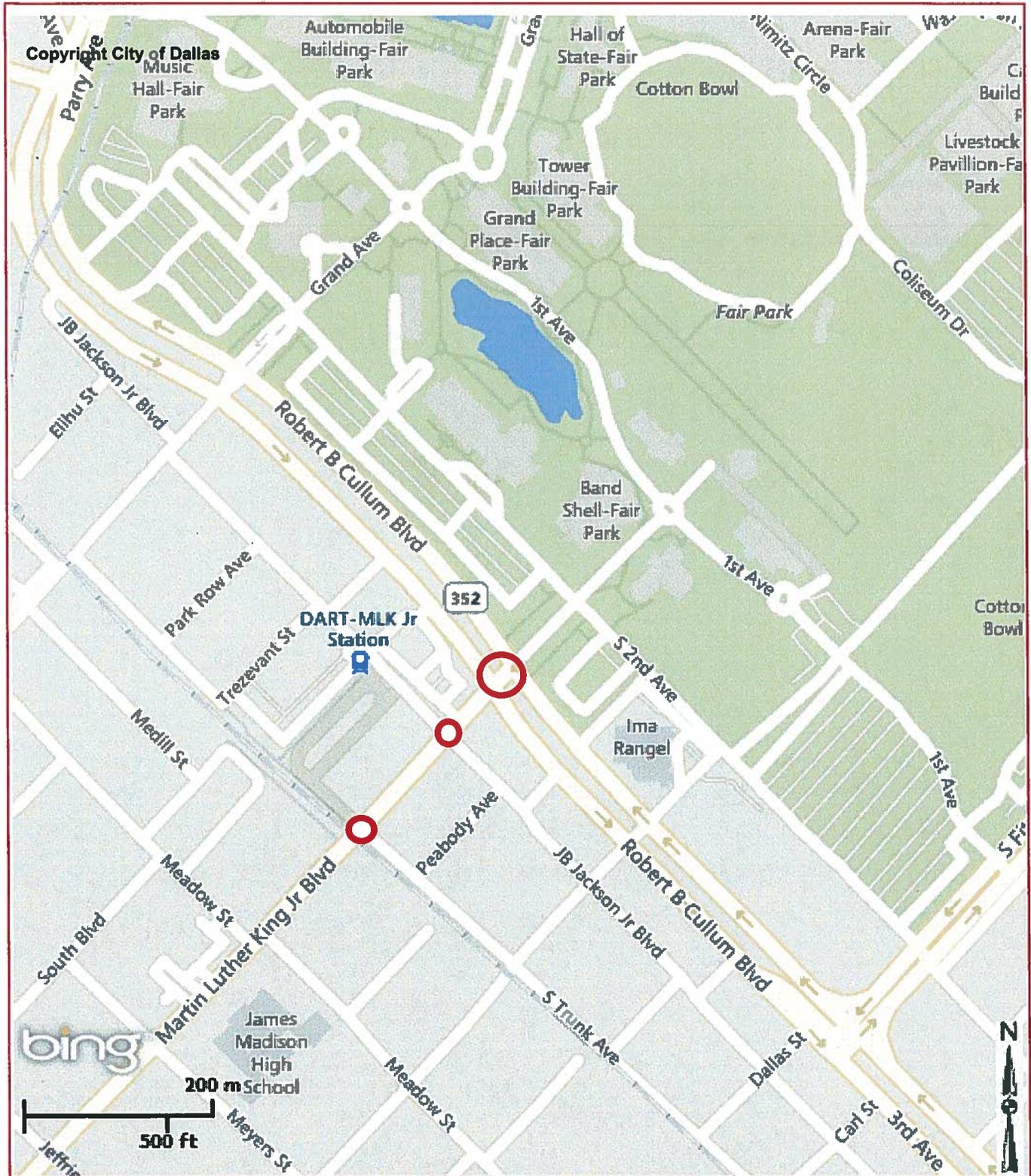
Texas Standard Construction, Ltd.

Ronald H. Dalton, President

MAP

Attached.

MARTIN LUTHER KING JR BOULEVARD INTERSECTION IMPROVEMENTS S. TRUNK AVENUE, JB JACKSON JR BOULEVARD AND ROBERT B. CULLUM BOULEVARD



MAPSCO 46P

Upcoming Agenda Item
August 10, 2016

AGENDA DATE: August 10, 2016
COUNCIL DISTRICT(S): 3
DEPARTMENT: Office of Economic Development
CMO: Ryan S. Evans, 671-9837
MAPSCO: 53 U

SUBJECT

Neighborhood Empowerment Zone and Business Personal Property Tax Abatement Authorization

- * Authorize a resolution designating the approximately 7.4034 acres of property located at 2822 Glenfield Avenue in Dallas Texas, 75233 as City of Dallas Neighborhood Empowerment Zone No. 5 (“NEZ No.5”), pursuant to Chapter 378 of the Local Government Code to promote an increase in economic development in the zone, establishing the boundaries of the Neighborhood Empowerment Zone and providing for an effective date – Financing: No cost consideration to the City
- * Authorize a 50 percent business personal property tax abatement agreement for 8 years with SVC Manufacturing, Inc. in consideration of an expansion of its beverage manufacturing operation that will generate new taxable investment and job creation at 2822 Glenfield Avenue, Dallas, Texas 75233 furthering the City of Dallas’ economic development goals pursuant to the City’s Public/Private Partnership Program Guidelines and Criteria - Revenue: First year revenue estimated at \$97,553; eight-year revenue estimated at \$578,813 (Estimated revenue foregone for eight-year business personal property tax abatement estimated at \$578,813)

Total amount, subject 1: \$0.00 No cost consideration to the City
Total amount, subject 2: \$0.00 No cost consideration to the City
Total amount, subject 3: \$0.00 Not applicable
Funding types: _____ NO COST CONSIDERATION TO THE CITY

BACKGROUND

For the past several months, City staff has been in discussions with representatives of SVC Manufacturing, Inc., the manufacturer of Gatorade, about where the company will expand its beverage manufacturing capacity. In response to a proposal made by the City, the company is considering making a substantial investment at its Gatorade manufacturing facility located at 2822 Glenfield Avenue, Dallas, Texas 75233. The company considered a number of operating facilities outside of Dallas for the expansion and this project competed internally with other company projects nationwide for funding.

BACKGROUND (Continued)

SVC Manufacturing, Inc. anticipates investing up to \$30 million on the project which includes building improvements of approximately \$3 million, \$19 million for new equipment and nearly \$8 million on installation and start-up costs. Presently, SVC Manufacturing, Inc. maintains approximately 200 positions at the manufacturing facility with an average salary of approximately \$50,000. With this project, the company anticipates adding at least 18 additional jobs with a similar average salary.

SVC Manufacturing, Inc. requests City Council consideration of a 50 percent business personal property tax abatement for 8-years on the added value of equipment and other new business personal property at the facility. The incentive will help reduce operational costs associated with the project resulting in the site being a cost competitive option for the company to choose relative to other sites and projects considered.

In consideration of the proposed tax abatement, SVC Manufacturing, Inc. will: (1) invest a minimum of \$25,000,000 on new business personal property (FF&E), facility improvements, and installation, engineering and other start-up costs associate with the new line, and (2) maintain at least 218 jobs onsite by December 31, 2017.

The estimated forgone revenue associated with the abatement is \$578,813 over the 8-year term. The 10-year net estimated fiscal impact of this project is \$448,565 and \$1,018,748 over 20-years.

In order to provide tax abatement at this location, state law requires the City to create a Reinvestment Zone or a Neighborhood Empowerment Zone. City staff proposes the creation of Neighborhood Empowerment Zone No. 5 and recommends favorable consideration of the proposed incentive.

SVC Manufacturing, Inc., a subsidiary of PepsiCo, is a manufacturer of Gatorade sports fuel products. Gatorade products provide sports performance innovations designed to meet the needs of athletes at all competitive levels and across a broad range of sports. Backed by a 50-year history of studying the best athletes in the world and grounded in years of hydration and sports nutrition research at the Gatorade Sports Science Institute, Gatorade provides scientifically formulated products to meet the sports fueling needs of athletes in all phases of athletic activity.

ESTIMATED SCHEDULE OF THE PROJECT

Begin Construction	September 2016
Substantial Completion	August 2017

PRIOR ACTION / REVIEW (COUNCIL, BOARDS, COMMISSIONS)

Information about this item was provided to the Economic Development Committee on June 20, 2016.

FISCAL INFORMATION

No cost consideration to the City

OWNER

SVC Manufacturing, Inc.

Tom Winters

Senior Vice President

North American Nutrition

MAP

Attached.

August 10, 2016

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

WILLINOIS AVE

WESTMORELAND STATION

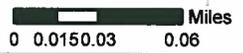
GLENFIELD AVE

**NEIGHBORHOOD
EMPOWERMENT
ZONE No. 5
Approx. 7.4 Acres**

S WESTMORELAND RD

PIERCE ST

HANSBORO AVE



Legend

-  2822 GLENFIELD AVE
-  DART RED LINE