

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** December 13, 2017

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Office of Economic Development

**CMO:** Raquel Favela, 671-5257

**MAPSCO:** 27 N

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**SUBJECT**

Authorize approval of twenty-one grants recommended by the South Dallas Fair Park Trust Fund Advisory Board for programs and services in the areas of business, community, human and economic development - Not to exceed \$476,500 - Financing: South Dallas/Fair Park Trust Funds

**BACKGROUND**

The South Dallas/Fair Park Trust Fund Advisory Board makes loan and grant recommendations to assist neighborhoods in the South Dallas/Fair Park vicinity in the areas of human services and economic development.

The South Dallas/Fair Park Trust Fund Advisory Board's recommendations serve residents and businesses in the following 10 census tracts: 25, 27.01, 27.02, 34, 37, 38, 39.01, 39.02, 203 and 40.

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

On February 25, 2004, City Council authorized an amendment to Resolution No. 99-3439, previously approved on October 27, 1999, to allow the South Dallas/Fair Park Trust Fund Advisory Board to access unused and unencumbered funds from prior fiscal years for use in subsequent fiscal years for the purpose of supporting activities consistent with the South Dallas/Fair Park Trust Fund Advisory Board approved programs by Resolution No. 04-0801.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (continued)

On June 17, 2015, City Council authorized a resolution replacing Resolution Nos. 06-1833 and 07-2962, approved on June 28, 2006 and October 10, 2007 respectively, to re-establish certain existing policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund advisory board; provide for a new South Dallas Adaptive Reuse Program serving the South Dallas Fair Park area; establish revise funding sources for the South Dallas/Fair Park Trust Fund and other programs supporting the area; allocate funding from existing programs and add the Public Safety Grant Program to the South Dallas Fair Park Trust Fund Advisory Board Program Offerings by Resolution No. 15-1264.

On November 9, 2016, City Council authorized (1) a start date of June 1, 2016 for grants recommended by the South Dallas/Fair Park Trust Fund Board's grant committee on June 13, 2016 and approved for recommendation to the City Manager by the South Dallas/Fair Park Trust Fund Advisory Board on July 27, 2016; (2) amendments to the South Dallas/Fair Park Trust Fund Grant Program to distinguish community and social services grant from economic development grants under the authority of Chapter 380 of the Texas Local Government Code (Chapter 380); and (3) an amendment to Resolution No. 15-1264, Section 2.A.b. to separate the eligible programs by Resolution No. 16-1830.

On July 12, July 26, and November 8, 2017, the South Dallas/Fair Park Trust Fund advisory board authorized and recommended approval of twenty-one grants.

Information about this item was provided to the Economic Development and Housing Committee on October 16, 2017.

Information about this item will be provided to the Economic Development and Housing Committee on December 4, 2017.

**FISCAL INFORMATION**

South Dallas/Fair Park Trust Funds - \$476,500

**MAP**

Attached

## South Dallas/ Fair Park Trust Fund Grant Recommendations

### Community Based Non - Profit Grants:

**Alley's House:** Grant amount \$26,000. The Pathways and Community Outreach Programs benefit 150 teen moms by providing mentoring, counseling and education to teen mothers. Course offerings include health and wellness, workforce readiness, professional development, personal enrichment, financial literacy, and parenting. The programs are targeted and teen moms at Lincoln and Madison high schools, and take place during the 2017-18 school year.

**Cornerstone Community Development Corporation, Inc.:** Grant amount \$31,500. The Cornerstone Afterschool Program provides after school care to at-risk elementary students during the 2017-18 school year. The program serves approximately 200 K-5<sup>th</sup> students from elementary schools in the South Dallas Fair Park area.

**One Stop Community Services Inc:** Grant amount \$35,000. This program will provide assistance to 15 individuals to develop estate plans, wills, or revocable trusts, or to resolve heirship issues with properties. The program will continue until funds are depleted. Individuals will be referred to the program from the City of Dallas and other community partners.

**Senior Citizens of Greater Dallas, Inc.:** Grant amount \$35,000. The program will provide seminars on elder financial safety including fraud, scams, and exploitation to approximately 600 older adults in the South Dallas Fair Park area. Participants will also be encouraged to participate in a "Money Smart for Older Adults" series or meet individually with financial aid and insurance counselors.

**Abounding Prosperity, Incorporated:** Grant amount \$31,500. This project will serve the South Dallas Fair Park community by delivering a minimum of six Hepatitis C community information sessions, and providing Hepatitis C screening services to a minimum of 300 persons.

**Family Care Connection:** Grant amount \$15,000. The program offers domestic abuse education and training, including case management, counseling, support groups, awareness, and advocacy for approximately 200 survivors of domestic violence.

**Boys & Girls Clubs of Greater Dallas, Inc.:** Grant amount \$17,250. The Academic Success program is provided at Madison and Lincoln High Schools, Dunbar Elementary, and Dade Middle School. For younger grades the program provides educational after school care. For high school participants, the program offers college enrollment preparation, including FAFSA preparation, SAT/ACT test preparation, and assistance with college and scholarship applications. The program will be operated during the 2017-18 school year.

**LiftFund:** Grant Amount \$35,000. The funds will be used to create the North Texas Dream Fund, a revolving small business loan program. The fund will provide microloans coupled with business counseling services.

**Inspiring Tomorrow's Leaders, Inc. —** Grant Amount \$28,000. The Flagship Work Readiness Program will provide a four-week training course for 30 individuals in preparation for certification licensing testing for the Texas State License for Property and Casualty Insurance. The 30 students will be monitored by hiring agents in the insurance industry, and will be tracked and coached for a six-month period.

**Texas Trees Foundation:** Grant Amount \$35,000. The Jubilee Community Tree Planting Project will partner with the Jubilee Community Center to educate residents and students on the impact of trees on health and livability of their city. The project will plant approximately 150 trees in residential areas as determined by community input, and will plant 50 trees to create an outdoor learning area on the Oran M. Roberts Elementary School campus.

**Plan Empower Grow:** Grant Amount \$15,250. The South Dallas Small Business Development Growth Initiative will offer small business development and growth workshops, trainings on MWBE certifications, trainings on spot bid and bid on contract opportunities, and training on the US patent process, and other small business trainings and services.

**On the Road Lending:** Grant Amount \$28,000. The Key Provisional Transportation Program gives job seekers access to temporary vehicles while they search for a job and gain stability. Vehicles are provided at a cost of approximately \$250/month for 8-12 months while program participants receive financial coaching with the goal of qualifying for a car purchase. The program will assist approximately 150 individuals.

**Get Healthy Dallas:** Grant Amount \$35,000. This project is designed to stimulate local food production in the food desert area surrounding the South Dallas Fair Park area through urban gardening. Community gardens will produce local fresh food and provide jobs and training to local residents.

**ScholarShot, Inc.:** Grant Amount \$24,000. This program will support college degree completion for South Dallas Fair Park residents by providing academic planning, personal coaching, and accountability through full-time academic managers. The program will run during the 2018 calendar year.

**St. Philips School and Community Center:** Grant Amount \$35,000. The program will operate during summer 2018 to fill summer learning loss gaps for a minimum of 140 children ages 2-12, whose parents may struggle to find quality care while working.

**LIFT (Literacy Instruction for Texas):** Grant Amount \$20,000. The program provides adult basic literacy education, adult high school equivalency/GED test preparation, and English immersion classes for non-English speaking adults. The program will serve 75 South Dallas Fair Park adult residents.

### **Challenge Grants:**

**Project Still I Rise Inc:** Grant Amount \$5,000. The Urban STEM Initiative is expected to provide after school STEM curriculum to 100 students in the South Dallas Fair Park area. The Urban STEM Initiative is provided via a mobile computer lab and facilitated instruction. The program will be provided during the summer of 2017 and the 2017-18 school year.

**Circle of Support, Inc.:** Grant Amount \$5,000. The Girl S.M.A.R.T. and S.M.A.R.T. Boys Summer Learning Program is an 8-week program focused on science, math, art, reading and technology. The program operated in summer of 2017 and served a minimum of 300 students.

**Generation to Generation Ministries, Inc.:** Grant Amount \$5,000. The program will provide social and emotional learning for approximately 180 K-6<sup>th</sup> students enrolled in the T.R. Hoover Community Center afterschool program. The program will focus on respect, self-esteem, and anger management, and will use instructional tools such as poems and word play to teach these values. There will be twice weekly 2-hour sessions during the school year and four sessions a week in the summer. The program will operate during the 2017-2018 school year and summer of 2018.

**Cornerstone Crossroads Academy:** Grant Amount \$5,000. The grant will be used to provide life coaches for 25-50 individuals seeking high school degrees. The coaches will provide case management to address social and emotional barriers to attaining education and workforce success through one on one counseling and mentoring of high risk and low income high school students. The program will be offered during the 2017-18 school year.

### **Public Safety Grant:**

**Cornerstone Community Development Corporation:** Grant Amount \$10,000. The funds will pay for landscaping and beautification efforts in the target area of the Cornerstone Heights district. Unemployed and underemployed persons will be contracted for \$10/hour to remove litter, cut brush and weeds, and pick up trash.

December 13, 2017

**WHEREAS**, on February 18, 1987, City Council authorized the adoption of the South Dallas/Fair Park Neighborhood Preservation and Economic Development Plan which established a South Dallas/Fair Park Fund by Resolution No. 87-0632; and

**WHEREAS**, on November 8, 1989, City Council authorized acting on certain recommendations put forth by the Fair Park Task Force, which created guidelines and projects concerning the fund by Resolution No. 89-3605; and

**WHEREAS**, on March 24, 1993, City Council authorized the adoption of certain recommendations contained in the long-range plan submitted for the fund by Resolution No. 93-1145; and

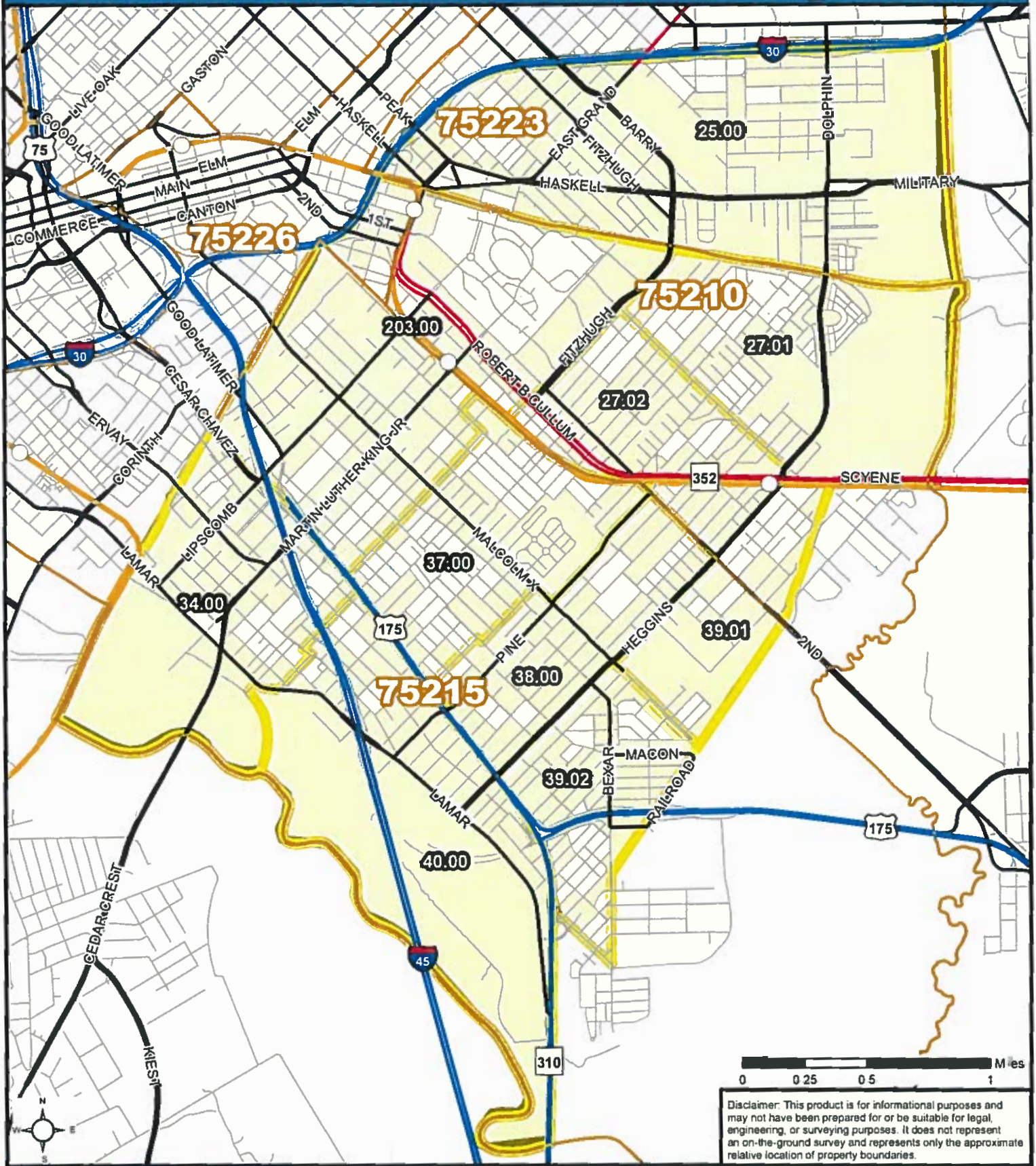
**WHEREAS**, on February 25, 2004, City Council authorized an amendment to Resolution No. 99-3439, previously approved on October 27, 1999, to allow the South Dallas/Fair Park Trust Fund Advisory Board to access unused and unencumbered funds from prior fiscal years for use in subsequent fiscal years for the purpose of supporting activities consistent with the South Dallas/Fair Park Trust Fund advisory board approved programs by Resolution No. 04-0801; and

**WHEREAS**, on June 17, 2015, City Council authorized a resolution replacing Resolution Nos. 06-1833 and 07-2962, approved on June 28, 2006 and October 10, 2007 respectively, to re-establish certain policies, programs, procedures and guidelines for the South Dallas/Fair Park Trust Fund Advisory Board; provide for a new South Dallas Adaptive Reuse Program serving the South Dallas/Fair Park area; establish revise funding sources for the South Dallas/Fair Park Trust Fund and other programs supporting the area; allocate funding from existing programs and add the Public Safety Grant Program to the South Dallas/Fair Park Trust Fund Advisory Board Programs by Resolution No. 15-1264; and

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, the governing body of a municipality may establish and provide for the administration of programs, including programs for making loans and grants of public money to promote state or local economic development and commercial activity in the municipality; and

**WHEREAS**, for grants or loans that do not meet the requirements under Chapter 380 of the Texas Local Government Code, such as community and social services grants, City Council finds that there is a public purpose in funding such services that support the needs of the citizens of South Dallas/Fair Park and encourages citizens to enrich their lives and the surrounding community; and

# South Dallas / Fair Park Trust Fund Eligible Area



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

**Legend**

- South Dallas / Fair Park Trust Fund Eligible 2010 Census Tract
- Rail Station
- DART Light Rail
- Freeway
- Highway
- Arterial
- Local Road
- Flood Plain
- ZIP Code

# Memorandum



CITY OF DALLAS

DATE November 30, 2017

TO Members of the Economic Development & Housing Committee:  
Tennell Atkins, Chair, Rickey D. Callahan, Vice-Chair, Lee M. Kleinman,  
Scott Griggs, Casey Thomas, II, B. Adam McGough, Mark Clayton, Kevin Felder,  
Omar Narvaez

SUBJECT **Upcoming Agenda Item – Refinance of Housing Development Loan with 2122 Highland, LLC**

## Summary

City Council approved a forgivable housing development loan in the amount of \$550,000 (\$400,000 is forgivable and \$150,000 is non-forgivable), by Resolution No. 12-2706 and 13-1975, respectively, for the rehabilitation on 24 units for veterans at 2122 Highland Road (Owner). The Owner is seeking approval to change the lender and allow for the refinancing of the senior lien loan for the 24-unit apartment complex at 2122 Highland Road, and authorize the subordination of the City's lien to the first lender.

## Background

City Council approved a housing development loan for \$550,000 in HOME funds (\$400,000 forgivable and \$150,000 non-forgivable) with 2122 Highland LLC (Owner) for rehabilitation of 24 units for occupancy by veterans. The total development cost of \$1,382,500 included acquisition, predevelopment, soft and hard costs. As of September 30, 2014, the Owner completed the rehabilitation of units and leased them to low income families at or below 80% Area Median Family Income. The project has been in operation since 2014 and maintains a waiting list of interested applicants.

During the review of this request it was found that existing resolutions, identified below, have demonstrated inconsistencies, and while recording the First Amendment to the Deed of Trust, Security Agreement, and Assignment of Rents on February 4, 2017, Instrument No. 201400026781, it mistakenly removed the portion of the forgivable HOME loan funds, in the amount of \$400,000, which carries a 10-year affordability term. As part of this request, we will correct this error and prepare



an amendment to the Deed of Trust, Security Agreement, and Assignment of Rents. Note that the affordability term is ten-years and the remaining balance is six-years.

More recently this year, the Owner requested authorization from the City to refinance the Mid South Bank (existing senior lender) loan in the amount of \$705,000. Approval of the refinance will provide the Owner the opportunity to cash out a portion of the equity, secure better loan terms with Wells Fargo Bank for a revised loan amount of \$1,500,000 (proposed senior lender), and pay junior debt against the property. The new senior loan amount, while higher and with the potential of posing a greater risk to the City of Dallas, shall retain a loan to value ratio of less than 80%, which will ensure the project's operations are financially sustainable. The refinance will enable the payment of the non-forgivable amount, \$150,000, at which time the City will release the note lien, but the amended Deed of Trust in the amount of \$400,000.00 shall be corrected and remain through the remaining six-year period.

Following is a summary of the refinance cash use for the property:

Proposed senior lender	\$1,500,000.00
Senior closing costs	\$ 60,500.00
Payoff City of Dallas	\$ 132,500.00
Payoff to exiting senior lender	\$ 705,000.00
<sup>1</sup> Payoff equity to partners	\$ 230,130.00
General Contractor (deferred fees)	\$ 371,870.00
Total Cash Out	\$ 00.00

The general contractor and developer intentionally deferred their fees until the property stabilized. Stabilization of the project occurred in June of 2015; however, the opportunity to refinance with better lender terms took place this year.

Please note that with the City's financial assistance, the developer has previously completed two similar projects that involved the rehabilitation of dilapidated properties serving the veteran population. These properties are managed by the developer and are currently at 100% occupancy.

### Issue

During the review of this request it was found that existing resolutions have inconsistencies and an amendment is necessary. Additionally, the Owner desires to refinance the senior lien loan and for the City to subordinate its debt to the senior lender. The owner is aware of the compliance monitoring requirements, and agrees to continue to satisfy the terms of the loan.

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<sup>1</sup> Partners are Gary Hasty, Bryan Brown and Edward Spears.

Alternatives

If the refinance is not approved, the outstanding debt has a potential for liens filing on the property and the owner may have to sell the property to cure the liens.

Fiscal Impact

The Project was awarded HOME funds under Resolution No. 12-2706 during Fiscal Year 2012-13 and Resolution No. 13-1975 in Fiscal Year 2013-14. To date, all funds have been expended on predevelopment and rehabilitation costs. There is no cost consideration to the City for this request.

Departments/Committee Coordination

On June 23, 2010, City Council approved the FY 2010-11 Consolidated Plan Budget for federal funds which included the Home Investment Partnership Program Funds, by Resolution No. 10-1594.

On June 22, 2011, City Council approved the FY 2011-12 Consolidated Plan Budget for federal funds which included the Home Investment Partnership Program Funds, by Resolution No. 11-1679.

On October 24, 2012, City Council authorized a housing development loan in the amount of \$400,000 with 2122 Highland, LLC for rehabilitation on 24 units in an existing apartment complex, by Resolution No. 12-2706.

On June 26, 2013, City Council approved the FY 2012-13 Consolidated Plan Budget for federal funds which included the Home Investment Partnership Program Funds, by Resolution No. 13-1142.

On November 12, 2013, City Council authorized an amendment to the housing development loan with 2122 Highland, LLC for rehabilitation on 24 units in an existing apartment complex to (1) increase the amount from \$400,000 to \$550,000, (2) extend the term of the contract from October 24, 2013 to January 31, 2014, and (3) require the increased amount of \$150,000 be repaid at 0% interest over 20 years, by Resolution No. 13-1975.

On March 26, 2014, City Council approved an amendment to the housing development loan with 2122 Highland, LLC for rehabilitation on 24 units in an existing apartment complex to extend the completion date from January 31, 2014 to September 30, 2014, by Resolution No. 14-0553.

On August 13, 2014, City Council approved an amendment to the housing development loan with 2122 Highland, LLC for rehabilitation on 24 units in an

2122 Highland, LLC Project  
December 1, 2017  
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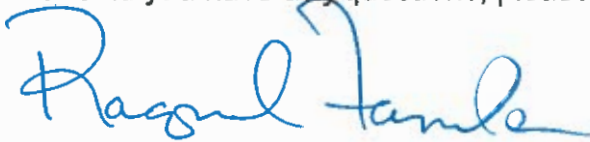
existing apartment complex to allow subordination to the first lien lender for the permanent loan, by Resolution No. 14-1230.

On November 12, 2014, City Council approved an amendment to the housing development loan with 2122 Highland, LLC for rehabilitation on 24 units in an existing apartment complex to extend the completion date from September 30, 2014 to May 31, 2015, by Resolution No. 14-1898.

### Staff Recommendation

Staff recommends approval to **(1)** provide corrections to the existing loan terms; **(2)** change the lender and allow for the refinancing of the senior lien loan for the 24-unit apartment complex at 2122 Highland Road; and **(3)** authorize the subordination of the City's lien to the first lender. With the Committee's approval, the item will be placed on the City Council agenda for December 13, 2017.

Should you have any questions, please contact me at (214) 671-5257.



Raquel Favela  
Chief of Economic Development & Neighborhood Services

c: The Honorable Mayor and the Members of City Council	Jon Fortune, Assistant City Manager
T.C. Broadnax, City Manager	J.M. (Jody) Puckett, P.E., Assistant City Manager (Interim)
Larry Casto, City Attorney	José Zapata, Assistant City Manager
Craig D. Kinton, City Auditor	M. Elizabeth Repp, Chief Financial Officer
Biliera Johnson, City Secretary (Interim)	Nadia Chandler Hardy, Chief of Community Services
Daniel F. Solis, Administrative Judge	Theresa O'Donnell, Chief of Resilience
Kimberly Bizar Tolbert, Chief of Staff to the City Manager	Directors and Assistant Directors
Majed A. Al-Ghafry, Assistant City Manager	

**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** December 13, 2017

**COUNCIL DISTRICT(S):** 10, 13

**DEPARTMENT:** Public Works Department  
Office of Economic Development

**CMO:** Majed Al-Ghafry, 670-3302  
Raquel Favela, 670-3309

**MAPSCO:** 27 N P S T

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**SUBJECT**

**Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project**

- \* Authorize **(1)** an amendment to Resolution No. 12-2359, previously approved on September 26, 2012, to rescind Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11 releasing project encumbrances to Dallas County, and to revise Section 2 funding receipt source to receive funds from the North Central Texas Council of Governments to the Texas Department of Transportation; **(2)** a Project Specific Agreement with Dallas County for design, right-of-way acquisition and construction of the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project; **(3)** the receipt and deposit of funds from Dallas County in an amount not to exceed \$346,778; and **(4)** an increase in appropriations in an amount not to exceed \$346,778 in the Capital Projects Reimbursement Fund – Not to exceed \$346,778 – Financing: Capital Projects Reimbursement Funds
- \* Authorize Supplemental Agreement No.1 to the professional services contract with Civil Associates, Inc. to provide final design services for the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project – Not to exceed \$292,054, from \$49,450 to \$341,504 – Financing: Skillman Corridor TIF District Funds (\$34,151), Capital Projects Reimbursement Funds (\$34,150), and Lake Highlands Project Funds (\$223,753)

## **BACKGROUND**

The Lake Highlands Transit Oriented Development (TOD) Sustainable Development Infrastructure Project is a partnership project between the City of Dallas, Dallas County, Texas Department of Transportation (TxDOT) and the North Central Texas Council of Governments (NCTCOG) that was selected by the NCTCOG's third Sustainable Development Program Call for Projects. This action will authorize rescinding Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11 of Resolution No. 12-2359, previously authorized by City Council on September 26, 2012, to release previously encumbered funds and authorize a new Project Specific Agreement with Dallas County for design, right-of-way acquisition and construction of the Lake Highlands TOD Sustainable Development Infrastructure Project. This action will also authorize Supplemental Agreement No.1 to the professional services contract with Civil Associates, Inc. to provide final design services for the Lake Highlands TOD Sustainable Development Infrastructure Project.

Dallas County was originally planned to be the lead agency administering the design and construction for the Lake Highlands TOD Sustainable Development Infrastructure Project. However, it was mutually agreed upon by the City of Dallas and Dallas County that the City of Dallas would take over the lead agency role for this project in order to expedite the project in support of active private development in the vicinity. On October 9, 2017, a professional services contract with Civil Associates, Inc. for the Lake Highlands TOD Sustainable Development Infrastructure Project was awarded by Administrative Action No. 17-6879 to provide preliminary design, including trail alignment survey and wetland delineation, that was used to help clarify the final design scope.

The Lake Highlands TOD Sustainable Development Infrastructure Project includes a 12-foot wide trail connection from the Lake Highlands Town Center development to the south, along Jackson Branch, and then to the west under the Skillman Bridge. The trail becomes 16-foot wide west of the Skillman Bridge, and will include a pedestrian bridge crossing over White Rock Creek to connect with the White Rock Creek Trail. The 16-foot wide trail will also connect to Merriman Parkway west of Skillman Street. A community meeting was held for this project at the Lake Highlands North Recreation Center on October 25, 2016. The estimated total project cost is \$3,467,778, which is to be funded 80 percent by TxDOT (\$2,774,222), 10 percent by Dallas County (\$346,778), and 10 percent by the Skillman Corridor TIF District Fund (\$346,778). The project name has changed slightly from the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project to the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project.

## **ESTIMATED SCHEDULE OF PROJECT**

Began Design	May 2017
Complete Design	June 2018
Begin Easement Acquisition	February 2018
Complete Easement Acquisition	June 2018
Begin Construction	August 2018
Complete Construction	May 2019

## **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On April 13, 2009, the Transportation and Environment Committee was briefed on the Regional Transportation Council Sustainable Development Program Call for Projects for 2009-2010.

On September 15, 2009, the Transportation and Environment Committee was briefed on and endorsed the recommended project list.

On August 10, 2010, a memo was submitted to the Transportation and Environment Committee regarding the resolution of support for the selected projects.

On August 25, 2010, the City Council authorized support for projects selected within the City of Dallas for the Regional Transportation Council Sustainable Development Program and authorized the City Manager to negotiate agreements with the North Central Texas Council of Governments and private sector partners, where applicable by Resolution No. 10-2152.

On September 17, 2012, the Economic Development Committee was briefed by memorandum to consider agreements with the North Central Texas Council of Governments, the State of Texas, Dallas County and PC LH Land Partners, LP, for the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project.

On September 26, 2012, City Council authorized an agreement with the North Central Texas Council of Governments and the State of Texas to obtain funding to reimburse Dallas County, for the costs of design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2357.

On September 26, 2012, City Council authorized a Development Agreement with PC LH Land Partners, LP, in support of the design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2358.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)** (continued)

On September 26, 2012, the City Council authorized a Project Specific Agreement with Dallas County for reimbursement of the costs of design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2359.

On April 1, 2016, the Skillman Corridor TIF Board of Directors approved the district-wide TIF funding request of up to \$346,800 as the required 10 percent local matching funds that was to be provided by PC LH Land Partners, LP, for the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project in the Skillman Corridor TIF District in partnership with North Central Texas Council of Governments Regional Transportation Council for its Sustainable Development Program.

Information about this item will be provided to the Mobility Solutions, Infrastructure and Sustainability Committee on December 11, 2017.

**FISCAL INFORMATION**

Skillman Corridor TIF District Funds - \$34,150.36  
Capital Project Reimbursement Funds - \$34,150.35  
Lake Highlands Project Funds - \$223,752.81

**Estimated Project Cost**

Design (original)	\$ 49,450.04
Design (Supplemental Agreement No.1) (this action)	\$ 292,053.52
Construction	\$1,992,000.00
Dallas County (Administrative Costs)	\$ 75,000.00
Contingencies	<u>\$1,059,274.44</u>
Estimated Total Project Cost	\$3,467,778.00

**Funding Sources**

NCTCOG/TxDOT's share	\$2,774,222.00
Dallas County	\$ 346,778.00
City of Dallas' (Skillman Corridor TIF Fund) share	<u>\$ 346,778.00</u>
Total	\$3,467,778.00

<b><u>Council District</u></b>	<b><u>Amount</u></b>
10	\$280,371.38
13	<u>\$ 11,682.14</u>
Total	\$292,053.52

**M/WBE INFORMATION**

See attached.

**MAP**

Attached



December 13, 2017

**WHEREAS**, the Regional Transportation Council (RTC) is the regional transportation policy board of the North Central Texas Council of Governments (NCTCOG), and is a regional forum for cooperative decisions on transportation; and

**WHEREAS**, pursuant to Chapter 228 of the Texas Transportation Code, the State of Texas provided surplus revenue from a State Highway 121 Toll Project to RTC for its Sustainable Development Program; and

**WHEREAS**, the RTC approved \$41.0 million for the 2009-2010 Sustainable Development Program Call for Projects; and

**WHEREAS**, the City of Dallas issued a request for proposals to private developers and other organizations to solicit projects to submit to the RTC's Sustainable Development Call for Projects; and

**WHEREAS**, the City of Dallas submitted sixteen infrastructure projects, including the Lake Highlands Transit Oriented Development (TOD) Sustainable Development Infrastructure Project, and seven planning projects to the RTC's Sustainable Development Call for Projects; and

**WHEREAS**, on June 3, 2010, the RTC approved \$13,779,712 in Regional Toll Revenue (RTR) or Regional Transportation Council local funds for nine infrastructure and three planning projects in the City of Dallas; and

**WHEREAS**, on August 25, 2010, City Council authorized support for the Lake Highlands TOD Multimodal Connectivity Project and authorized the City Manager to negotiate agreements with NCTCOG and private sector partners by Resolution No. 10-2152; and

**WHEREAS**, on February 24, 2011, the Texas Transportation Commission concurred with RTC's selection of projects for the Lake Highlands TOD Multimodal Connectivity Project and its funding of \$2,774,222; and

**WHEREAS**, the Sustainable Development Program requires a minimum local match of 20 percent of the total project cost of \$3,467,778, or \$693,556, which was to be provided by Dallas County (10 percent) and PC LH land Partners, LP (10 percent); and

**WHEREAS**, on September 26, 2012, City Council authorized an agreement with NCTCOG and the State of Texas to obtain funding to reimburse Dallas County, for the costs of design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project in the amount of \$2,774,222, by Resolution No. 12-2357; and

December 13, 2017

**WHEREAS**, on September 26, 2012, City Council authorized a Development Agreement with PC LH Land Partners, LP, in support of the design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2358; and

**WHEREAS**, on September 26, 2012, City Council authorized a Project Specific Agreement with Dallas County for reimbursement of the costs of design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2359; and

**WHEREAS**, in March 2016, the developer, PC LH Land Partners, LP, notified the City of its desire to terminate its Tax Incentive Financing (TIF) agreement and forgo all obligations for this project; and

**WHEREAS**, on April 1, 2016, the Skillman Corridor TIF Board of Directors approved the district-wide TIF funding request of up to \$346,800 as the required 10 percent local matching funds that was to be provided by PC LH Land Partners, LP for the Lake Highlands Transit Oriented Development Sustainable Development Project in the Skillman Corridor TIF District in partnership with North Central Texas Council of Governments Regional Transportation Council for its Sustainable Development Program; and

**WHEREAS**, Dallas County was originally planned to be the lead agency administering the design, right-of-way, and construction of the project; however, it was mutually agreed upon by the City of Dallas and Dallas County that the City of Dallas would take over the lead agency role for this project in order to expedite the project in support of active private development in the vicinity; and

**WHEREAS**, it is now necessary to amend Resolution No. 12-2359, previously approved on September 26, 2012, to rescind Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11 releasing project encumbrances to Dallas County, and to revise Section 2 funding receipt source to receive funds from the NCTCOG to the Texas Department of Transportation; and to authorize a Project Specific Agreement with Dallas County for design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

December 13, 2017

**SECTION 1.** That the City Manager is hereby authorized to amend Resolution No. 12-2359, previously approved on September 26, 2012, to rescind Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, and 11 releasing project encumbrances to Dallas County, in an amount not to exceed \$3,121,000 for the Lake Highlands Transit Oriented Development (TOD) Sustainable Development Infrastructure Project as follows:

Lake Highlands Project Fund  
Fund S250, Department ECO, Unit P737  
Activity ECSD, Object 4510, Program ECSD0006  
Contract No./Encumbrance CT ECOP737K192-1, Vendor 014003 (\$2,774,222)

Lake Highlands Project Fund  
Fund S250, Department ECO, Unit P737  
Activity ECSD, Object 4510, Program ECSD0006  
Contract No./Encumbrance CT ECOP737K192-2, Vendor 014003 (\$ 346,778)

Total amount not to exceed (\$3,121,000)

**SECTION 2.** That the City Manager is hereby authorized to amend Resolution No. 12-2359, previously approved on September 26, 2012, to revise Section 2 funding receipt source from the NCTCOG to the Texas Department of Transportation as follows:

**SECTION 2.** That the City Manager is hereby authorized to establish appropriations for funds received from the ~~North Central Texas Council of Governments~~ Texas Department of Transportation in the Lake Highlands Project Fund, Fund S250, Department ECO, Unit P737, Activity ECSD, Object 4510, in an amount not to exceed \$2,774,222.

**SECTION 3.** That the City Manager is hereby authorized to sign a Project Specific Agreement with Dallas County, approved as to form by the City Attorney, for design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project.

**SECTION 4.** That the Chief Financial Officer is hereby authorized to receive and deposit funds for design, right-of-way acquisition and construction of the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project from Dallas County in an amount not to exceed \$346,778 in the Capital Projects Reimbursement Fund, Fund 0556, Department PBW, Unit P737, Revenue Source 6511.

**SECTION 5.** That the City Manager is hereby authorized to increase appropriations in the Capital Projects Reimbursement Fund, Fund 0556, Department PBW, Unit P737, Object 4510, in an amount not to exceed \$346,778.

December 13, 2017

**SECTION 6.** That this contract is designated as Contract No. PBW-2018-00004417.

**SECTION 7.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

December 13, 2017

**WHEREAS**, the Regional Transportation Council (RTC) is the regional transportation policy board of the North Central Texas Council of Governments (NCTCOG), and is a regional forum for cooperative decisions on transportation; and

**WHEREAS**, pursuant to Chapter 228 of the Texas Transportation Code, the State of Texas provided surplus revenue from a State Highway 121 Toll Project to RTC for its Sustainable Development Program; and

**WHEREAS**, the RTC approved \$41.0 million for the 2009-2010 Sustainable Development Program Call for Projects; and

**WHEREAS**, the City of Dallas issued a request for proposals to private developers and other organizations to solicit projects to submit to the RTC's Sustainable Development Call for Projects; and

**WHEREAS**, the City of Dallas submitted sixteen infrastructure projects, including the Lake Highlands Transit Oriented Development (TOD) Sustainable Development Infrastructure Project, and seven planning projects to the RTC's Sustainable Development Call for Projects; and

**WHEREAS**, on June 3, 2010, the RTC approved \$13,779,712 in Regional Toll Revenue (RTR) or Regional Transportation Council local funds for nine infrastructure and three planning projects in the City of Dallas; and

**WHEREAS**, on August 25, 2010, City Council authorized support for the Lake Highlands TOD Multimodal Connectivity Project and authorized the City Manager to negotiate agreements with NCTCOG and private sector partners by Resolution No. 10-2152; and

**WHEREAS**, on February 24, 2011, the Texas Transportation Commission concurred with RTC's selection of projects for the Lake Highlands TOD Multimodal Connectivity Project and its funding of \$2,774,222; and

**WHEREAS**, the Sustainable Development Program requires a minimum local match of 20 percent of the total project cost of \$3,467,778, or \$693,556, which was to be provided by Dallas County (10 percent) and PC LH land Partners, LP (10 percent); and

**WHEREAS**, on September 26, 2012, City Council authorized an agreement with NCTCOG and the State of Texas to obtain funding to reimburse Dallas County, for the costs of the design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project in the amount of \$2,774,222 by Resolution No. 12-2357; and

December 13, 2017

**WHEREAS**, on September 26, 2012, City Council authorized a Development Agreement with PC LH Land Partners, LP, to provide 10 percent of local matching funds for the design, right-of-way acquisition and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2358; and

**WHEREAS**, on September 26, 2012, City Council authorized a Project Specific Agreement with Dallas County for reimbursement of the costs of design, right-of-way acquisition, and construction of the Lake Highlands Transit Oriented Development Multimodal Connectivity Sustainable Development Infrastructure Project by Resolution No. 12-2359; and

**WHEREAS**, in March 2016, the developer, PC LH Land Partners, LP, notified the City of its desire to terminate its Tax Incentive Financing (TIF) agreement and forgo all obligations for this project; and

**WHEREAS**, on April 1, 2016, the Skillman Corridor TIF Board of Directors approved a district-wide TIF funding request of up to \$346,800 as the required 10 percent local matching funds that was to be provided by PC LH Land Partners, LP for the Lake Highlands Transit Oriented Development Sustainable Development Project in the Skillman Corridor TIF District in partnership with North Central Texas Council of Governments Regional Transportation Council for its Sustainable Development Program; and

**WHEREAS**, Dallas County was originally planned to be the lead agency administering design, right-of-way, and construction of the project; however, it was mutually agreed upon by the City of Dallas and Dallas County that the City of Dallas would take over the lead agency role in order to expedite the project in support of active private development in the vicinity; and

**WHEREAS**, on October 9, 2017, Administrative Action No. 17-6879 authorized a professional services contract with Civil Associates, Inc. to provide a trail alignment survey and environmental investigation for wetlands delineation in the amount of \$49,450.04; and

**WHEREAS**, it is now necessary to authorize Supplemental Agreement No.1 to the professional services contract with Civil Associates, Inc. to provide final design services for the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project in an amount not to exceed \$292,053.52, from \$49,450.04 to \$341,503.56.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

December 13, 2017

**SECTION 1.** That the City Manager is hereby authorized to sign Supplemental Agreement No.1 to the professional services contract with Civil Associates, Inc., approved as to form by the City Attorney, to provide final design services for the Lake Highlands Transit Oriented Development Sustainable Development Infrastructure Project in an amount not to exceed \$292,053.52, from \$49,450.04 to \$341,503.56.

**SECTION 2.** That the City Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$292,053.52 to Civil Associates, Inc., as follows:

Skillman Corridor TIF District Fund	
Fund 0052, Department ECO, Unit W249, Object 4111	
Program No. ECSD0006, Contract No./Encumbrance CX-PBW-2017-00002893	
Vendor 512422	\$ 34,150.36

Capital Projects Reimbursement Fund	
Fund 0556, Department PBW, Unit P737, Object 4111	
Program No. ECSD0006, Contract No./Encumbrance CX-PBW-2017-00002893	
Vendor 512422	\$ 34,150.35

Lake Highlands Project Fund	
Fund S250, Department PBW, Unit P737, Object 4111	
Program ECSD0006, Contract No./Encumbrance CX-PBW-2017-00002893	
Vendor 512422	<u>\$223,752.81</u>

Total amount not to exceed	\$292,053.52
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**SECTION 3.** That this contract is designated as Contract No. PBW-2017-00002893.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** December 13, 2017

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services  
Department of Aviation  
Department of Code Compliance  
Department of Equipment and Building Services  
Department of Sanitation Services  
Department of Trinity Watershed Management  
Fire-Rescue Department  
Park & Recreation Department  
Police Department  
Water Utilities Department

**CMO:** Elizabeth Reich, 670-7804  
Jody Puckett, 670-3390  
Raquel Favela, 670-3309  
Jon Fortune, 670-1204  
Willis Winters, 670-4071  
Majed Al-Ghafry, 670-3302

**MAPSCO:** N/A

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## **SUBJECT**

Authorize a three-year master agreement for tires, tubes, and flaps – Tire Centers, LLC in the amount of \$3,710,311, Blagg Tire and Service, Inc. in the amount of \$2,738,226, The Goodyear Tire and Rubber Company in the amount of \$803,043, and Southern Tire Mart in the amount of \$288,885, lowest responsible bidders of five – Total not to exceed \$7,540,465 – Financing: General Funds (\$6,545,943), Sanitation Current Funds (\$590,342), Water Utilities Current Funds (\$308,972), Aviation Current Funds (\$25,361), Stormwater Drainage Management Current Funds (\$12,347), and Confiscated Monies Funds (\$57,500)

## **BACKGROUND**

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis.



**BACKGROUND** (continued)

This master agreement will provide for the purchase of tires, tubes, and flaps for approximately 8,200 City service, public safety vehicles, tractors, and heavy equipment which will consist of 170 different tire sizes currently used by City departments.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out 174 email bid notifications to vendors registered under respective commodities. To further increase competition, the Office of Procurement Services uses historical solicitation information, the internet, and vendor contact information obtained from user departments to contact additional vendors by phone. Additionally, in an effort to secure more bids, the Office of Business Diversity's ResourceLINK Team sent notifications to 25 chambers of commerce and advocacy groups to ensure maximum vendor outreach.

**PRIOR ACTION/REVIEW (COUNCIL BOARDS, COMMISSIONS).**

On October 8, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 234, 255, 256 and 258, by Resolution No. 14-1702.

On November 12, 2014, City Council authorized a three-year master agreement for tires and tubes by Resolution No. 14-1880.

The Government Performance & Financial Management Committee will receive this item for consideration on December 4, 2017.

**FISCAL INFORMATION**

General Funds - \$6,545,942.93  
Sanitation Current Funds - \$590,341.37  
Water Utilities Current Funds - \$308,971.99  
Aviation Current Funds - \$25,360.36  
Stormwater Drainage Management Current Funds - \$12,347.42  
Confiscated Monies Funds - \$57,500.00

**M/WBE INFORMATION**

14 - Vendors contacted  
14 - No response  
0 - Response (Bid)  
0 - Response (No Bid)  
0 - Successful

**M/WBE INFORMATION** (continued)

The awardees have fulfilled the good faith effort requirements set forth in the Business Inclusion and Development (BID) Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended.

**BID INFORMATION**

The Office of Procurement Services received the following bids from solicitation number BN1716. We opened them on September 1, 2017. We recommend the City Council award this master agreement to the lowest responsive and responsible bidders by line. Information related to this solicitation is available upon request.

\*Denotes successful bidders

<b><u>Bidders</u></b>	<b><u>Address</u></b>	<b><u>Amount</u></b>
*Tire Centers, LLC	3101 N. Houston School Rd. Lancaster, TX 75134	Multiple Lines
*Blagg Tire and Service, Inc.	604 S. Main St. Grapevine, TX 76051	Multiple Lines
*The Goodyear Tire and Rubber Company	200 Innovation Way Akron, OH 44316	Multiple Lines
*Southern Tire Mart	800 Highway 98 Columbia, MS 39429	Multiple Lines
Bridgestone Americas Tire Operations, LLC	535 Marriott Dr. Nashville, TN 37214	Multiple Lines

**OWNERS**

**Tire Centers, LLC**

Kane Russell, Owner/Partner  
Steve Theissen, Owner/Partner  
Jon Theissen, Owner/Partner

**Blagg Tire and Service, Inc.**

Perry Leonard, President

**OWNERS** (continued)

**The Goodyear Tire and Rubber Company**

Richard J. Kramer, President  
Laura K. Thompson, Vice President

**Southern Tire Mart, LLC**

Thomas Duff, President

December 13, 2017

**WHEREAS**, on October 8, 2014, City Council executed the casting of lots to identify the recommended vendor resulting from tie bids on lines 234, 255, 256 and 258, by Resolution No. 14-1702; and

**WHEREAS**, on November 12, 2014, City Council authorized a three-year master agreement for tires and tubes by Resolution No. 14-1880.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That the City Manager is hereby authorized to sign a master agreement with Tire Centers, LLC (VS0000046890) in the amount of \$3,710,310.97, Blagg Tire and Service, Inc. (331840) in the amount of \$2,738,225.72, The Goodyear Tire and Rubber Company (VS0000081369) in the amount of \$803,042.98, and Southern Tire Mart (399291) in the amount of \$288,884.40, approved as to form by the City Attorney, for the purchase of tires, tubes, and flaps for a term of three years in a total amount not to exceed \$7,540,464.07.

**SECTION 2.** That the Purchasing Agent is authorized, upon appropriate request and documented need by a user department, to issue a purchase order for tires, tubes, and flaps. If a written contract is required or requested for any or all purchases of tires, tubes, and flaps under the master agreement instead of individual purchase orders, the City Manager is hereby authorized to execute a contract, approved as to form by the City Attorney.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$7,540,464.07 to Tire Centers, LLC, Blagg Tire and Service, Inc., The Goodyear Tire and Rubber Company, and Southern Tire Mart from Master Agreement Contract No. POM-2018-00004442.

**SECTION 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.