

ECONOMIC DEVELOPMENT & HOUSING COMMITTEE
DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

2017 SEP 14 PM 2:31

CITY SECRETARY
DALLAS, TEXAS

MONDAY, SEPTEMBER 18, 2017
CITY HALL
COUNCIL BRIEFING ROOM, 6ES
1500 MARILLA STREET
DALLAS, TEXAS 75201
9:00 A.M. – 10:30 A.M.

Chair, Councilmember Tennell Atkins
Vice-Chair, Councilmember Rickey D. Callahan
Councilmember Lee M. Kleinman
Councilmember Scott Griggs
Councilmember Casey Thomas, II
Councilmember B. Adam McGough
Councilmember Mark Clayton
Councilmember Kevin Felder
Councilmember Omar Narvaez

Call to Order

1. Approval of September 5, 2017 Economic Development & Housing Committee Minutes

BRIEFINGS

2. TVM Productions, Inc., *Queen of the South*
Season 3 – Chapter 380 Grant Proposal
Robin Bentley, Director
Office of Economic Development

3. **UPCOMING COUNCIL AGENDA ITEM**

September 27, 2017

- A) Renewal of Contract with Foundation Communities, Inc. to Administer a Volunteer Income Tax Assistance Program for Low Income Households
- B) Renewal of Grant Agreement with World Affairs Council of Dallas/Fort Worth

Adjourn



Tennell Atkins, Chair
Economic Development & Housing Committee

EXECUTIVE SESSION NOTICE

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

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex. Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex. Govt. Code §551.089]

Handgun Prohibition Notice for Meetings Of Governmental Entities

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 propiedad con una pistola a la vista."

Economic Development & Housing Committee

Meeting Record September 5, 2017

The Economic Development & Housing Committee meetings are recorded. Agenda materials and audiotapes may be reviewed/copied by contacting the Committee Coordinator at 214-670-3906 or 214-670-1686.

Meeting Date: September 5, 2017

Meeting Start time: 9:05 A.M.

<p>Committee Members Present: 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</p> <p><u>Other Council Members Present:</u> Philip T. Kingston</p> <p><u>Committee Members Absent</u></p>	<p>Staff Present: Robin Bentley, Interim Director-Office of Economic Development Beverly Davis, Assistant Director-Fair Housing Karl Stundins, Manager-Office of Economic Development Sue Hounsell, Senior Coordinator-Office of Economic Development</p> <p><u>Other Attendees Present</u> Daniel Fuller-SHOP Development Company</p>
---	--

AGENDA:

Housing Committee Meeting Called to Order by CM Tennell Atkins

- Approval of August 21, 2017 Economic Development Minutes & Housing Committee Meeting**
Presenter(s): CM Tennell Atkins

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

Motion made by: CM Casey Thomas, II	Motion seconded by: CM Omar Narvaez
Item passed unanimously: <u>X</u>	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

Follow-up (if necessary):

- Fair Chance Hiring**
Presenter(s): Beverly Davis, Assistant Director of Fair Housing

Information Only: X

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):

3. **Lakeridge Project – Skillman Corridor TIF District**
Presenter(s): Robin Bentley, Interim Director of Office of Economic Development/Sue Hounsel, Senior Coordinator- Office Economic Development/Karl Stundins, Manager- Office of Economic Development

Information Only:__

Action Taken/Committee Recommendation(s): Motion made to move forward to full Council

Motion made by: Omar Narvaez	Motion seconded by: Casey Thomas, II
Item passed unanimously: <u>X</u>	Item passed on a divided vote: _____
Item failed unanimously:	Item failed on a divided vote: _____

Follow-up (if necessary):

Meeting Adjourned: 10:10 **A.M.**

Approved By _____

DRAFT

Memorandum



DATE September 12, 2017

TO The Honorable 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 **TVM Productions, Inc., *Queen of the South* Season 3 – Chapter 380 Grant Proposal**

On Monday, September 18, 2017, you will be briefed on a proposal to provide a Chapter 380 grant in the amount of \$200,000 to TVM Productions, Inc. to incentivize *Queen of the South* Season 3 to remain in the City of Dallas. The briefing materials are attached for your review.

Summary

TVM Productions, Inc. is proposing returning to Dallas to film season 3 of the award-winning television series *Queen of the South*. The production's local spending is estimated to exceed \$21 million and filming is expected to occur between January and June 2018.

Background

Queen of the South is an American television crime drama-thriller series on the USA Network. It is an adaptation of the successful Telemundo telenovela *La Reina del Sur*, which is based on a novel of the same name by Spanish author Arturo Pérez-Reverte.

The show is produced by TVM Productions, Inc. for Fox 21 Television Studios, a subsidiary of 21st Century Fox's Fox Entertainment Group and a division of 20th Century Fox Television.

The second season premiered June 8, 2017 and concluded airing August 31, 2017, averaging 1.158 million viewers per episode. Season 1 is currently available domestically and internationally on Netflix. On August 10, 2017, USA Network renewed the series for a third season.

Issue

It is important that *Queen of the South* remains in Dallas for the filming of Season 3, not only to retain our production infrastructure but also to enjoy the economic benefit that a production the size of *Queen of the South* provides. It is not

uncommon for successful productions to be lured away. We understand that another Texas city has extended an offer to *Queen of the South* to relocate for Season 3.

Alternatives

If we offer no incentive, we risk losing not only Season 3 of *Queen of the South*, but also any future seasons and their associated local spending.

Fiscal Impact

Local spending for Season 3 of *Queen of the South* is estimated at \$21,310,490. This includes cast and crew salaries, an estimated 2000 hotel room nights, spending at local vendors for catering, costumes, set and props, and myriad other production needs, filming permits, hiring of off-duty police officers for traffic control and security, and other production costs.

Departments/Committee Coordination

The Dallas Film Commission, a division of the Office of Economic Development, coordinates with the Texas Film Commission, which incentive the first two seasons of *Queen of the South* and may do the same for Season 3. It also coordinates with the City of Dallas Office of Special Events, which issues filming permits.

Staff Recommendation

Staff recommends that the City of Dallas enter a Chapter 380 grant agreement with TVM Productions, Inc. in the amount of \$200,000 to be funded from Public Private Partnership Funds. With Committee approval, an item will be placed on the City Council agenda for October 11, 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 | Jo M. (Jody) Puckett, P.E., Assistant City Manager (Interim) |
| Larry Casto, City Attorney | Joey Zapata, Assistant City Manager |
| Craig D. Kinton, City Auditor | M. Elizabeth Reich, 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 Bizzor Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |
| Majed A. Al-Ghafry, Assistant City Manager | |

***TVM Productions Inc, Queen of
the South Season 3 - Chapter 380***
Grant Proposal

**Economic Development and
Housing Committee
September 18, 2017**

**Robin Bentley, Interim Director
Office of Economic Development
City of Dallas**



Presentation Overview

- Background/History
- Purpose
- *Queen of the South* – Season 3 retention
- Proposed Action



Background/History

Queen of the South is an American television crime drama-thriller series on the USA Network. It is an adaptation of the successful Telemundo telenovela *La Reina del Sur*, which is based on a novel of the same name by Spanish author Arturo Pérez-Reverte.

Seasons 1 and 2 were filmed in Dallas, Texas.

In August, the USA Network renewed the show for a 3rd season.



Background/History

- *Queen of the South* premiered June 23, 2016, on USA Network.
- The show is produced by TVM Productions, Inc. for Fox 21 Television Studios, a subsidiary of 21st Century Fox's Fox Entertainment Group and a division of 20th Century Fox Television.
- In its second season, the show averaged 1.158 million viewers per episode.

fox21
television
studios.

usaTM
network

Background/History

Production operations for Seasons 1 and 2 were based at South Side Studios on Lamar in Dallas, Texas.



5

Background/History

At the 2017 Imagen Awards, *Queen of the South* was named Best Primetime Television Program.

The Imagen Awards celebrate inclusion and diversity in the entertainment industry and honor the positive portrayal and creative excellence of Latinos and Latino culture on screen.



Background/History

- In 2015, the City approved a Chapter 380 grant of \$150,000 for Season 1. Twelve episodes were filmed in Dallas (pilot in Mexico).
- Season 1 resulted in an estimated \$19M in local spending:
 - 2,000 hotel room nights
 - 450 local crew members with average salaries of \$29/hour
 - 160 local actors hired (est. \$800,000 total salaries)
 - 1,100 extras hired (est. \$450,000 total salaries)
 - Expenditures at 256 different Dallas vendors
 - \$130,000 in off-duty officers for traffic control and security
- In 2016, the City approved a grant of \$200,000 for Season 2, with 13 episodes. Resulted in estimated \$21M in local spending.

7



Purpose

- For Season 3 of *Queen of the South*, staff is recommending a Chapter 380 economic development grant in the amount of \$200,000 with TVM Productions, Inc.
- Obtain Economic Development and Housing Committee approval for consideration of this item by City Council on October 11, 2017.

“Queen of the South” Season 3

- **Timing & length of project:**
 - Pre-production start: 11/20/17
 - Principle photography start: 1/24/18
 - 13 episodes, 129 production days
 - Estimated completion: 6/1/18
- **Estimated Local Spending**
 - \$21,310,490 (\$1.6M per episode)
- **Estimated Hotel Stays:**
 - 2,000 room nights



TVM Productions, Inc. – Proposed Terms

- Shoot a minimum of 13, one-hour episodes of *Queen of the South* Season 3 for the USA Network, with a majority of the project shot within the City of Dallas proper.
- Locate the primary production offices and any other studio/production related facilities within the City of Dallas.
- All out of town cast, crew, and studio personnel will stay in hotels or other types of temporary housing in the City of Dallas.

TVM Productions, Inc. – Proposed Terms

- Work cooperatively and in good faith with the City of Dallas on press and public relations efforts announcing the project, and on subsequent marketing and public relations opportunities.
- Include “Shot on location in Dallas, Texas” in the show’s end credits.
- Payment of the \$200,000 grant will be made after 13-episode season filming concludes.

Proposed Action

Recommend Committee approval to forward the item for full Council consideration on October 11, 2017.



***TVM Productions Inc, Queen of
the South Season 3 - Chapter 380***
Grant Proposal

**Economic Development and
Housing Committee
September 18, 2017**

**Robin Bentley, Interim Director
Office of Economic Development
City of Dallas**



Memorandum



CITY OF DALLAS

DATE September 12, 2017

TO Members of the Economic Development 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 **Renewal of Contract with Foundation Communities, Inc. to Administer a Volunteer Income Tax Assistance Program for Low Income Households**

Summary

Last year the City contracted with Foundation Communities, Inc. to provide free tax help to low income Dallas households. That contract expires on September 30, 2017. Staff recommends a one-year renewal of the contract and an increase in the contract amount of \$200,000 in order to continue providing this service to low income Dallas households during the 2017-18 tax season.

Background Information

Foundation Communities, Inc. just completed its first year of providing a city-wide program for free tax assistance with a secondary goal of enhancing financial literacy by using the Earned Income Tax Credit (EITC) as the anchor for wrap-around services. This program scope aligns with the recommendations from the Mayor's Task Force on Poverty's briefing to City Council to develop an awareness campaign to get more people to VITA sites.

The VITA program offers free tax assistance to households earning less than \$55,000. The program operates at 7 sites throughout the City, 6 days each week and 6-8 hours each day. Last year the VITA program provided free tax assistance to 8000 Dallas tax filers. Approximately 25% of the tax returns completed through the VITA program claimed the Earned Income Tax Credit (EITC). Additionally, over 650 individuals requested referrals for financial education classes or one-on-one financial coaching sessions with a partner agency.

If the City's contract with Foundation Communities, Inc. is extended, the agency intends to prepare 9,500 tax returns within the City of Dallas during the 2017-18 tax season. Foundation Communities will operate a minimum of 7 locations in the City dedicated to tax preparation, hire a volunteer coordinator, and offer a robust marketing program. At least 50% of the program's seasonal positions will be filled

by employees who are bilingual. Sites will be open from mid-January through the tax deadline in April of 2018.

Foundation Communities will operate 2 year-round sites for on-going assistance at Habitat for Humanity and North Dallas Shared Ministries. Each site location recruits at least 50 active volunteers, secures and maintains appropriate and sufficient equipment, and hires and manages paid staff to ensure proper coverage. All returns completed are reviewed by experienced staff and volunteers for quality control purposes.

Additionally, Foundation Communities will continue to emphasize financial literacy and coaching by referring tax clients to financial coaching sessions, and assisting clients with establishing savings accounts and purchasing savings bonds. During the previous tax season 6,684 clients completed a survey to assess desired client referrals. The most common request was for savings assistance. The savings account program offers clients the opportunity to establish or add to a savings account meant for use during financial emergencies or to deal with an unanticipated expense. The DallasSaves program will offer matching funds that provide up to a variable match as an incentive to families who set aside between \$50 and \$500 of their tax return through the tax return process and maintain the balance for one year. The match schedule is as follows: \$50-249 savings provides a \$50 incentive; \$250-499 savings provides a \$100 incentive; \$500+ savings provides a \$200 incentive.

Issue

The City's existing contract with Foundation Communities, Inc. will expire on September 30, 2017. Staff recommends that the City renew the contract for a one year term, from October 1, 2017 to September 30, 2018, and increase the contract amount by \$200,000. The total VITA program cost for the upcoming year is approximately \$584,000. City funds will provide up to \$200,000 of that program cost.

Alternatives

If the contract is not renewed, Foundation Communities would reduce the scope of the VITA program by either offering fewer sites or by eliminating the financial literacy or savings program, or a combination of these options.

Coordination

The Office of Economic Development has worked with Dallas Public Libraries to help coordinate volunteers and support the mymoneydfw.com website to provide a coordinated information for tax preparation assistance. Dallas Public Libraries

hosts the AARP's tax assistance program, which offer free tax assistance, primarily to those 55 and older.

Fiscal Impact

\$200,000 of current year funds.

Recommendation

Staff recommends approval of a one year renewal term for the contract, beginning on October 1, 2017 and ending on September 30, 2018, and (ii) an increase in the total contract amount of \$200,000.

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



Raquel Favela
Chief of Economic Development and Neighborhood Services

- | | |
|--|--|
| C: The Honorable Mayor and Members of the City Council | Jon Fortune, Assistant City Manager |
| T.C. Broadnax, City Manager | Jo M. (Jody) Puckett, Assistant City Manager (Interim) |
| Larry Casto, City Attorney | Joey Zapata, Assistant City Manager |
| Craig D. Kinton, City Auditor | M. Elizabeth Reich, 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 Bizer Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |
| Majed A. Al-Ghafry, Assistant City Manager | |

Memorandum



CITY OF DALLAS

DATE September 12, 2017

TO Members of the Economic Development 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 **Renewal of Grant Agreement with World Affairs Council of Dallas/Fort Worth**

Summary

The City's current grant agreement with World Affairs Council of Dallas/Fort Worth expires on September 30, 2017. The World Affairs Council provides international protocol services to the City. Staff recommends renewal of the agreement for the period October 1, 2017 through September 30, 2018, and an increase in the total grant amount by \$250,000.

Background Information

Since 2003, the World Affairs Council of Dallas/Fort Worth has provided international protocol support to the City of Dallas, including marketing, promotion, fundraising, and event planning to showcase the City as an international destination for business and tourism. The World Affairs Council of Dallas/Fort Worth's responsibilities include:

- Work with the Office of the Mayor, City officials, the diplomatic corps and other international stakeholders to expand trade and consular representation in Dallas.
- Support the Office of Economic Development in the promotion and attraction of foreign companies and trade delegations to Dallas.
- Leverage relationships with existing DFW businesses, regional partners, and current foreign partners to heighten awareness of DFW as a global destination.
- Manage the Sister Cities International (SCI) program and support the City in the development of global city partnership programs.
- Provide protocol and logistical support for international delegations visiting Dallas.
- Develop fundraising initiatives to support international activities.

World Affairs Council of Dallas/Fort Worth has received annual grants from the City to fund the City of Dallas Protocol Office. The grant agreement provides funding to pay for salaries of two full time persons to work exclusively for the City of Dallas, plus a portion of the salaries and overhead of the executive staff of the World Affairs Council of Dallas/Fort Worth.

Issue

The current term of the contract will expire on September 30, 2017. Staff recommends (1) authorization of the second renewal term of the contract, to commence on October 1, 2017 and end on September 30, 2018, and (2) an increase in the total contract amount from \$437,500 to \$687,500. The \$250,000 increase is to be funded from Public/Private Partnership funds (\$200,000) and Current Funds (\$50,000).

Alternatives

If funding is not approved, international protocol services would not be provided to the City of Dallas.

Coordination

N/A

Fiscal Impact

\$250,000 total cost, to be funded by Public/Private Partnership funds (\$200,000) and Current Funds (\$50,000).

Recommendation

Staff recommends approval of the one-year renewal and \$250,000 increase in the contract amount.

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



Raquel Favela
Chief of Economic Development and Neighborhood Services

- | | |
|---|--|
| C: The Honorable Mayor and Members of the City Council | Jon Fortune, Assistant City Manager |
| T.C. Broadnax, City Manager | Jo M. (Jody) Puckett, Assistant City Manager (Interim) |
| Larry Casto, City Attorney | Joey Zapata, Assistant City Manager |
| Craig D. Kinton, City Auditor | M. Elizabeth Reich, Chief Financial Officer |
| Bilieraë Johnson, City Secretary (Interim) | Nadia Chandler Hardy, Chief of Community Services |
| Daniel F. Sols, Administrative Judge | Theresa O'Donnell, Chief of Resilience |
| Kimberly Bizzor Tolbert, Chief of Staff to the City Manager | Directors and Assistant Directors |
| Majed A. Al-Ghafry, Assistant City Manager | |