

Memorandum



CITY OF DALLAS

DATE May 11, 2018

TO The Honorable Members of the Mobility Solutions, Infrastructure and Sustainability Committee

SUBJECT Authorize Acquisition of Land for Commercial and Aviation-Related Development by Dallas Love Field Airport

This item was last briefed to the Mobility Solutions, Infrastructure and Sustainability Committee on January 8, 2018. This item is a component of the property acquisition item deferred on January 10, 2018.

Environmental Due Diligence

A Phase I Environmental Site Assessment on February 9, 2018 and a Phase II Site Investigation on March 9, 2018, were completed by Modern Geosciences for 6920 and 6930 Harry Hines. Based on the results of the investigation, no further actions are needed at this time.

Acquisition of Property

The acquisition of approximately 43,965 square feet of land located near the intersection of Harry Hines Boulevard and Empire Central Drive from McFarlin, LLC, will be for commercial and aviation related development by Dallas Love Field Airport (the "Airport"). The property will support the Airport's existing customer remote parking lot located adjacent to the property as well as serve as long term employee parking for the Airport. This site, in conjunction with the adjacent City-controlled property, will also serve as a potential site for the development of a Consolidated Rental Car (ConRAC) facility. This future development could bring economic opportunities to this area of the City. The consideration is based on an independent appraisal.

Assumption of Leases

The assumption of leasehold landlord interests in three commercial business leases and a billboard lease located near the intersection of Harry Hines Boulevard and Empire Central Drive from McFarlin, LLC, for commercial and aviation related development by Dallas Love Field Airport (the "Airport"). The City of Dallas will assume ownership of the landlord leasehold interest in the existing commercial tenant leases consisting of a billboard, liquor store, convenience store, and a used car lot. The assumption of the leases with expiration dates no later than December 2018 could produce an estimated gross rent totaling \$81,781. No tenant leases will be renewed. The consideration for the acquisition of the fee simple title to the Property is based on an independent appraisal, and the assumption of leases is at no additional cost. Eligibility for relocation assistance will be assessed accordingly. The property will support the Airport's existing customer

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remote parking lot located adjacent to the property as well as serve as long term employee parking for the Airport.

This site, in conjunction with the adjacent City-controlled property, will also serve as a potential site for the development of a Consolidated Rental Car facility. This future development could bring economic opportunities to this area of the City.

Please feel free to contact me if you have any questions or concerns.



Jo M. (Jody) Puckett
Assistant City Manager (Interim)

[Attachment]

- c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
- Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors