

ECONOMIC DEVELOPMENT & HOUSING COMMITTEE  
DALLAS CITY COUNCIL COMMITTEE AGENDA

RECEIVED

2018 FEB -2 AM 8:51

CITY SECRETARY  
DALLAS, TEXAS

MONDAY, FEBRUARY 5, 2018  
CITY HALL  
COUNCIL BRIEFING ROOM, 6ES  
1500 MARILLA STREET  
DALLAS, TEXAS 75201  
9:00 A.M.–10:30 A.M.

Public Notice

180118

POSTED CITY SECRETARY  
DALLAS, TX

**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 January 16, 2018 Minutes  
**BRIEFINGS**

2. Amendment to Statler Development Agreement  
with Centurion Acquisitions, LP

Robin Bentley, Assistant Director  
Office of Economic Development

3. Flora Lofts Project—Proposed Changes

David Noguera, Director  
Housing & Neighborhood Revitalization  
Department

Robin Bentley, Assistant Director  
Office of Economic Development

**MEMOS**

4. Discussion of Comprehensive and Interconnected  
Housing, Economic Development, Transportation,  
and Street Maintenance Policies (ECO)

Robin Bentley, Assistant Director  
Office of Economic Development

5. Discussion of Comprehensive and Interconnected  
Housing, Economic Development, Transportation,  
and Street Maintenance Policies (HOU)

David Noguera, Director  
Housing & Neighborhood Revitalization  
Department

**UPCOMING AGENDA ITEMS**

**February 14, 2018**

- A. Authorize amendments to Resolution No. 17-0535, previously approved on March 22, 2017, for a conditional grant agreement with Flora Street Lofts, Ltd. for construction of Flora Lofts, a 52-unit multifamily new construction project

**A quorum of the City Council may attend this Council Committee meeting**

**Economic Development & Housing Committee**  
February 5, 2018 Meeting Agenda

- located at 2121 Flora Street, conditioned upon 2017 4% LIHTC award to (1) change the name of the developer from Flora Streets Lofts, Ltd. to Artspace Projects, Inc; and (2) extend the commencement of construction date from July 1, 2017 to July 1, 2018 - Financing: No cost consideration to the City; No cost consideration to the City (HSG)
- B. Authorize an amendment to Resolution No. 15-1671, previously approved on September 9, 2015, with East Dallas Community Organization for construction of 8 homes for low and moderate mixed income families, to (1) extend the HOME loan agreement and the Bond conditional grant agreement from September 9, 2017 to December 31, 2018; and (2) to amend the terms to incorporate contract thresholds - Financing: No cost consideration to the City (HSG)
  - C. Authorize Supplemental Agreement No. 1 to the professional services contract with Kimley-Horn and Associates, Inc. to provide additional engineering services for the evaluation and design of wastewater infrastructure improvements for the University Hills area between Camp Wisdom Road and the Dallas-Lancaster corporate limit - Not to exceed \$569,738, from \$2,512,805 to \$3,082,543 - Financing: 2012 Bond Funds (WTR)
  - D. Authorize an amendment to Resolution No. 17-0534, previously approved on March 22, 2017, to change the name of the developer from Flora Street Lofts, Ltd. and Green Arc Corporation to Flora Street Lofts, Ltd. and Artspace Projects, Inc., for the development agreement associated with previously approved TIF funding for Flora Lofts Project located at 2121 Flora Street in the Arts District - Financing: No cost consideration to the City (ECO)
  - E. Authorize an Interlocal Agreement with the University of Texas at Arlington (UTA) to facilitate graduate level internships with the City of Dallas Department of Planning and Urban Design (PUD). Financing: \$35,804.00 from general funds; Recommendation of Staff and Economic Development and Housing Committee: Approval (PNV)

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 January 16, 2018

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:** January 16, 2018

**Meeting Start time:** 9:01 A.M.

<p><b>Committee Members Present:</b> 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><b>Other Council Members Present:</b></p> <p><b>Committee Members Absent</b></p>	<p><b>Staff Present:</b> Raquel Favela, Chief of Economic Development &amp; Neighborhood Services David Noguera, Director-Housing &amp; Neighborhood Revitalization Jaqueline Rodarte- Assistant Director-Housing &amp; Neighborhood Revitalization Courtney Pogue, Director-Office of Economic Development Venus Cobb-Office of Economic Development</p> <p><b>Other Presenters:</b> Daniel Prescott-Transformance Cyndy Lutz-Dallas Area Habitat for Humanity Shree Bradford-City Square Scott Hanson-Serve West Dallas</p>
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**AGENDA:**

**Housing Committee Meeting Called to Order by CM Tennell Atkins**

- Approval of December 4, 2017 Economic Development/Housing Committee Minutes**  
Presenter(s): CM Tennell Atkins

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

<b>Motion made by:</b> CM Rickey D. Callahan	<b>Motion second by:</b> CM Mark Clayton
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):**

- Home Repair Program – Proposed Changes**  
Presenter(s): Raquel Favela, Chief of Economic Development & Neighborhood Services  
David Noguera, Director of Housing & Neighborhood Revitalization

**Information Only:** X

**Action Taken/Committee Recommendation(s):**

<b>Motion made by:</b> _____	<b>Motion seconded by:</b> _____
Item passed unanimously: _____	Item passed on a divided vote: _____
Item failed unanimously: _____	Item failed on a divided vote: _____

**Follow-up (if necessary):**

**3. Workforce Readiness, Placement and Retention Program Update**  
**Presenter(s): Raquel Favela, Chief of Economic Development & Neighborhood Services**  
**Courtney Pogue, Director of Office of Economic Development**

Information Only:   

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

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

**Follow-up (if necessary):**

**4. 9% LIHTC Discussion - (Hatcher Station, Sphinx at Fiji Lofts, Parks at Wynnewood)**  
**Presenter(s): Raquel Favela, Chief of Economic Development & Neighborhood Services**

Information Only: X

**Action Taken/Committee Recommendation(s):**

<b>Motion made by:</b>	<b>Motion seconded by:</b>
Item passed unanimously: <u>      </u>	Item passed on a divided vote: <u>      </u>
Item failed unanimously: <u>      </u>	Item failed on a divided vote: <u>      </u>

**Follow-up (if necessary):**

**5. Upcoming City Council Agenda Item**

January 24, 2018

- A Authorize **(1)** a resolution of support for 2400 Bryan Street, LP, or its affiliate, related to its application for 9% Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs for the new construction of up to a 230-unit residential development located at 2400 Bryan Street; and **(2)** a line of credit for the proposed development in the amount of \$500 - Not to exceed \$500 - Financing: Public/Private Partnership Funds
  
- B. Authorize **(1)** a resolution of support for CLO Mountain Housing, LP, or its affiliate, related to its application for 9% Low Income Housing Tax Credits from the Texas Department of Housing and Community Affairs for the new construction of a 100-unit residential development located on the southwest corner of Camp Wisdom Road and Mountain Creek Parkway to be known as Cielo at Mountain Creek; and **(2)** a line of credit for the proposed development in the amount of \$500 - Not to exceed \$500 - Financing: Public/Private Partnership Funds

**Action Taken/Committee Recommendation(s):**

<b>Motion made by:</b>	<b>Motion seconded by:</b>
Item passed unanimously: <u>      </u>	Item passed on a divided vote: <u>      </u>
Item failed unanimously: <u>      </u>	Item failed on a divided vote: <u>      </u>

**Follow-up (if necessary):**

**Meeting Adjourned:   10:54     A.M.**

**Approved By** \_\_\_\_\_

# Memorandum



DATE February 2, 2018

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 **Amendment to Statler Development Agreement with Centurion Acquisitions, LP**

On Monday, February 5, 2018, you will be briefed on proposed amendments to the Statler/Library Project's development agreement. The briefing materials are attached for your review.

## Summary

On April 23, 2014, City Council approved a development agreement with Centurion Acquisition, LP and committed a TIF subsidy in the amount of \$46,500,000 for the redevelopment of the Statler building, Old Dallas Central Library and construction of a new parking garage on Jackson Street adjacent to the Old Library building.

Centurion has requested an amendment to the project's development agreement to remove and replace the requirement of a minimum of 90,000 square feet of new above ground parking garage construction with the requirement of a minimum of 150,000 square feet of new below ground parking garage space constructed as part of redevelopment of the Statler building.

Additionally, Centurion has agreed that it will complete construction of an underground parking garage known as the Jackson Street Garage that was originally contemplated as the site for the 90,000 square feet above-ground garage, which will result in a total of 400,000 of new parking space. Mehrdad Moayedhi has agreed to sign a personal guarantee in the amount of \$5,000,000 for the benefit of the City to be released upon completion and receipt of a Certification of Occupancy for the new underground Jackson Street Garage by December 31, 2019.

## Staff Recommendation

Staff recommends City of Dallas approval of the requested amendment to the Statler/Library Project's development agreement.

February 2, 2018  
Page 2 of 2

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  
      T.C. Broadnax, City Manager  
      Larry Casto, City Attorney  
      Craig D. Kinton, City Auditor  
      Billerae Johnson, City Secretary (Interim)  
      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  
      Jo M. (Jody) Puckett, Assistant City Manager (Interim)  
      Joey Zapata, Assistant City Manager  
      M. Elizabeth Reich, Chief Financial Officer  
      Nadia Chandler Hardy, Chief of Community Services  
      Theresa O'Donnell, Chief of Resilience  
      Directors and Assistant Directors

# **Amendment to Statler Development Agreement with Centurion Acquisitions, LP**

**Economic Development and  
Housing Committee  
February 5, 2018**

**Robin Bentley, Assistant Director  
Office of Economic Development**



# Presentation Overview

- Background/History
- Purpose
- Development Agreement Amendment Proposal
- Proposed Action



# Background/History

## Statler Hilton Building – 1914 Commerce Street

- Originally opened 1956 as Statler Hilton Hotel (1,000 rooms)
- Designed by William Tabler
- Closed in 2001, vacant for 16 years
- 2008, named to America's 11 Most Endangered Historic Places List by National Trust for Historic Preservation.



## Old Dallas Central Library – 1954 Commerce Street

- Originally constructed in 1958 as the Dallas Public Library
- Building has been vacant since 1982 when library moved to its current location, the J. Erik Jonsson building



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# Background/History

- April 23, 2014, Council authorized an agreement with Centurion Acquisitions, LP for the redevelopment of the Statler and the library, with a total TIF incentive not to exceed \$46.5M.
- The resolution stated that the Statler would contain 90,000 square feet of new parking garage construction.
- A six-story parking garage on Jackson Street was proposed to satisfy this requirement. This new garage was to be built on top of an existing underground garage, keeping the existing 58 below-grade spaces and adding approximately 215 above-ground spaces.

# Purpose

- Review the current status of the Statler redevelopment project.
- Review proposed amendments to the development agreement.
- Obtain Economic Development and Housing Committee approval for consideration of this item by City Council on February 28, 2018.

# Statler Project Status

The Statler development agreement required redevelopment of **400,000 square feet**, including the **90,000 square feet of parking space**. To date, the following has been accomplished:

- More than **675,000 total square feet** has been redeveloped, including:
  - Statler Hotel: opened in October 2017.
  - Retail and Restaurant: Overeasy and Bourbon and Banter opened in October of 2017.
  - Residential: The Statler Residences opened in May of 2017. 106 of the 219 units are currently leased, including 22 affordable units.
  - Office: The Dallas Morning News moved into the Old Library Building in December 2017.
  - Parking: An underground parking garage was built under the Statler, and the Jackson Street Garage is under construction, but has not been completed.

# Statler Images



# Statler Images

## Statler Hotel Room



Before



After

## Statler Courtyard



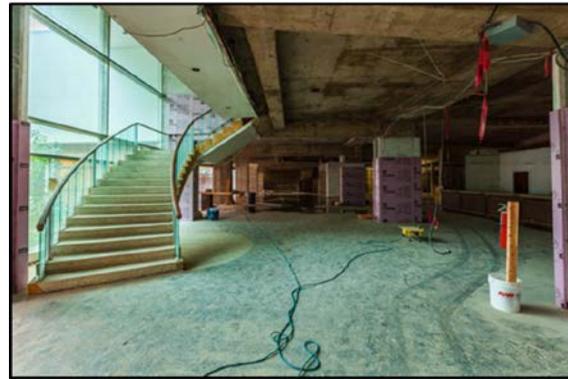
Before



After

# Statler Images

**Statler Lobby/Entrance**



Before



After

**Statler Ballroom**



Before



After

# Statler Images

## Statler – Overeasy (diner)



Before



After

## Statler – Bourbon and Banter (speakeasy)



Before



After

## Statler – Scout (entertainment space)



Before



After

# Library Images

Old Library Bldg – Dallas Morning News



Before

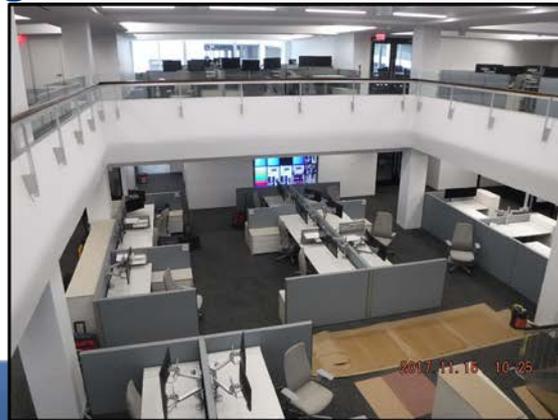


After

Old Library Bldg – Dallas Morning News



Before



After

# Jackson Garage

- Original project requirements included the construction of a new, above-ground parking garage on Jackson Street.
- Construction of the garage encountered significant obstacles related to the 7-level design of the building.
  - Portion of garage site located in the Harwood Historic District. Historic Landmark Commission and Urban Design Peer Review were not supportive of scale and façade treatment of the garage given its location in the historic district and adjacency to the proposed Harwood Park.
  - Approval of a land swap with the City to complete land assemblage for the garage.
  - Thoroughfare plan amendment for Harwood Street to eliminate encroachment of garage property into the City's right of way.

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# Jackson Garage

- The developer opted to build an underground parking structure, rather than the planned above-ground garage.
- The construction budget for garage increased from \$8.5M to \$17M due to this change in scope.
- Construction start was delayed from January 2017 to October 2017.
- Construction is currently underway.

# Jackson Garage

- Because of the delays related to the Jackson Garage, the developer constructed 150,000 square feet of parking in the basement levels of the Statler to serve the redeveloped buildings.
- The developer has requested that the City accept the 150,000 sf garage constructed under the Statler in satisfaction of the contractual requirement to construct 90,000 sf of above-ground parking space in the Jackson Garage. The parking provided within the Statler Building exceeds the original requirement (but is not a new building).
- Additionally, the developer has pledged to complete construction of the Jackson Garage, for a total parking square footage of approximately 400,000 sf and 815 additional spaces.
- To ensure timely completion of the Jackson Garage, Mehrdad Moayedí agreed to give the City a \$5M personal completion guarantee.

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# Amendment Request

- DEVELOPMENT AGREEMENT AMENDMENT:
  - Exchange the contractual requirement of a minimum of 90,000 square feet of new above ground parking garage construction with a minimum of 150,000 square feet of new underground parking garage space constructed beneath the Statler building.
- NEW OBLIGATION:
  - Separate from the TIF development agreement requirements, developer will complete construction of the Jackson Garage and will secure this obligation by execution of a personal guarantee by Mehrdad Moayedid in the amount of \$5M to be released upon completion and receipt of a Certification of Occupancy for the Jackson Street Garage by December 31, 2019.

# Next Steps

- On January 11, 2018, the Downtown Connection TIF Board of Directors reviewed and recommended approval of the proposed development agreement amendments.
- Recommend Committee approval to forward the item for full Council consideration on February 14, 2018.

# **Amendment to Statler Development Agreement with Centurion Acquisitions, LP**

**Economic Development and  
Housing Committee  
February 5, 2018**

**Robin Bentley, Assistant Director  
Office of Economic Development**



# Memorandum



CITY OF DALLAS

DATE February 2, 2018

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

SUBJECT **Flora Lofts Project—Proposed Changes**

On your February 14, 2018, City Council agenda, there is an item that would authorize an amendment to Resolution Number 17-0534, previously approved on March 22, 2017, to (1) amend the agreement parties to reflect the owner as Flora Street Lofts, Ltd., and the developer as Artspace Projects, Inc., and (2) allow for a six-month extension to project deadlines in the future, if necessary, for the development agreement associated with previously approved TIF funding for Flora Lofts Project located at 2121 Flora Street in the Arts District.

## Summary

The change of the developer from Flora Street Lofts, Ltd. to Artspace Project, Inc. is requested to maximize post-tax benefit of the TIF funds. The project owner (Flora Street Lofts, Ltd.) desires to assign its rights to payment of the TIF funds to Artspace Project, Inc., a non-profit entity that is the 51% owner of the general partner of the project owner.

This item also allows for a six-month administrative deadline extension, if necessary, with City Center TIF District Board of Director's and Office of Economic Development Director's approval.

## Background

On March 22, 2017, City Council approved a TIF development agreement in an amount not to exceed \$4,577,916 for the affordable housing development of the Flora Lofts Project located at 2121 Flora Street in the Arts District, by Resolution 17-0534. At the same March City Council meeting, City Council also awarded 2012 Bond Funds in the amount of \$2,500,000 for the project. On September 7, 2017, TDHCA granted the Project approval for the 4% tax credits in the amount of \$6,737,560.

Section 4Q of Resolution 17-0534, approved on March 22, 2017, approving TIF funding for the Flora Lofts project, allowed the extension of project deadlines up to twelve months with the Director of Economic Development and City Center TIF District Board of Directors' approval. This administrative extension has been granted. The Housing and Neighborhood Revitalization Department has a related item on this same upcoming agenda which proposes a deadline extension to match the extensions already granted for the TIF funding portion of the project.

Flora Street Lofts is a proposed 52-unit rental apartment project located in the downtown arts district, directly across Pearl Street from the Meyerson Symphony Hall. 43 of the units (83%) will be affordable at 50% and 60% of Area Median Family Income (AMFI) for local working artists. The project will have 35 structured parking spaces dedicated for resident use and share a common

lobby area and ground floor retail space with a separately owned 364-unit market rate high rise apartment development, located on an adjoining property.

#### Program Update

Flora Street Lofts is scheduled to begin construction in July 2018 and be completed in March 2020. Flora Street Lofts has an estimated construction cost of \$24.9 million.

#### Program Issues

The developer entity change will allow the project to maximize tax benefits of the TIF funds. The additional future deadline extension is being requested in the case that there is an unforeseen circumstance that would require additional time to complete the project.

#### Next Steps

The next step is to execute the amendment to the Flora Street Lofts Development Agreement.

#### Alternatives

If no action is taken, the development agreement would remain with the owner entity, and the TIF funds would be taxable to the project. This would result in a smaller project basis, which would result in a smaller tax credit award. That ultimately would lead to a financial gap in the project's financing sources, which would likely mean that the project would not be built, or would be built as purely market-rate housing.

#### Fiscal Impact

This action has no fiscal impact.

#### Departments/Committee Coordination

OED will continue working with the Housing and Neighborhood Revitalization Department on this project.

#### Staff Recommendation

Staff recommends that the Economic Development and Housing Committee approve the developer name change as well as the future administrative allowance for deadline extension, if necessary, for the Flora Street Lofts project.

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



Raquel Favela

Chief of Economic Development & Neighborhood Services

C: T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Billerae Johnson, City Secretary (Interim)  
Daniel F. Solis, Administrative Judge  
Kimberly Bizor Tolbert, Chief of Staff to the City Manager  
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Joey Zapata, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Nadia Chandler Hardy, Chief of Community Services  
Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors

# Memorandum



DATE February 2, 2018

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 **Flora Lofts Project—Proposed Changes**

## Summary

On January 5, 2018, Graham Greene, President of GREENarc Corporation on behalf of Artspace Projects, Inc. (the “Developer”) and Flora Street Lofts, Ltd. (the “owner” or “LIHTC Applicant”) requested an amendment to Resolution No. 17-0535, previously approved on March 22, 2017, for a 2012 Bond conditional grant agreement with Flora Street Lofts, Ltd. in the amount of \$2.5 million for new construction of a 52-unit multifamily project at 2121 Flora Street (the “Project”), conditioned upon 2017 4% LIHTC award to (1) amend the parties to reflect the owner/LIHTC Applicant as Flora Street Lofts, Ltd., and the developer as Artspace Projects, Inc.; (2) extend the commencement of construction and the completion date; and (3) allow for an additional six-month extension to project deadlines. These changes are consistent with the Office of Economic Development City Center TIF District Funds agreement terms.

## Background

The original 2012 Bond conditional grant agreement with Flora Street Lofts, Ltd. was drafted and circulated to all involved parties for review but never executed. In light of the unexecuted agreement, Flora Street Lofts, Ltd. desires to assign its rights of the contract to its non-profit partner in the transaction, Artspace Projects, Inc. in order to maximize post-tax benefit of the Bond funds.

The construction start of this project was delayed awaiting TDHCA’s approval of the 4% tax credits. On September 7, 2017, TDHCA granted the Project approval for the 4% tax credits in the amount of \$6,737,560. The Project will be financed through the issuance of bonds in the amount of up to \$15 million by the Dallas Housing Finance Corporation (DHFC). Additionally, the Project was awarded 2012 Bond Funds in the amount of \$2,500,000 and City Center TIF District Funds in the amount of \$4,577,916. Flora Street Lofts is a 52-unit rental apartment located in the downtown arts district, directly across Pearl Street from the Meyerson Symphony Hall. 43 of the units (83%) will be affordable at 50% and 60% of Area Median Family Income

(AMFI) for local working artists. The project will have 35 structured parking spaces dedicated for resident use and share a common lobby area and ground floor retail space with a separately owned 364-unit market rate high rise apartment development, located on an adjoining property. No City funds are being utilized for the separate high-rise development projects.

The anticipated construction closing for the Project with Flora Street Lofts, Ltd. is March 21, 2018. Commencement for construction is no later than July 1, 2018 with a completion date by March 1, 2020.

### Issue

Since the original grant agreement with Flora Street Lofts, Ltd. was never executed, it is their desire to assign its rights of the contract to the developer and non-profit partner in the transaction, Artspace Projects, Inc., in order to maximize post-tax benefit of the Bond funds. Extension to the commencement date for construction will allow Developer/LIHTC applicant to close on the construction financing, start and complete the project in the approved timeline.

### Alternatives

If no action is taken, the Developer will not be able to enter into the conditional grant agreement for gap construction financing in support of this 52-unit development and will require that the Developer identify other funding sources or risk their LIHTC allocation.

### Fiscal Impact

There is no cost consideration to the City for this request.

### Departments/Committee Coordination

On February 22, 2017 and March 22, 2017, the City Council approved DHFC Flora Lofts application for the issuance of tax exempt bonds by Resolution Nos. 17-0377 and 17-0533.

On March 22, 2017, the City Council approved City Center TIF funds by Resolution No. 17-0534.

On March 22, 2017, the City Council approved Bond funds by Resolution No. 17-0535.

### Staff Recommendation

February 2, 2018  
Page 3 of 3

Staff recommends approval of an amendment to Resolution No. 17-0535, previously approved on March 22, 2017, to (1) amend the parties to reflect the owner/LIHTC Applicant as Flora Street Lofts, Ltd., and the developer as Artspace Projects, Inc.; (2) extend the commencement of construction and the completion date; and (3) allow for an additional six-month extension to project deadlines. This item has been placed on the City Council agenda for February 14, 2018.

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



**Raquel Favela**  
Chief of Economic Development & Neighborhood Services

c: T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Biliera Johnson, City Secretary (Interim)  
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M. Elizabeth Reich, Chief Financial Officer  
Nadia Chandler Hardy, Chief of Community Services  
Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors

# Flora Lofts Project - Proposed Changes

**Economic Development &  
Housing Committee**  
February 5, 2018

**David Noguera, Director,  
Housing and Neighborhood Revitalization**

**Robin Bentley, Assistant Director,  
Office of Economic Development**



# Presentation Overview

- Project Summary
- Background
- Comparison of Proposed Amendments
- Alternatives
- Fiscal Impact
- Next Steps



# Project Summary

Flora Street Lofts is a proposed 52-unit rental apartment project located in the downtown arts district, directly across Pearl Street from the Meyerson Symphony Hall, at 2121 Flora Street.

The project contains 31 one-bedroom units, 19 two-bedroom units, and 2 three-bedroom units. Forty-three units will be affordable at 50% and 60% of Area Median Family Income (AMFI) for local working artists. The remaining units will be leased at market rents.

The project will share a common lobby area and ground floor retail space with a separately owned 364-unit market rate high rise apartment development.

# Background

The City of Dallas has agreed to support for the Flora Street Lofts development in several ways.

- On February 22, 2017 and March 22, 2017, City Council approved the project's application for the issuance of tax exempt bonds in the approximate amount of \$15,000,000 by the City of Dallas Housing Finance Corporation, by Resolutions 17-0377 and 17-0533.
- On March 22, 2017, City Council approved a TIF development agreement in an amount not to exceed \$4,577,916, by Resolution 17-0534.
- At the same March City Council meeting, City Council also approved a conditional grant agreement for 2012 General Obligation Bond Funds in an amount not to exceed \$2,500,000, by Resolution 17-0535.

# Background

The project has been delayed for several reasons.

## 1. Complex Structure.

- The ownership of the Flora Lofts Project and the associated market rate building, retail, and parking components are split into several condominium units, each of which has to coordinate financial closing and construction timing with the others.
- TDHCA delayed its approval of the 4% tax credit award until these complex timing and ownership issues were resolved.
- On September 7, 2017, TDHCA granted the project approval for 4% tax credits in the amount of \$6,737,560.

## 2. Tax Reform Legislation.

- After the state approved the tax credits, a closing was scheduled for late 2017. That closing was paused, however, to see how the federal tax reform legislation might impact the project.

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# Comparison of Proposed Amendments

TIF Development Agreement Amendments	Conditional Grant Agreement Amendments
Assign payments from owner, Flora Street Lofts Ltd. to developer, Artspace Projects, Inc.	Assign payments from owner, Flora Street Lofts Ltd. to developer, Artspace Projects, Inc.
No change to commencement date, which is July 1, 2018. No change to completion date, which is March 1, 2020.	Amend commencement date from July 1, 2017 to July 1, 2018 and completion date from March 1, 2019 to March 1, 2020.
If necessary, allow for one 6-month extension to completion deadline on director approval. Current completion deadline is March 1, 2020.	If necessary, allow for one 6-month extension to amended completion deadline on director approval. Current completion deadline is March 1, 2019; as amended above, would be March 1, 2020.

# Alternatives

If no action is taken, the project will likely not move forward, or will move forward with market rate units only.

The commencement deadline for the Conditional Grant Agreement as approved in 2017 has already passed, and so those funds would not be available.

The TIF funds would be available, but would be paid to the owner instead of the controlling entity of the general partner of the owner. This small change has large tax implications which would result in a reduced basis for the project, a reduction in tax credits awarded to the project, and a resulting financial gap that would make the project untenable.

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# Fiscal Impact

There is no cost consideration to the City for this request, as all funding was approved by previous council action.



# Next Steps

- 1) Item to approve proposed amendments placed on the City Council agenda for February 14, 2018.
- 2) Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing scheduled for February 13, 2018 related to the issuance of the HFC bonds, and adoption of the public comment(s) on February 28, 2018.
- 3) Project closing scheduled for March 21, 2018.

# Flora Lofts Project - Proposed Changes

**Economic Development &  
Housing Committee**  
February 5, 2018

**David Noguera, Director,  
Housing and Neighborhood Revitalization**

**Robin Bentley, Assistant Director,  
Office of Economic Development**



# Memorandum



DATE February 2, 2018

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 **Discussion of Comprehensive and Interconnected Housing, Economic  
Development, Transportation, and Street Maintenance Policies**

On Monday February 5, 2018, you will be briefed on the housing policy timeline. This memo provides an overview of the Strategic Housing Plan for completing a housing policy.

## Summary

The City Council was briefed on the citywide Market Value Analysis (MVA) on Wednesday January 17, 2018. The MVA is the selected data-based tool used to inform the City's housing program design, production levels and incentives. Over the next several weeks, staff will use the MVA to guide focus area discussions with residents and other stakeholders on the local residential real estate market. Specific discussion topics of the stakeholder input meetings include:

- Financing residential development
- Reducing development and rehabilitation costs
- Increasing access to capital
- Utilizing programs, tools and strategies to increase housing production

The information gathered through the stakeholder input meetings will inform the development of a strategic housing plan. The Plan will provide a vision, mission and guiding principles for housing investments that the City will make over the next three years. It will also establish goals for what can be accomplished in the short term and long term. The strategic housing plan will be used to recommend policy that is presented to the Economic Development and Housing Committee on March 19, 2018 with a housing policy adoption date expected on March 28, 2018.

**Timeline**

<b>Activity</b>	<b>Expected Date</b>
Review existing housing programs	Complete
Review March 12, 2017 City of Dallas Housing Policies	Complete
Stakeholder Input Meetings:	
<ul style="list-style-type: none"> <li>How Residential Development Gets Financed</li> </ul>	Saturday 1/27/2018 in person and Monday 1/29/2018 virtual and recorded
<ul style="list-style-type: none"> <li>How to Reduce Development/Rehabilitation Costs</li> </ul>	Wednesday 1/31/2018 virtual and recorded Saturday 2/3/2018 in person
<ul style="list-style-type: none"> <li>How to Increase Access to Credit</li> </ul>	Tuesday 2/13/2018 virtual and recorded Saturday 2/17/2018 in person
<ul style="list-style-type: none"> <li>Programs, Tools and Strategies to Increase Housing Production</li> </ul>	2/23/2018 virtual and recorded Monday 2/26/2018 in person
Draft Strategic Housing Plan <ul style="list-style-type: none"> <li>Community-defined vision and mission</li> <li>Establish Goals: Years 1, 2 and 3</li> <li>Develop performance measures to track progress with MVA</li> </ul>	Monday March 19, 2018
Review and Approve Housing Policy	Wednesday March 28, 2018

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



**Raquel Favela**  
Chief of Economic Development & Neighborhood Services

c: T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Billerae Johnson, City Secretary (Interim)  
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  
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Should you have any questions, please contact me at (214) 671-5257.



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# Memorandum



DATE February 2, 2018

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--EDCO**

## Summary

City Council approved a loan agreement on September 9, 2015 by Resolution No. 15-1671 for the construction financing of eight townhomes on Bexar Street, for up to \$900,000 in HOME Investment Partnership Program (HOME) funds and \$405,040 in 2012 Bond funds, for a total of \$1,305,405 (Project). The loan agreement expired on September 9, 2017 and staff recommends the extension of the agreement through December 31, 2018.

## Background

In September 2015, the City approved a loan agreement with East Dallas Community Organization (EDCO) in the amount not to exceed \$1,305,040 for construction financing of eight townhomes. Initially, the Project start date was delayed due to the length of time it took to complete the expansion of the Planned Development and re-plat of the land. EDCO was then required to construct an alley prior to start of construction of the townhomes. To-date, the developer has completed the platting and alley and more recently has awarded the construction contract to JW Homes, and they are expected to commence construction in February 2018.

In light of the delays, Gerald Carlton, President of EDCO, petitioned to extend the completion date to December 31, 2018 to allow him sufficient time to build and sell the townhomes.

As part of the agreement, a deed restriction will be recorded against the Project to ensure the affordability requirement. It is a requirement that six of the homes be sold to homebuyers at or below 80% AMFI (low-income) and two to homebuyers at or below 140% AMFI (moderate-income). The low-income homes will have an affordability restriction of 15 years from the date of sale, and the moderate-income homes will have a 1-year term from the date of sale. As each home is sold, a partial lien release will be recorded for the debt. The affordability requirement will remain as a Deed Restriction.

Following is a summary of the project budget details for further information.

City HOME Funds	\$ 900,000.00
City 2012 Bond Funds	\$ 405,040.00
Private Financing	<u>\$ 483,775.00</u>
Total Development Cost	\$1,788,815.00

Twenty three percent of obligated funds have been expended to date for development soft costs, specifically related to engineering, architect, and alley expenses. With construction start approaching, coupled with EDCO experience of developing and selling over 25 single family mixed-income units adjacent to the current project site, it provides the assurance that this development will be completed if granted the amendment.

#### Issue

The contract expired September 9, 2017. Staff recommends approval to amend the contracts and extend to December 31, 2018. To ensure performance on the contract for the next year, the City's agreement will contain the following performance milestones:

- a) EDCO will submit monthly reports to H&NR staff on the status of the Project, including, but not limited to, construction, sales, and close-out;
- b) EDCO will close on the homebuyer sales within 30 days of completion of construction;
- c) EDCO will report delays to staff immediately, but no later than within one week of identifying the issue;
- d) EDCO will submit complete homebuyer files for staff's review by November 30, 2018; and,
- e) EDCO will submit monthly draws, with final retention draw submitted by end of December 2018.

City staff has informed EDCO of the monitoring requirements, and they agree to satisfy the terms of the performance schedule.

### Alternatives

If the amendment is not approved, the contract will need to be terminated and the funds expended for development soft costs to date, in the amount of \$201,734, would need to be repaid to HUD as the intended federal requirements would not have been satisfied. Furthermore, if the contract is terminated with the intent to solicit a new developer, the project would be further delayed and pose a greater monetary risk to the City.

### Fiscal Impact

The Project was awarded HOME and Bond funds under Resolution No. 15-1671 during Fiscal Year 2014-2015. To date, \$201,734.00 in HOME funds for architect plans, surveys and engineering and \$106,246.10 in 2012 Bond funds for predevelopment and construction of the alley and architect and engineering for the market rate homes has been expended. There is no additional cost consideration to the City for this extension request.

### Departments/Committee Coordination

On June 27, 2012, City Council approved the FY 2012-13 Consolidated Plan Budget that included CDBG funds, by Resolution No. 12-1629. The funds were used by the Land Bank to purchase four of the six lots and subsequently sold them to EDCO.

On June 26, 2013, City Council approved the City of Dallas Consolidated Plan Budget for FY 2013-14 federal funds which included the HOME funds for the Housing Development Loan Program, by Resolution No. 13-1142.

On September 9, 2015, City Council approved (1) a housing development HOME loan in an amount not to exceed \$900,000; and (2) a 2012 Bond conditional grant agreement in an amount not to exceed \$405,040 for a mixed income housing development project, by Resolution No. 15-1671.

### Staff Recommendation

Staff recommends approval of the amendment to December 31, 2018. This item has been placed on the City Council agenda for February 14, 2018.

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



**Raquel Favela**  
**Chief of Economic Development & Neighborhood Services**

- c: T.C. Broadnax, City Manager  
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**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** February 14, 2018

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Housing & Neighborhood Revitalization

**CMO:** Raquel Favela, 670-3309

**MAPSCO:** 56C

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**SUBJECT**

Authorize an amendment to Resolution No. 15-1671, previously approved on September 9, 2015, with East Dallas Community Organization for construction of 8 homes for low and moderate mixed income families to **(1)** extend the HOME loan agreement and the Bond conditional grant agreement from September 9, 2017 to December 31, 2018; and **(2)** amend the terms to incorporate contract thresholds - Financing: No cost consideration to the City

**BACKGROUND**

In September 2017, East Dallas Community Organization (EDCO) requested an extension to the existing contract for construction of eight townhomes and the alley way. Delays were caused due to the time that it took to expand the Planned Development (PD), re-plat the land to accommodate the townhomes and construct the alley for access to city services. Platting and the construction of a new alley took approximately two years to complete.

EDCO recently selected a contractor to build the eight townhomes. The initial contractor bids were over budget and EDCO value engineered the architectural bid documents to reduce construction costs. EDCO has built and sold 27 single family mixed-income units in the prior phases.

The project was awarded 2012 and 2013 HOME Funds in the amount of \$900,000 from the U.S. Department of Housing and Urban Development (HUD) and 2012 Bond Funds in the amount of \$405,040, for a total of \$1,305,040, of which EDCO has expended \$304,501.70. The units will sell to six (6) eligible low-income families at or below 80% of Area Median Family Income (AMFI) and two (2) units to households up to 140% of AMFI.

## **BACKGROUND** (continued)

The construction of the units will be built and sold within one year. The deed restrictions for the affordable units will remain on the property for 15 years from the date of sale. Deed Restrictions will remain for one year for the market rate units from point of sale.

City Council approval of this agenda item will authorize the City Manager to execute the amendment to extend the agreements from September 9, 2017 to December 31, 2018 for the HOME loan and Bond conditional grant agreements with EDCO.

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

On June 27, 2012, City Council authorized adoption of the final FY 2012-13 Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds for the following programs: Community Development Block Grant; HOME Investment Partnerships Program; Housing Opportunities for Persons with AIDS; and Emergency Solutions Grant; and adoption of the FY 2011-12 Reprogramming Budget by Resolution No. 12-1629.

On June 26, 2013, City Council authorized adoption of the final FY 2013-14 Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds for the following programs: Community Development Block Grant; HOME Investment Partnerships Program; Housing Opportunities for Persons with AIDS; and Emergency Solutions Grant; adoption of the FY 2012-13 Reprogramming Budget; and submission of the new 5 Year Consolidated Plan for the period October 1, 2013 through September 30, 2018, by Resolution No. 13-1142.

On September 9, 2015, City Council authorized a housing development HOME loan; and a 2012 Bond conditional grant agreement for a mixed income housing development project by Resolution No. 15-1671.

Information about this item will be provided to the Economic Development and Housing Committee on February 5, 2018.

## **FISCAL INFORMATION**

No cost consideration to the City.

## **OWNER/DEVELOPER**

**East Dallas Community Organization**

Gerald Carlton, President

**MAP**

Attached

February 14, 2018

**WHEREAS**, affordable housing for mixed income families is a high priority of the City of Dallas; and

**WHEREAS**, on June 27, 2012, City Council authorized adoption of the final FY 2012-13 Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds for the following programs: Community Development Block Grant; HOME Investment Partnerships Program; Housing Opportunities for Persons with AIDS; and Emergency Solutions Grant; and adoption of the FY 2011-12 Reprogramming Budget by Resolution No. 12-1629; and

**WHEREAS**, on June 26, 2013, City Council authorized adoption of the final FY 2013-14 Consolidated Plan Budget for U.S. Department of Housing and Urban Development Grant Funds for the following programs: Community Development Block Grant; HOME Investment Partnerships Program; Housing Opportunities for Persons with AIDS; and Emergency Solutions Grant; adoption of the FY 2012-13 Reprogramming Budget; and submission of the new 5 Year Consolidated Plan for the period October 1, 2013 through September 30, 2018, by Resolution No. 13-1142; and

**WHEREAS**, on September 9, 2015, City Council authorized a housing development HOME loan in an amount not to exceed \$900,000; and a Bond conditional grant agreement in an amount not to exceed \$405,040 for a mixed income housing development project, by Resolution No. 15-1671; and

**WHEREAS**, the City desires for East Dallas Community Organization to develop affordable units for low and moderate-income families.

**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 an amendment to Resolution No. 15-1671, previously approved on September 9, 2015, for a housing development with East Dallas Community Organization (EDCO), approved as to form by the City Attorney, for construction of 8 homes for low and moderate mixed income families to **(1)** extend the completion date of the HOME loan agreement and the 2012 Bond conditional grant agreement from September 9, 2017 to December 31, 2018; and **(2)** amend the terms to incorporate contract thresholds.

February 14, 2018

**SECTION 2.** That the terms of the HOME loan and the conditional grant agreement are amended to include:

- (a) EDCO must execute amendments to all necessary documents.
- (b) EDCO will submit monthly reports to the Housing and Neighborhood Revitalization Department and provide updates on the status of the project.
- (c) EDCO will report delays to staff immediately, but no later than within one week of identifying major issues.
- (d) EDCO will submit complete homebuyer files for staff's review by November 30, 2018.
- (e) EDCO will submit its final payment request by December 31, 2018.

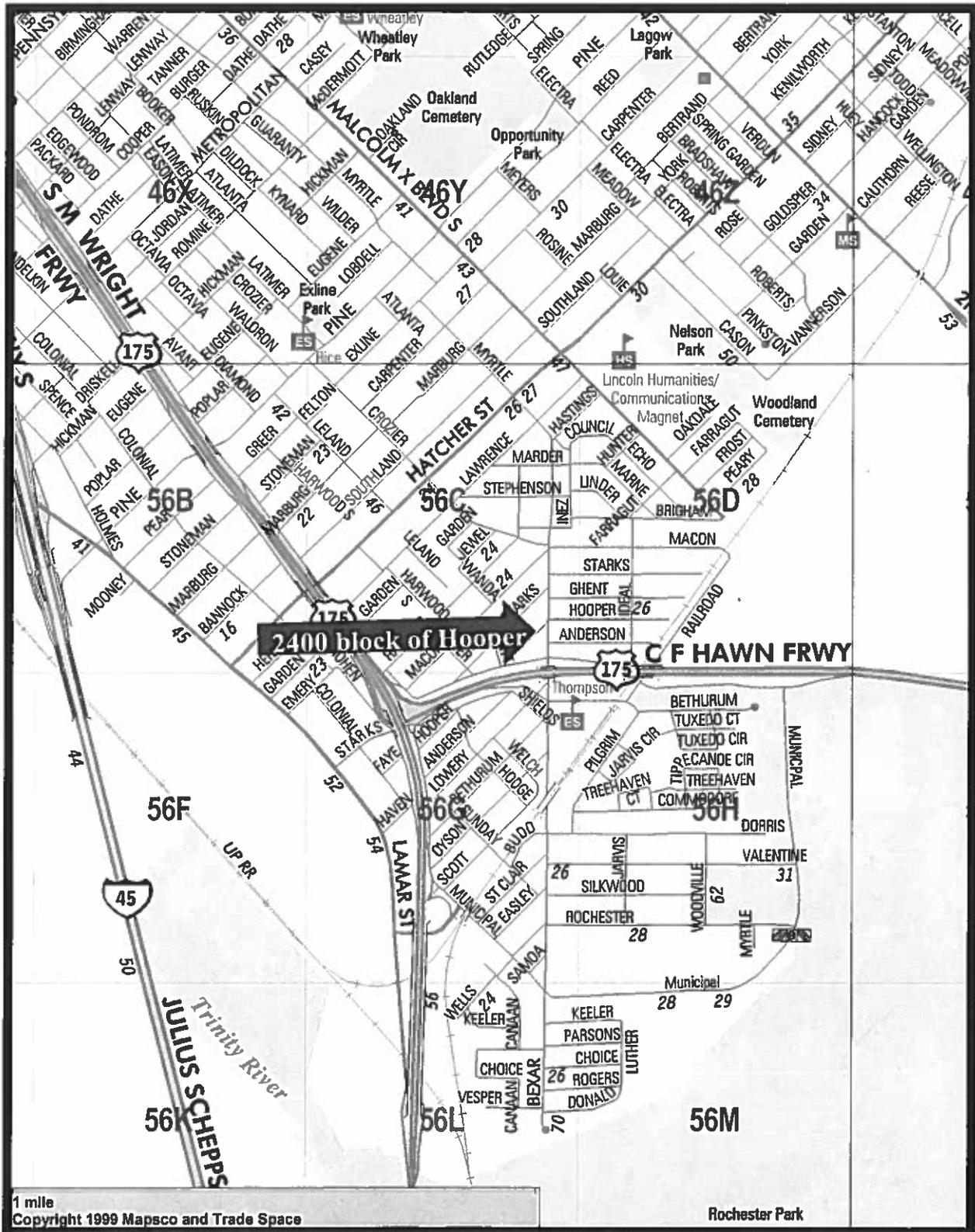
**SECTION 3.** That all other prior terms in Resolution No. 15-1671 remain in effect.

**SECTION 4.** That the City Manager, upon approval as to form by the City Attorney, may **(1)** release liens upon satisfaction of all conditions; **(2)** subordinate to the senior lender (including refinances); **(3)** amend all related documents; and **(4)** grant the Director of Housing and Neighborhood Revitalization, or Director's designee, the authority to extend the completion date with up to two six-month extensions.

**SECTION 5.** That this contract is designated as Contract No. HOU-2018-00004444.

**SECTION 6.** That this resolution does not constitute a binding agreement upon the City or subject the City to any liability or obligation with respect to the HOME Loan or Conditional Grant Agreement, until such time as the amendments are duly approved by all parties and executed.

**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.



**MAPSCO 56C**

# Memorandum



CITY OF DALLAS

DATE February 1, 2018

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

SUBJECT **Upcoming Agenda Item--UTA Internship Program Interlocal Agreement**

## Summary:

This concerns an upcoming Council agenda item on February 14<sup>th</sup>. Staff will seek approval of an interlocal agreement (ILA) with The University of Texas at Arlington (UTA) to facilitate graduate level internships with the City of Dallas, Planning and Urban Design Department. The budget for this program is \$35,804 funded through the FY 17-18 General Fund budget. In order to execute this contract, it was determined by the City Attorney's Office that all ILA's must be approved by City Council.

## Background Information:

PUD has 1.2 FTE's for intern positions included in the FY 17/18 budget. An ILA with UTA will provide graduate level interns to assist in PUD's programs and provide students with practical experience in their related fields. Per this agreement, UTA's College of Architecture, Planning, and Public Affairs (CAPPA) will be expected to hire interns through their Graduate Research Assistant program, and PUD will provide projects, workspace, and oversight to facilitate their internship. A copy of the upcoming Council agenda item is attached. CAPPA is the only college in the North Texas region with an urban planning graduate program, and has prior experience in facilitating a successful, ongoing internship program with the City of Arlington.

## Issues:

Working with a university partner is beneficial for the facilitation of internships for two reasons. Firstly, the university has a shorter turnaround time and greater flexibility in the hiring process. Given that internships typically last only a few months, the City's traditional hiring process has proven to be impractical for this purpose. Secondly, a university like UTA is able to promote these internships directly to graduate students in the fields that are relevant to PUDs programs and initiatives. This partnership allows us to make sure that PUDs intern positions remain filled with qualified candidates that are affiliated with a local university.

## Alternatives:

If the UTA Internship Program ILA is not authorized, PUD will be required to hire and onboard interns through the City's traditional hiring process, which has been impractical for short-term internships.

Coordination:

The development of this program and ILA has involved coordination with UTA to ensure that the program will be beneficial and fair to its graduate students, as well as internal departments, to ensure that the agreement meets City standards. Internal departments include Risk Assessment, Human Resources, the Budget Office, and the City Attorney's Office.

Fiscal Impact:

The budget for this program is \$35,804, which has already been approved as part of the FY 17-18 general fund budget.

Staff Recommendation:

Staff recommends approval of the UTA Internship Program ILA.

Attachments:

- UTA Internship Program Scope of Services
- UTA ILA Council Agenda Information Sheet

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



**Raquel Favela**  
Chief of Economic Development & Neighborhood Services

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**City of Dallas**  
**2018 Planning and Urban Design/ UTA Internship Program**  
**Scope of Services**

**Scope**

The City of Dallas (COD) Department of Planning & Urban Design (PUD) has requested The University of Texas at Arlington (UTA), operating its College of Architecture, Planning, and Public Affairs (CAPP), to provide internship services, including advertising the positions, working with the City to select candidates, and hiring candidates as Graduate Research Assistants, to report to the City of Dallas Department of Planning & Urban Design for internship assignments. The internship program is designed to provide graduate students the opportunity to learn and practice a variety of urban planning-related skills in an applied setting, and to provide a meaningful contribution to the City of Dallas Department of Planning and Urban Design's ongoing projects and programs.

**Responsibilities of UTA CAPP**

- 1) CAPP will advertise and post the available CAPP intern positions pursuant to the City of Dallas' Planning & Urban Design's outline of needed skillsets. Additionally, CAPP will provide PUD the applications received from this process for review.
- 2) CAPP and PUD will jointly review submitted graduate student applications with PUD making the final determination of which students will be interviewed either in person or over the phone.
- 3) CAPP will hire as Graduate Research Assistants (GRAs) those students selected by PUD from the available pool of candidates.
- 4) CAPP will conduct background checks on the GRAs selected by PUD to be assigned as interns.
- 5) CAPP will provide the selected GRAs with a weekly timesheet to be filled out by the GRA and approved by PUD.
- 6) CAPP will re-advertise and re-post any position that becomes vacant in the event a GRA leaves the internship program or is dismissed by PUD.

## **Responsibilities of Planning and Urban Design (PUD)**

- 1) PUD will assist with the hiring of GRA students by:
  - a) Providing the number of interns and the type of skillsets needed for 2018, so that CAPPa can advertise the positions.
  - b) Selecting from the pool of applicants the candidates to be interviewed (in person or by phone).
  - c) Making a final selection of graduate students to be hired for the internship program.
- 2) PUD will provide office space, office supplies, computer and internet access, and assignments for the GRA students for the assigned school term.
- 3) PUD will direct GRAs through the necessary internal process to receive an ID badge and computer access.
- 4) PUD will approve and submit to CAPPa each GRAs time sheet on a weekly basis.
- 5) PUD will immediately notify CAPPa if a GRA has abdicated their duties or is not up to performance standards so that CAPPa can advertise and re-post the position and hire a replacement intern as soon as is feasible.

## **Contract Term**

The contract will commence on the date the ***Notice to Proceed*** is issued and will continue through September 30, 2018.

**City of Dallas**  
**2018 Planning and Urban Design/ UTA Internship Program**  
**Budget, Payment and Billing**

**Program Budget**

The total not to exceed budget for the *City of Dallas Planning & Urban Design/UTA Internship Program* is **\$38,981.25**, to be allocated as follows:

City of Dallas, Planning & Urban Design contribution: \$ 35,804.00 (not to exceed)  
 UTA CAPPAs contribution: \$ 3,177.25  
**Total** (not to exceed) **\$ 38,981.25**

**Payment and Billing**

1) The agreed upon billing rate for Graduate Research Assistants (GRAs) is as follows:

GRA Level	Stipend	Fringe Benefits 10%	UTA IDC 26%	Billing Rate
Masters	\$ 15.63	\$ 1.56	\$ 4.47	<b>\$ 21.66</b>
PhD	\$ 18.75	\$ 1.88	\$ 5.36	<b>\$ 25.99</b>

- 2) Interns are authorized to work a maximum of 20 hours per week.
- 3) The total cost under this agreement cannot exceed the program budget of **\$38,981.25**.
- 4) PUD will make the final determination as to the GRA level (Master's or PhD) to be assigned.

**Billing**

- 1) The University will invoice the City of Dallas, Planning & Urban Design Department, monthly for hours completed in the previous month.
- 2) Invoices shall be emailed to:

Brian Price [brian.price1@dallascityhall.com](mailto:brian.price1@dallascityhall.com)  
 Teresa Bateman [teresa.bateman@dallascityhall.com](mailto:teresa.bateman@dallascityhall.com).  
 Lisa Parker [lisa.parker@dallascityhall.com](mailto:lisa.parker@dallascityhall.com)

- 3) The monthly invoice shall be itemized and, at a minimum, include the following:
- Invoice number
  - Service period being invoiced (e.g., 1/1/18 – 1/31/18)
  - Name of each intern for whom hours are being invoiced
  - Indication of each intern's GRA level (Master's or PhD)
  - Monthly rate for each intern being invoiced (unit cost)
  - Number of hours being billed (backed up with the GRA's timesheet for the service period)
  - Extended cost for each intern being invoiced (hourly rate multiplied by number of hours)
  - Total monthly cost being invoiced for the service period
- 4) Each month's invoice shall have attached each GRA's approved monthly timesheet (signed by both the intern and their assigned City of Dallas Planning & Urban Design supervisor).
- 5) No more than 20 hours per week per intern may be billed in any month.
- 6) Within thirty (30) days of receipt of invoice, the City of Dallas will effect payment in the amount shown on UTA's approved invoice. The payments shall be remitted to:

**VENDOR ID#:**

The University of Texas at Arlington  
ATTN: Grant and Contract Accounting  
219 West Main Street  
Box 19136  
Arlington, TX 76019-0136

The total amount billed to the City of Dallas for the intern program will not exceed the City of Dallas' not to exceed contribution amount of **\$35,804.00**. Once the City of Dallas' maximum contribution limit has been met, the UTA CAPPa contribution amount will be used until the program budget is exhausted or until the end of the contract term, whichever comes first.

**STRATEGIC PRIORITY:** Economic and Neighborhood Vitality

**AGENDA DATE:** February 14, 2018

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Department of Planning and Urban Design

**CMO:** Raquel Favela, 670-3309

**MAPSCO:** N/A

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## **SUBJECT**

Authorize an Interlocal Agreement with the University of Texas at Arlington to facilitate graduate level internships with the City of Dallas Department of Planning and Urban Design - Not to exceed \$35,804 - Financing: General Funds

## **BACKGROUND**

The City of Dallas Department of Planning & Urban Design currently has 1.2 FTE's for intern positions included in the Fiscal Year 2017-18 General Fund budget. To efficiently keep these temporary positions filled with qualified interns, the City of Dallas Department of Planning and Urban Design is proposing to contract with the University of Texas at Arlington, through its College of Architecture, Planning, and Public Affairs (CAPPA). CAPPA will provide internship services, including advertising the internship positions, working with the City to select candidates based on project needs defined by, and hiring candidates as Graduate Research Assistants to report to the City of Dallas Department of Planning and Urban Design for internship assignments. CAPPA is the only college in the North Texas region with an urban planning graduate program, and has prior experience in facilitating a successful, ongoing internship program with the City of Arlington. The internship program is designed to provide graduate students the opportunity to learn and practice a variety of urban planning-related skills in an applied setting, and to provide a meaningful contribution to the City of Dallas Department of Planning and Urban Design's ongoing projects and programs related to planning, urban design and neighborhood vitality. This agreement is for a pilot program, with potential to renew in subsequent years. The University of Texas at Arlington Internship Program scope of services is attached.

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

Information about this item will be provided to the Economic Development and Housing Committee on February 5, 2018.

February 14, 2018

**WHEREAS**, pursuant to the terms of this Interlocal Agreement, the University of Texas at Arlington's College of Architecture, Planning, and Public Affairs (CAPPA) will hire and compensate interns through their Graduate Research Assistant program, and the City will provide projects, workspace, and oversight to facilitate the University of Texas at Arlington CAPPA's internship program; and

**WHEREAS**, the University of Texas at Arlington's CAPPA has authority to perform the internship services under authority granted in Section 65.31, of the Texas Education Code and Chapter 791, of the Texas Government Code; and

**WHEREAS**, the City of Dallas finds that the planning services to be provided by the University of Texas at Arlington through its Graduate Research Assistant program is a governmental function and service that has the authority to contract for under authority granted in Chapter 791, of the Texas Government Code; and

**WHEREAS**, the City of Dallas Department of Planning and Urban Design recommends entering into this Interlocal Agreement with the University of Texas at Arlington to facilitate a more streamlined and effective mechanism for filling its existing internship positions and to enhance its existing programs related to planning, urban design and neighborhood vitality.

**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 the Interlocal Agreement with the University of Texas at Arlington to facilitate graduate level internships with the City of Dallas Department of Planning and Urban Design, after approval as to form by the City Attorney.

**SECTION 2.** That the Chief Financial Officer is hereby authorized to disburse an amount not to exceed \$35,804 to the University of Texas at Arlington from the General Fund, Fund 0001, Department PNV, Unit 1598, Object 3994, Activity ECNR, PNV-2018-00004850, Commodity 96269, Vendor 0000035106.

**SECTION 3.** That this contract is designated as Contract No. PNV-2018-00004850.

**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.

**FISCAL INFORMATION**

General Funds - \$35,804

**STRATEGIC  
PRIORITY:**

Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:**

February 14, 2018

**COUNCIL DISTRICT(S):**

8

**DEPARTMENT:**

Water Utilities Department  
Office of Economic Development

**CMO:**

Majed Al-Ghafry, 670-3302  
Raquel Favela, 670-3309

**MAPSCO:**

65 T X 75 B

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**SUBJECT**

Authorize Supplemental Agreement No. 1 to the professional services contract with Kimley-Horn and Associates, Inc. to provide additional engineering services for the evaluation and design of wastewater infrastructure improvements for the University Hills area between Camp Wisdom Road and the Dallas-Lancaster corporate limit - Not to exceed \$569,738, from \$2,512,805 to \$3,082,543 - Financing: 2012 Bond Funds

**BACKGROUND**

The Dallas Grow South plan aims to attract new development and growth south of the Trinity River. The area along University Hills Boulevard between Camp Wisdom Road and the Dallas-Lancaster corporate limit is well positioned for development projects, including student housing, multifamily, mixed use, retail, and restaurants. On December 13, 2017, City Council authorized the establishment of the University TIF District to help promote development in the University Hills area as well as the University of Texas at Dallas area by Resolution No. 17-1941; Ordinance No. 30733.

The properties along University Hills Boulevard currently do not have convenient access to wastewater services and this is an inhibitor to growth and development in the region. In order to provide wastewater service to this area, a regional engineering evaluation and design is required. Dallas Water Utilities in cooperation with the Office of Economic Development, plans to evaluate wastewater service to the area and identify the best service option with respect to future development, construction cost and long term maintenance.

This action will provide for an engineering evaluation, recommendations for wastewater service, and design for wastewater infrastructure improvements in the University Hills area between Camp Wisdom Road and the Dallas-Lancaster corporate limit.

**ESTIMATED SCHEDULE OF PROJECT**

Begin Evaluation            March 2018  
Complete Evaluation      September 2018

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

On September 14, 2016, City Council authorized a professional services contract with Kimley-Horn and Associates, Inc. to provide engineering design services for the replacement and rehabilitation of water and wastewater mains at 14 locations by Resolution No. 16-1471.

Information about this item will be provided to the Mobility Solutions, Infrastructure and Sustainability Committee on February 12, 2018.

**FISCAL INFORMATION**

2012 Bond Funds - \$569,738

Design	\$2,512,805
Supplemental Agreement No. 1 (this action)	<u>\$ 569,738</u>
Total Project Cost	\$3,082,543

**M/WBE INFORMATION**

See attached.

**OWNER**

**Kimley-Horn and Associates, Inc.**

Marty S. Paris, P.E., Senior Associate

**MAP**

Attached

February 14, 2018

**WHEREAS**, on September 14, 2016, City Council authorized a professional services contract with Kimley-Horn and Associates, Inc. to provide engineering design services for the replacement and rehabilitation of water and wastewater mains at 14 locations, in an amount not to exceed \$2,512,805, by Resolution No. 16-1471; and

**WHEREAS**, additional engineering services are required for the study, evaluation, recommendation, and design of wastewater infrastructure improvements in the University Hills area between Camp Wisdom Road and the Dallas-Lancaster corporate limit; and

**WHEREAS**, Kimley-Horn and Associates, Inc., 13455 Noel Road, Two Galleria Tower, Suite 700, Dallas, Texas 75240, has submitted an acceptable proposal to provide these engineering services; and

**WHEREAS**, Dallas Water Utilities recommends that Contract No. 16-349/350E be increased by \$569,738, from \$2,512,805 to \$3,082,543.

**Now, Therefore,**

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

**SECTION 1.** That the proposed Supplemental Agreement No. 1 to the professional services contract be accepted and that Contract No. 16-349/350E with Kimley-Horn and Associates, Inc., be revised accordingly.

**SECTION 2.** That the City Manager is hereby authorized to sign Supplemental Agreement No. 1 to the professional services contract with Kimley-Horn and Associates, Inc., approved as to form by the City Attorney, to provide additional engineering services for the evaluation and design of wastewater infrastructure improvements for the University Hills area between Camp Wisdom Road and the Dallas-Lancaster corporate limit, in an amount not to exceed \$569,738, increasing the contract amount from \$2,512,805 to \$3,082,543.

**SECTION 3.** That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$569,738 to Kimley-Horn and Associates, Inc. from the Economic Development and Housing Development Program Fund, Fund 4U52, Department ECO, Unit W173, Object 4111, Program ECO12W173B, Vendor 135447.

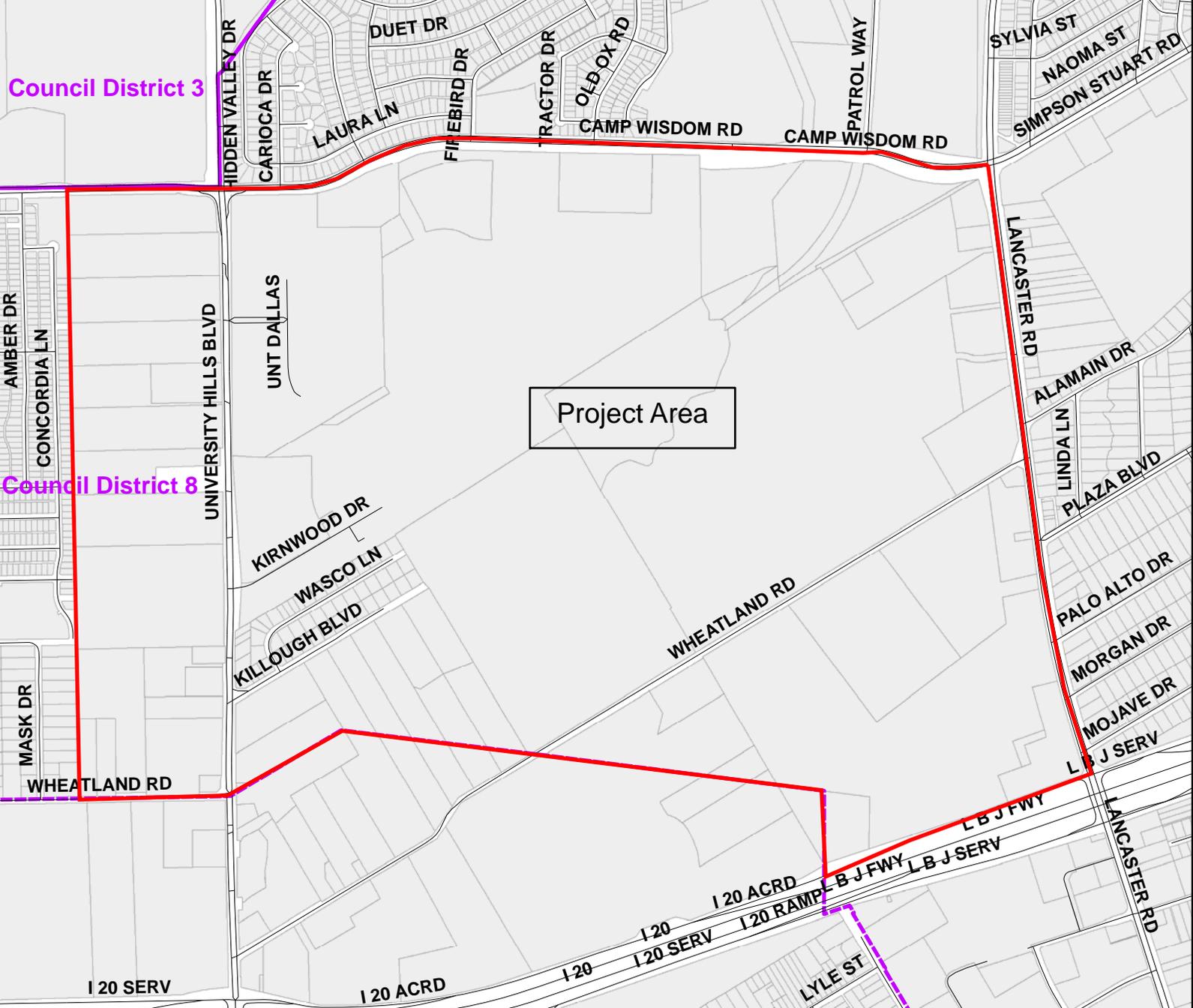
**SECTION 4.** That this contract is designated as Contract No. DWU-2016-00001076.

**SECTION 5.** 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.

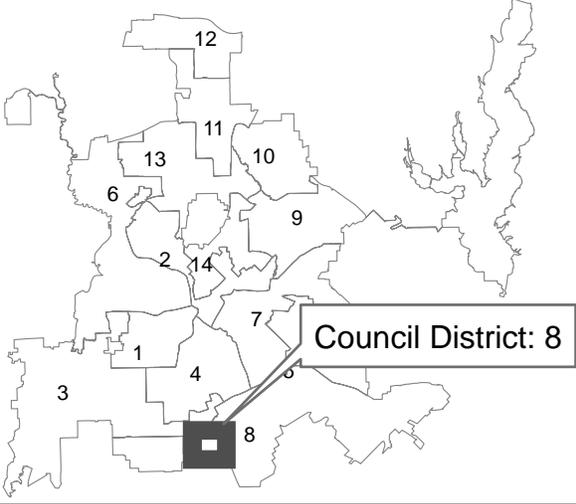
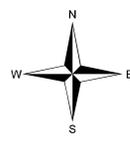
Council District 3

Council District 8

Project Area



Mapsc0: 65 T, X, 75 B



**Dallas Water Utilities**  
**Contract No. 16-349/350E, Supplemental Agreement No. 1**  
**Evaluation and Design of Wastewater Infrastructure Improvements**