

**FIRST AMENDMENT TO MASTER AGREEMENT  
FOR THE DEVELOPMENT, USE AND OPERATION OF THE  
DALLAS BLACK DANCE THEATRE FACILITY**

THIS FIRST AMENDMENT TO MASTER AGREEMENT ("Amendment") is made and entered into this 16th day of January 2008, by and between THE CITY OF DALLAS, a municipal corporation of the State of Texas and a home rule city, hereinafter called "City," and DALLAS BLACK THEATRE, INC., a Texas non-profit corporation, hereinafter called "DBDT";

WHEREAS, City and DBDT entered into that certain Master Agreement for the Development and Operation of the Dallas Black Dance Theatre Facility dated as of December 14, 2005 (hereinafter referred to as the "Lease"), for a certain building commonly known and numbered as 2700 Flora Street (the "Building"), located on land in the City of Dallas, Texas, more particularly described on Exhibit A attached hereto (the "Premises");

WHEREAS, City has incurred construction costs related to the rehabilitation of the Building for DBDT in the approximate amount of \$3,263,976;

WHEREAS, City has spent an additional \$2,228,354 on behalf of DBDT in connection with the rehabilitation of the Building, which amount had been previously advanced by DBDT to City;

WHEREAS, DBDT and the City wish to extend the Term of the Lease; and

WHEREAS, DBDT and the City wish to allow DBDT to sublease the Premises, or any portion thereof, in order to enter into federal historic tax credit transactions.

NOW THEREFORE, for and in consideration of the foregoing, and the mutual covenants set forth below, it is agreed that said Lease is hereby modified and amended as follows:

1. Term. The Term of the Lease shall be extended to the 31<sup>st</sup> day of December 2048.
2. Subleasing. In order to receive the maximum benefit from the federal historic tax credits, the City acknowledges and consents to DBDT subleasing all or any portion of the Premises or the Building to master tenant entities controlled by DBDT, or a wholly-owned subsidiary (the "Master Tenants"), which will sublease the Premises or the Building back to DBDT.
3. Contribution of City Rehabilitation Costs. To date, the City has incurred costs of \$5,492,330 in improvements in connection with the rehabilitation of the Building. It is the intent of both parties that the value of such improvements are recognized and contributed through the execution of this Amendment, for purposes of conveying federal income tax ownership only.
4. Termination of First Amendment. If the DBDT does not close on transactions necessary to secure the federal historic tax credits by February 15, 2008, this Amendment shall terminate and the terms of the Lease shall control.

In the event of any conflict between this Amendment and the Lease, the terms of this Amendment shall govern. Except as supplemented and amended hereby, the Lease remains in full force and effect, unmodified, and all terms herein shall have the same definition given them in the Lease, unless the context requires otherwise.

[SIGNATURE PAGE FOLLOWS]

WHEREFORE, the parties have executed this First Amendment to Master Agreement the day and year first above written.

DBDT:

DALLAS BLACK DANCE THEATRE,  
INC., a Texas non-profit corporation

CITY:

THE CITY OF DALLAS,  
a municipal corporation of the State of Texas  
and a home rule city

By: Marvin Robinson  
Marvin Robinson, President

By: [Signature]  
Name: \_\_\_\_\_  
Title: City Manager

Approved As To Form:  
THOMAS P. PERKINS, JR.,  
City Attorney

By: [Signature]  
Assistant City Attorney  
Submitted to City Attorney  
[Signature]

EXHIBIT “A”

(Legal Description of Premises)

# EXHIBIT A

## FIELD NOTES DESCRIBING A 20,058 SQUARE FOOT TRACT TO BE TRANSFERRED FROM THE DALLAS BLACK DANCE THEATRE TO THE CITY OF DALLAS IN BLOCK 566

**ALL THAT** certain lot, tract or parcel of land lying and being situated in the City and County of Dallas, Texas, more particularly described as follows:

**BEING** a 20,058 square foot tract of land situated in the JOHN GRIGSBY SURVEY, ABSTRACT NO. 495, Dallas County, Texas and being situated in Block 566, official City of Dallas numbers and being a part of that tract of land conveyed to Dallas Black Dance Theatre, by Deed dated September 15, 1999 and recorded in Volume 99181, Page 02247, Deed Records, Dallas County Texas (DRDCT) and being more particularly described as follows:

**BEGINNING** at the intersection of the Southeast line of Flora St. (50' Right-of-Way) and the Northeast line of Boll St. (50' Right-of-Way) from which a cut cross found bears South 2°44'45" West, a distance of 0.45 feet, said point of intersection also being the most Westerly corner of herein described tract;

**THENCE** North 45°26'00" East, with the Southeast line of said Flora St., a distance of 114.00 feet to a ½" Iron Rod found at the most Northerly corner of herein described tract, said Iron Rod also being at the most Westerly corner of a tract of land conveyed to Levco Enterprises, Inc. by deed recorded in Volume 88126, Page 3842, (DRDCT);

**THENCE** South 44°46'00" East, departing the Southeast line of said Flora St., along the common line between the Dallas Black Dance Theatre tract and the Levco Enterprises, Inc. tract, a distance of 100.00 feet to an inner ell corner from which a found ½" Iron Rod bears South 38°20'23", a distance of 0.15 feet;

**THENCE** North 45°26'00" East, along said common line, a distance of 3.00 feet to a point for corner from which a found Railroad spike bears South 1°41'31" East, a distance of 0.38 feet;

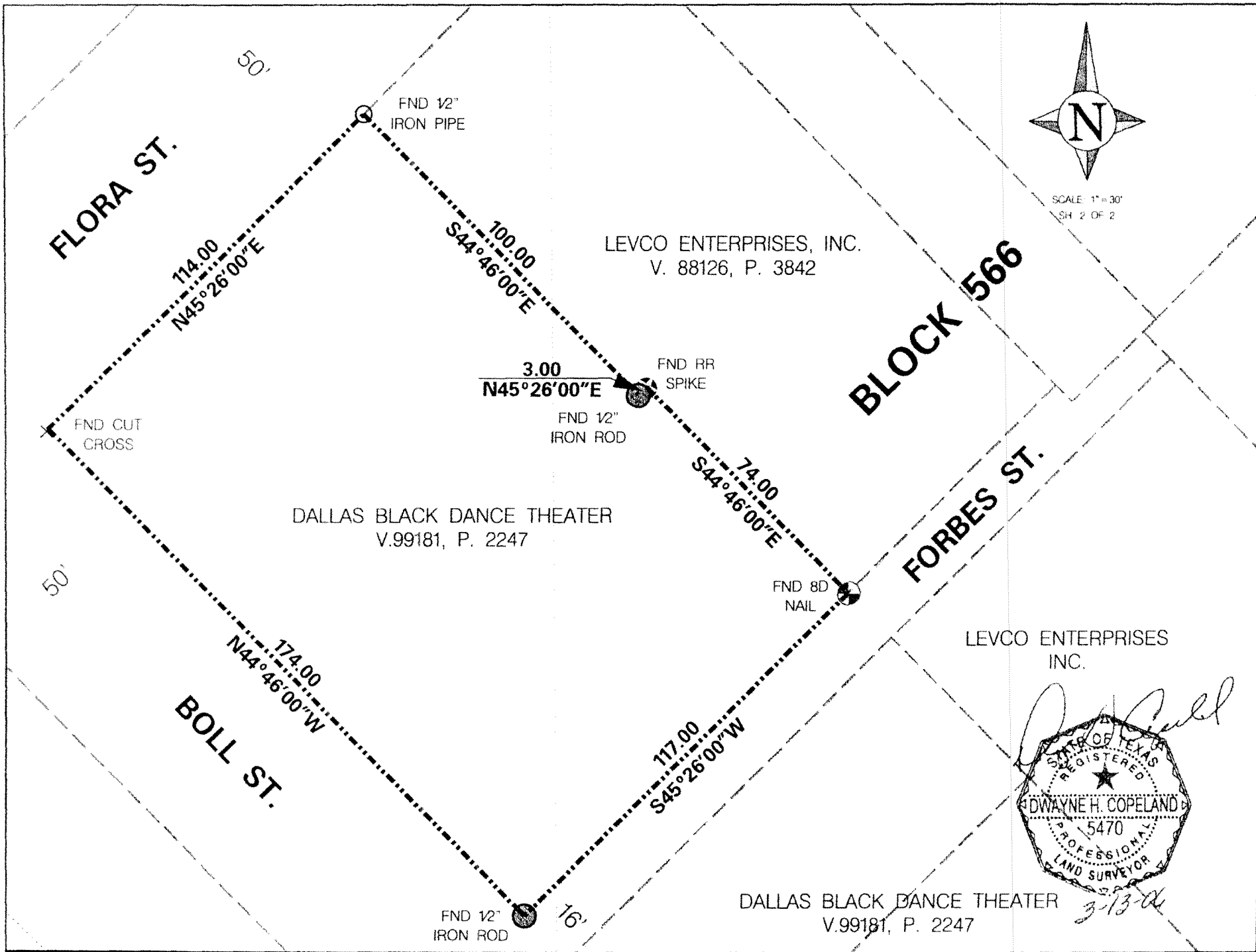
**THENCE** South 44°46'00" East, along said common line, a distance of 74.00 feet to a point for corner in the Northwest line of Forbes St. (16' Right-of-Way), from which a found 8d nail bears South 74°28'01" East, a distance of 0.20 feet, said point also being the most Easterly corner of herein described tract;

**THENCE** South 45°26'00" West, along the Northwest line of said Forbes St., a distance of 117.00 feet, to a ½" Iron Rod found at the intersection of the Northwest line of said Forbes St. and the Northeast line of said Boll St., said Iron Rod also being at the most Southerly corner of herein described tract;

**THENCE** North 44°46'00" West, along the Northeast line of said Boll St., a distance of 174.00 feet to the **POINT OF BEGINNING**, containing 20,058 square feet of land.

**BASIS OF BEARING:** The Southeast line of Flora St. (a 50' Right-of-Way), being North 45°26'00" East, as recorded in Volume 99181, Page 2247, of the Deed Records of Dallas County, Texas.





**AGENDA ITEM # 3**

**KEY FOCUS AREA:** Better Cultural, Arts and Recreational Amenities

**AGENDA DATE:** January 16, 2008

**COUNCIL DISTRICT(S):** 14

**DEPARTMENT:** Public Works & Transportation  
Office of Cultural Affairs

**CMO:** Ramon F. Miguez, P.E., 670-3308  
David O. Brown, 670-3390

**MAPSCO:** 45G

**SUBJECT**

Authorize the City Manager to execute the First Amendment to the Master Agreement for the Development, Use and Operation of the Dallas Black Dance Theatre facility to **(1)** extend the term of the Master Agreement by thirty-six months to end December 31, 2048; and **(2)** consent to the sublease of the Dallas Black Dance Theatre facility located at 2700 Flora Street to a master tenant entity controlled by the Dallas Black Dance Theatre to allow the Dallas Black Dance Theatre to receive federal historic tax credits in connection with the improvement and rehabilitation of the Dallas Black Dance Theatre facility - Financing: No cost consideration to the City

**BACKGROUND**

Dallas Black Dance Theatre (DBDT) was founded in 1976 as a world-class modern dance company, whose mission is to achieve artistic excellence through the performance and educational programs bridging cultures, reaching diverse communities and encompassing national and international audiences. In 1999, DBDT acquired the former Moorland YMCA building, located at 2700 Flora Street, a 20,058 square foot tract of land improved with a building.

On December 14, 2005, Resolution No. 05-3604 authorized a Master Agreement for the Development, Use and Operation of the Dallas Black Dance Theatre facility. This Master Agreement set forth the respective rights and obligations of the parties for the donation to the City and the design, development, construction, maintenance, management, use and operation of the facility. This Master Agreement provided for a transfer of the property from DBDT to the City in exchange for a forty (40) year lease of the facility from the City to DBDT and for DBDT to provide a minimum of 40% of the renovation costs of the facility. The transfer of the property and the participation in funding the renovation is in accordance with the City's Cultural Policy.

## **BACKGROUND** (Continued)

In the City's 2003 Bond election, voters approved a proposition which included \$3,263,976 for the planning, design, construction and renovation of the facility as a multiuse dance rehearsal, instructional and administrative office facility for DBDT. DBDT undertook a capital campaign and contributed matching funds in the amount of \$2,228,354 towards the planning, design, construction, and renovation and operation of the facility in accordance with the terms of the Master Agreement.

DBDT has identified an opportunity to utilize federal rehabilitation tax credits to raise funds as part of its capital campaign for the renovation and operation of the facility. In order to take advantage of the federal historic tax credit opportunity, the Master Agreement must be amended, as follows:

- To extend the term for an additional 36 months to end December 31, 2048 (current end date is December 31, 2045) to provide for a full 40-year term from the date of occupancy in order to qualify as a constructive owner of the facility for federal tax purposes only.
- To permit the DBDT to sublease the facility to a master tenant entity controlled by DBDT or a wholly-owned subsidiary of DBDT. The master tenant entity will sublease the facility back to DBDT. It is anticipated that the sublease to the master tenant will not exceed 20 years with an option to terminate at the end of 5 years. The subleases are subject to the terms of the Master Agreement requirement that DBDT operates and uses the facility as a multiuse dance center.
- The DBDT needs to close on its federal historic tax credit arrangements before a certificate of occupancy is issued for the facility. The amendment provides that if the DBDT does not close on transactions necessary to secure the federal historic tax credits by February 15, 2008, the amendment to the Master Agreement shall terminate and the terms of original Master Agreement shall control.

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

Authorized the Master Agreement on December 14, 2005, by Resolution No. 05-3604.

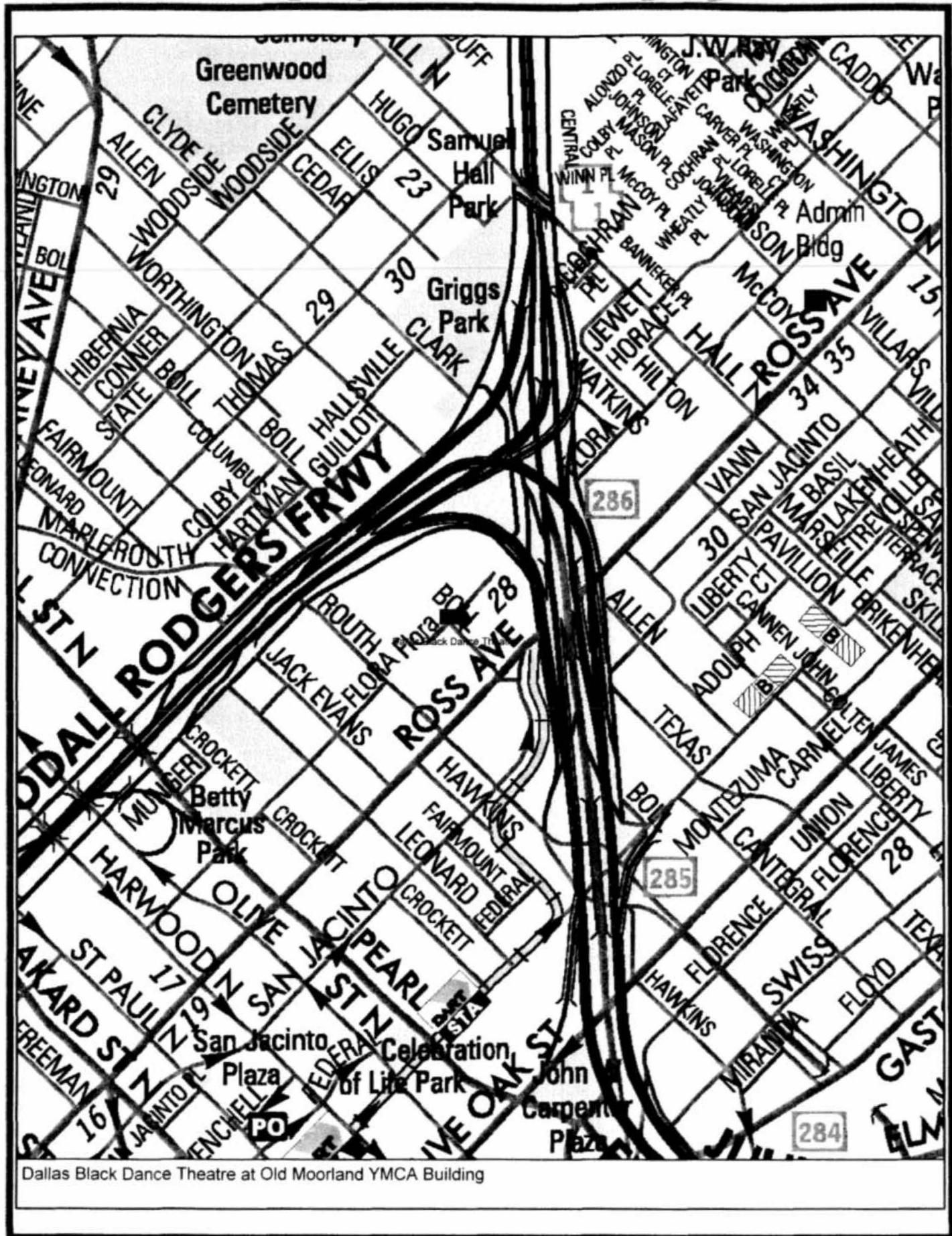
Authorized the construction contract on February 28, 2007, by Resolution No. 07-0742.

## **FISCAL INFORMATION**

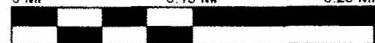
No cost consideration to the City.

## **MAP**

Attached.



Dallas Black Dance Theatre at Old Moorland YMCA Building



January 16, 2008

**WHEREAS**, the Dallas Black Dance Theatre (DBDT) is a world-class modern dance company, whose mission is to achieve artistic excellence through performance and educational programs bridging cultures, reaching diverse communities and encompassing national and international audiences; and,

**WHEREAS**, in 1999 DBDT acquired the former Moorland YMCA, an approximately 20,058 square foot tract of land improved with a building, located at 2700 Flora Street for conversion into a multi-use dance rehearsal, instructional and administrative office facility for DBDT; and,

**WHEREAS**, in the City's 2003 Bond election, the voters approved a proposition which included \$3,263,976 for the planning, design, construction and renovation of the former Moorland YMCA building as a multi-use dance rehearsal, instructional and administrative office facility for DBDT; and,

**WHEREAS**, on December 14, 2005, Resolution No. 05-3604 authorized a Development Agreement with the Dallas Black Dance Theatre for the renovation of the Moorland YMCA Building; and,

**WHEREAS**, Dallas Black Dance Theatre has undertaken a capital campaign to raise a minimum of \$2,228,354 towards the planning, design, construction and renovation of the former Moorland YMCA building; and,

**WHEREAS**, it is now desirable to amend the Development Agreement to enable Dallas Black Dance Theatre to enter into a sublease for purposes of obtaining a federal tax credit which will benefit this capital campaign;

**Now, Therefore,**

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

**Section 1.** That the City Manager is hereby authorized to execute the attached First Amendment to the Master Agreement for the Development, Use and Operation of the Dallas Black Dance Theatre facility upon approval as to form by the City Attorney.

**Section 2.** 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.

Distribution: Public Works and Transportation, Jean Mitchell, OCMC, Room 101  
Public Works and Transportation, David Trevino, OCMC, Room 321  
City Attorneys Office  
Office of Financial Services  
Office of Cultural Affairs