

# Memorandum



CITY OF DALLAS

DATE May 13, 2016

TO Members of the Economic Development Committee:  
Rickey D. Callahan (Chair), Casey Thomas, II, (Vice Chair), Adam Medrano,  
Lee M. Kleinman, Carolyn King Arnold, B. Adam McGough

SUBJECT **Lease Agreement with Farmers Assisting Returning Military**

On Monday, May 16, 2016, the Economic Development Committee will be briefed on the Lease Agreement with Farmers Assisting Returning Military. Briefing materials are attached.

Should you have any questions, please contact me at (214) 670-3296.

A handwritten signature in blue ink that reads "Ry - S. E." with a long horizontal stroke extending to the right.

Ryan S. Evans  
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council  
A.C. Gonzalez, City Manager  
Christopher D. Bowers, Interim City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Eric D. Campbell, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager

Mark McDaniel, Assistant City Manager  
Joey Zapata, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Sana Syed, Public Information Officer  
Karl Zavitkovsky, Director, Office of Economic Development  
J. Hammond Perot, Assistant Director, Office of Economic Development  
Elsa Cantu, Assistant to the City Manager – Mayor & Council

# LEASE AGREEMENT WITH FARMERS ASSISTING RETURNING MILITARY

ECONOMIC DEVELOPMENT COMMITTEE  
MAY 16, 2016



# HISTORY

- Property located at 606 & 700 S. Good Latimer Expressway
- Property Acquired in 1907
- Previous uses of Property:
  - Coal Storage area
  - Auto Washing and Greasing
  - Repair Shop and Auto Pound
  - Municipal Garage
  - Filling Station
  - Material Storage
  - Parking

# PROPERTY STATISTICS

- Approximately 89,445 s.f.
- Zoning: PD-357 (Farmers Market Special Use District)
- DCAD (2014) Value: \$1,351,760
- Known environmental concerns on property
  - Identified chemicals in soil and groundwater that exceed allowable levels
- Property identified for future Park purposes – 2013 Downtown Parks Masterplan (Property currently landbanked)

# SITE MAP



# POTENTIAL INTERIM USE

## Proposal:

- Farmers Assisting Returning Military will provide for an urban farm that will provide educational farm tours, growing classes, nutritional awareness, includes aquaponics, hydroponics, composting, rainwater harvesting, orchards and gardens
  - Includes construction of bathrooms, a kitchen, green houses, fountains, picnic areas, event space, and amphitheater
  - Raised bed planting (fruits and vegetables)
  - Sidewalks
  - Landscaping (installed in unrestricted areas)

# POTENTIAL INTERIM USE, CONTINUED

- Fresh local produce grown on site will support the efforts of the Dallas Farmers Market
- A portion of all produce grown will be donated to the Food Bank and local non-profits
- Major Contributors of this Development:
  - United Way Metropolitan Dallas Ground Floor Program
  - Kubota Tractor Corporation
  - Texas A&M Arability Program
  - Grow North Texas
  - Northrup Grumman
  - Wisdom 4 Warriors
  - Living Earth Technologies
  - Texas Honeybee Guild
  - Urban Chicken Ranching

# ADDRESSING ENVIRONMENTAL CONCERNS

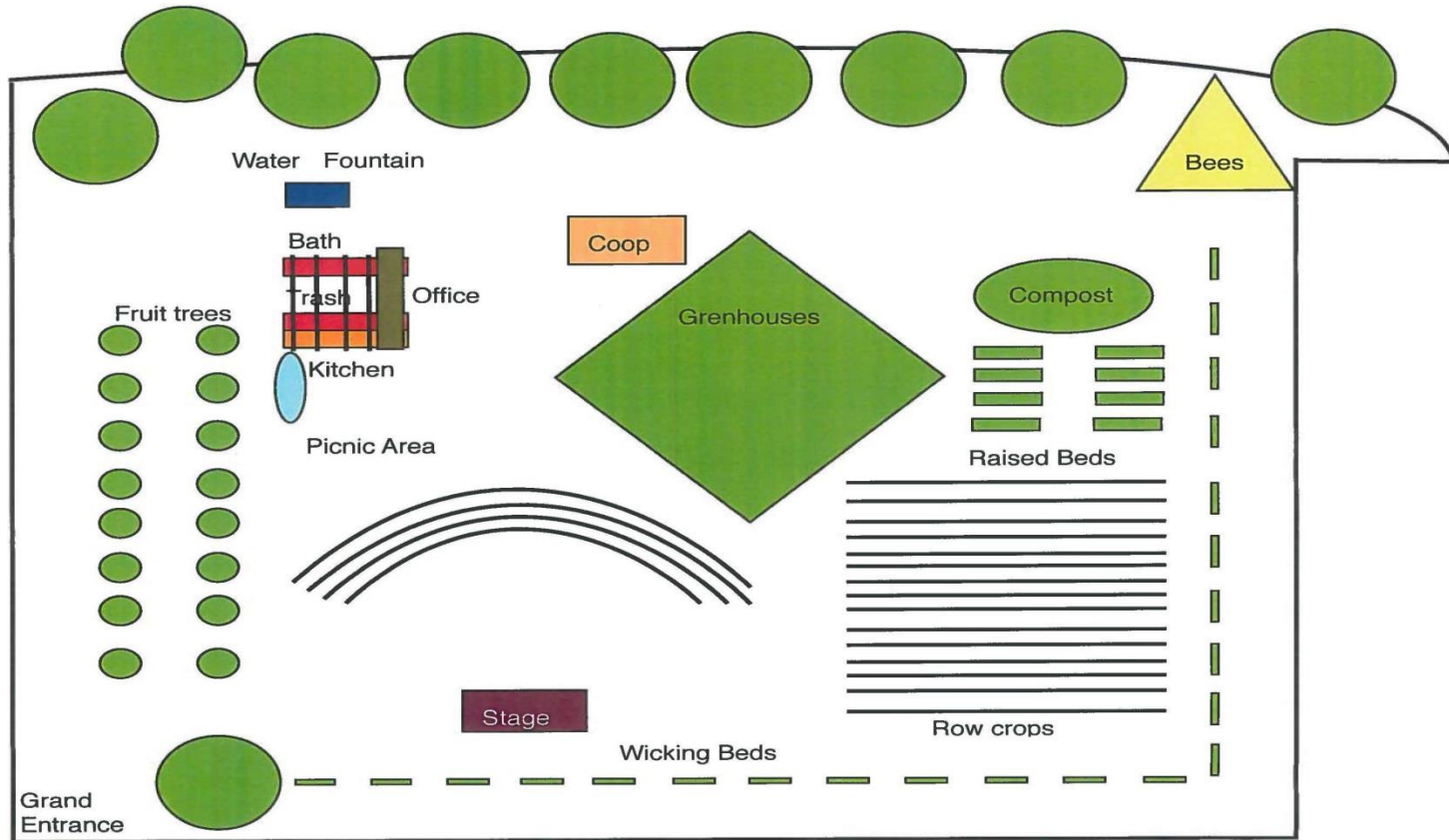
- Approximately 50% of existing concrete will be required to remain
  - Concrete cover inside Controlled Area 1 will be repaired and maintained as part of the redevelopment
  - All development in controlled areas will occur above pavement to act as a barrier to the subsurface below
  - Concrete cover inside Controlled Area 2 must remain unless additional soil testing is completed to ensure residential standards are met
- If any soil is excavated, it must be characterized, transported and disposed of according to local, state, and federal laws



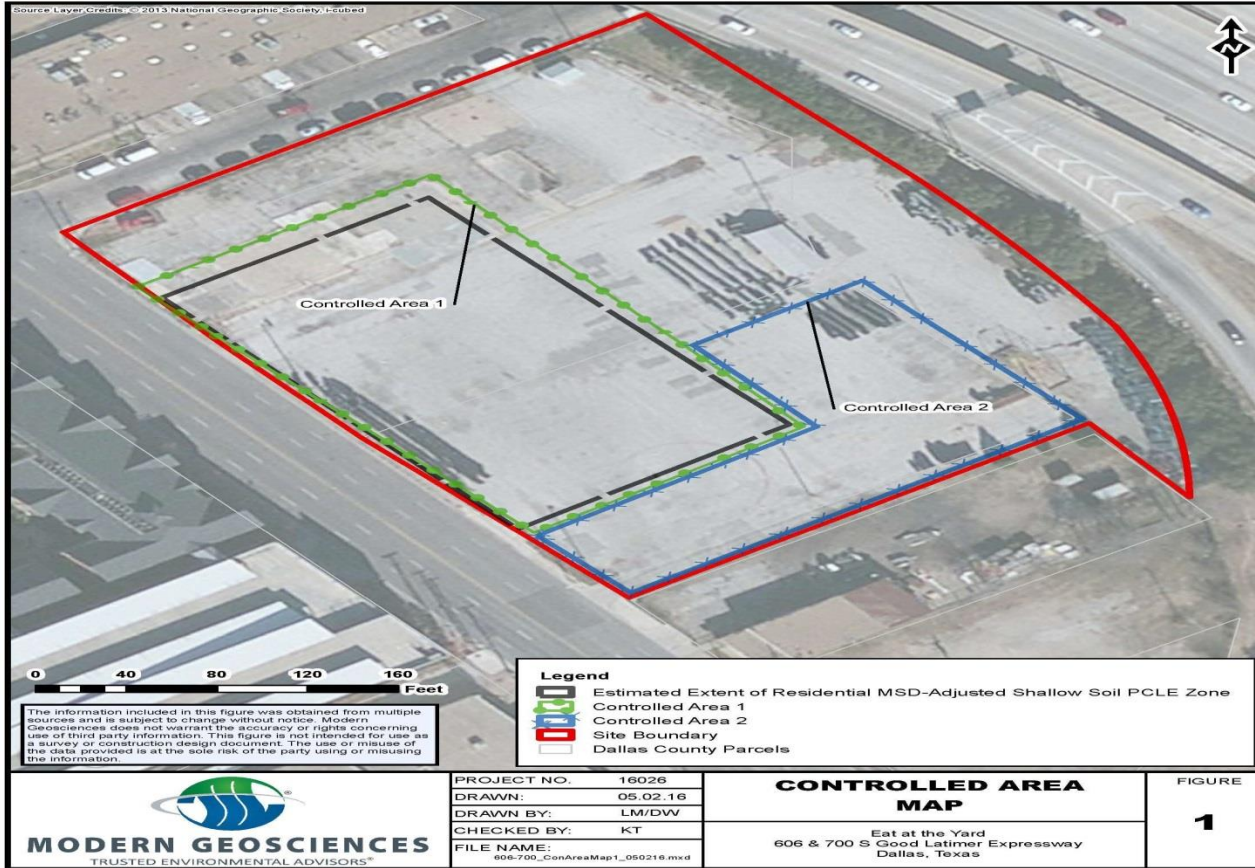
# ADDRESSING ENVIRONMENTAL CONCERNS, CONT'D

- Raised bed plantings will be required in controlled areas
- Installation of landscaping and trees will be allowed in non-controlled areas
  - fruit or nut trees do not have a root system that extend anywhere near groundwater depths (42 feet). Their roots only extend to possibly 2 feet and extend laterally
- Property will be entered into the TCEQ Voluntary Cleanup Program (VCP) and an Municipal Setting Designation (MSD) obtained to support closure

# PROPOSED DEVELOPMENT PLAN



# CONTROLLED AREAS



# PROPOSED TERMS

- 10-year lease agreement with option to renew two (2) additional periods of five (5) year terms
- Triple net lease
- Tenant responsible for all improvements and repairs to premises at no cost to City
- Minimum monthly rent, payable in advance and escalating at 3% per year beginning in year 3,
- Year 1 - \$1,500/mo, Year 2 - \$2,213/mo
- Minimum improvements to the property valued at \$700,000
- Property reverts to City upon cease of use

# PROPOSED TERMS

- Certain improvements remain on the property upon expiration of lease (Provides for future infrastructure that offset future Park development costs)
  - Bathrooms
  - In-ground Plantings
  - Trees
  - Sidewalks

# PROPOSED SCHEDULE

May 25, 2016	City Council considers authorizing Lease
June 25, 2016	Tenant begins preparing Site for Urban Farm
May 25, 2017	Urban Farm improvements complete

# DIRECTION ON FUTURE URBAN FARMS

- Staff anticipates an increasing number of requests to use City Property for Urban Farm/ Community Garden type uses
- This development is being used as a case study to aid in consideration of future requests:
  - non-profits, for-profits, private farming enterprises – worthy cause
  - will improve City property
  - pay fair market rent
  - will open operations for schools and other tours

# QUESTIONS??